

EMPLOYEE BENEFITS COMPLIANCE UPDATE



JANUARY 2023

Washington Partnership Access Line Fund

The Partnership Access Line (“PAL”) is actually four services that assist healthcare providers in the management of their patients’ psychiatric needs and connecting their patients to care and support. In 2020, the Washington legislature passed a bill that established the WAPAL Fund and directed the Health Care Authority (HCA) to collect a quarterly assessment fee from Washington health carriers and self-insured plans based on the number of covered lives in their plans which would go toward funding the PAL program services.

The HCA selected KidsVax, LLC to act as a third-party administrator to calculate and administer the assessment.

WHO NEEDS TO COMPLY WITH THIS ASSESSMENT?

By statute, the assessment will apply to all “assessed entities” with “covered lives.” An assessed entity includes health carriers, self-funded MEWAs, and employers (or other entities) that provide health care in Washington including self-funding entities and employee welfare benefit plans. A covered life refers to any individual residing in Washington for whom the assessed entity provides, pays for, insures, or covers health care services.

For fully insured plans, their health insurance carriers are required to submit a covered lives report and pay the corresponding assessment, meaning that no action should be necessary by employers. However, out-of-state employers with covered individuals who are residing in Washington may want to confirm with their health carrier that the fee is being handled. Typically, a fully insured plan will only be subject to the laws of the state in which the policy is issued. However, this particular legislation was written to apply to any plan (regardless of where it is issued) with covered lives in Washington.

For self-insured plans, the employer sponsoring the plan will be responsible for submitting the covered lives report and paying the corresponding assessment. Again, this assessment applies to out-of-state employers with covered individuals who are residing in Washington. An employer with a self-funded plan that covers at least one Washington resident will need to comply with this requirement, regardless of where the employer itself is located.

HOW DOES THIS WORK?

Assessed entities are required to submit quarterly covered lives reports within 45 days after the end of each quarter. Invoices will then be issued upon filing the covered lives report. The assessment fee is determined by the applicable assessment rate, which for Washington’s 2023 fiscal year is \$0.06 per covered life per month.

QUARTER ENDING	PAYMENT DUE
September 30, 2022	November 15, 2022
December 31, 2022	February 15, 2023
March 31, 2023	May 15, 2023
June 30, 2023	August 15, 2023

The covered lives report can be submitted here: assessments.wapalfund.org/

Further information on the WAPAL Fund and the assessment can be found in the following state resources:

wapalfund.org/faqs/

hca.wa.gov/assets/program/provider-access-lines-faq.pdf

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