

WAPAL Fund Advisory Council Charter

A. Purpose and Authority

The Washington Partnership Access Lines (PAL) Funding Program (WAPAL Fund) Advisory Council (AC), formed by the Washington State Health Care Authority (HCA), provides advice to SHFT Solving Healthcare Funding Together, LLC (SHFT), the WAPAL Fund administrator (Administrator), and HCA concerning how WAPAL Fund can execute faithfully its mission of funding PAL programs, as required by Washington law and regulation, while conducting its affairs efficiently and with due regard for equity among payers in allocating and collecting assessments due.

SHFT, under the direction of HCA, remains solely responsible for WAPAL Fund operations. It is intended that AC members have no duties to SHFT or HCA other than those in any separately stated ethics and confidentiality policy and no liability to SHFT or to HCA or any third party at any time on account of their service on the AC.

The responsibilities of the AC are as follows:

1. Upon request of SHFT from time to time, review SHFT's rate-setting worksheet, adopt appropriate policies, and recommend assessment rates to HCA.
2. Assist in identifying who should be paying assessments.
3. Offer guidance for all aspects of WAPAL Fund operations and personnel.
4. Make recommendations concerning any other matter referred by SHFT or HCA for consideration.
5. Consider and recommend procedures that support the efficiency and effectiveness of WAPAL Fund.
6. Support one another in maintaining good working relationships and engendering a spirit of collegiality.
7. Adhere to ethics and confidentiality policies of the AC.

The HCA shall retain the authority as to the continuance or discontinuance of the AC, whether to accept or reject or modify any of its recommendations, and whether to revise or discontinue or replace this charter at any time. SHFT shall maintain complete transparency with the AC concerning SHFT's actions with respect to any AC recommendation.

Nonetheless, as part of the mutual accountability sought by SHFT, in the event of any concern by the AC related to the competence or conduct of SHFT, AC members, acting through its Chair, are specifically authorized and encouraged to contact other senior leaders of HCA to express any such concerns and seek their insights and/or interventions on such matters.

B. Meeting Frequency and Notice

The AC will meet at the call of its Chair at least once each year. Meetings may be held in person or via teleconference, with meeting times generally set months in advance. Except for emergencies declared by the Chair or HCA, at least one week's notice will be provided to AC members for any meeting. Mindful of their important business and professional involvements, as well as personal scheduling needs of AC members, it specifically is understood that AC members may cease their service at any time for any reason (or for no stated reason) by notice to SHFT and HCA.

C. Membership

The AC shall consist of eight members and may conduct operations during any period of reduced membership. Other participants or consultants may be invited to assist the AC with specific deliberations. The Chair shall oversee the conduct of AC meetings.

AC members shall be the following:

1. A designee of the director of the HCA (Director). This designee shall serve as Chair of the Council.
2. A designee of the Insurance Commissioner of the State of Washington.
3. Six individuals, appointed by the Director or the Director's designee from nominations received from SHFT, the Association of Washington Healthcare Plans (AWHP), the Northwest Association of Administrators, and any payer legally obligated to pay an assessment to WAPAL Fund. From these nominees, HCA shall make reasonable efforts to assure continuous representation at all times from the following:
 - a. Three of the top five organizations, ranked by covered lives, responsible for assessment payments.
 - b. At least one State of Washington-domiciled insurer.
 - c. At least one insurer not domiciled in the State of Washington.
 - d. At least one third party administrator which is not a licensed insurer.

With respect to the six payer representatives, terms shall be established by HCA which provide for three classes of staggered three-year terms with two members in each class. No individual shall be permitted to serve more than two consecutive full three-year terms. However, an individual who has been disqualified on account of such continuous service shall be eligible for reappointment after a one-year gap. Members of the AC must comply with all policies and procedures of the AC.

D. Quorum

A quorum consists of at least four AC members, provided that the quorum shall be reduced to three at any time AC membership is less than seven. Motions may be made and seconded only by AC members. A majority vote of AC members in attendance and voting carries a motion.

E. Personal Representative

Any AC member may designate a Personal Representative (PR) to participate in any AC meeting in the capacity of the AC member. Such PR shall be entitled to participate. Any PR designation may be revoked or superseded at any time by the member making such designation provided that any PR designated be a person acceptable to the Chair and the other AC members.

F. Policies

The AC may from time to time adopt policies (e.g., ethics, conflicts, record retention, and communications) which govern its conduct and the conduct of its members in their role as AC members. It may also recommend such policies for WAPAL Fund to the HCA.

G. Committees

The AC may create committees (e.g., an audit committee), which shall consist of at least three AC members—one of whom is to chair the committee. The Chair shall be responsible for designating AC members to serve on the committees. Non-AC members may participate at the request of the Chair or the committee chair.

H. Consultants

To ensure that the AC's deliberations are well informed by the perspectives of key stakeholders or to gain the expertise of others, including outsiders, the AC may request that any SHFT employees or consultants or any person other than an AC member participate in selected meetings.

I. Support

SHFT shall supply administrative support for the AC. Unless otherwise determined by the AC, that support shall include working with the Chair to prepare agendas, schedule meetings, and complete all minutes and other supportive documentation.

First Adopted Effective as of: August 10, 2021

Last Revised: September 24, 2026