



STATE OF WASHINGTON

April 29, 2010

The Honorable Kathleen Sebelius, Secretary
U.S. Department of Health and Human Services
200 Independence Avenue SW
Washington, D.C. 20201

Re: Notice of Intent

Via email

Dear Secretary Sebelius:

Please consider this Washington State's notice of intent to contract with the U.S. Department of Health and Human Services (HHS) to operate a temporary high risk pool program created by the Patient Protection and Affordable Care Act.

We intend to leverage the administrative framework and experience of our existing Washington State Health Insurance Pool (WSHIP) to quickly and efficiently create a temporary, federally-funded, high risk pool. WSHIP is a nonprofit organization created by statute (Chapter 48.41 RCW) to provide insurance coverage to Washington State residents who are denied health care coverage in the individual market. Information about the WSHIP program, including its most recent annual report, is available at: <https://www.wship.org>.

Our intent is conditional upon several factors and limitations that are listed in the enclosed resolution of the WSHIP Board of Directors, dated April 21, 2010. The WSHIP Board has determined it has legal authority to oversee the administration of the federal high risk pool program in our state with no new state legislative action needed. However, it is clear that the existing WSHIP statutory assessment mechanism can only be used for WSHIP-mandated options, not for the federal pool program or any other purpose. WSHIP can only participate in the administration of the federal program if it is very clear that federal funding – along with enrollee premiums – will cover all of the new federal program expenses.

Our goal is to submit an application that facilitates timely creation of the new, temporary, federal high risk pool for Washington residents. Timely implementation is dependent upon the additional information we need from HHS – in particular, the specific eligibility criteria and guidance defining benefits.

If an acceptable administrative contract can be negotiated in a timely manner, the federal pool program can use WSHIP's contracted infrastructure and vendors, with enrollment starting as early as July or August. The availability of federal startup funding would be critical to this effort.

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We look forward to receiving the contract packet and submitting an application as soon as possible. Mary Clogston, Deputy Commissioner for Policy and Legislative Affairs in the Insurance Commissioner's Office, is the primary contact person on this matter. Please do not hesitate to call her at (360) 725-7037 if you have any questions.

Sincerely,



Christine O. Gregoire
Governor



Mike Kreidler
Insurance Commissioner

Enclosure