FINAL BILL REPORT

HB 1956

C 10 L 93
Synopsis as Enacted

Brief Description: Requiring computerized collection of health insurance coverage provided by certain state entities.

By Representatives Cothern, Locke, Wolfe and Springer; by request of Department of Social and Health Services.

House Committee on Health Care
House Committee on Appropriations
Senate Committee on Health & Human Services

Background: Presently, about 11 percent of the 500,000 recipients of medical assistance have some form of third-party health coverage. "Medical assistance" is provided through the Medical Assistance Administration (MAA) of the Department of Social and Health Services (DSHS), and includes Medicaid, refugee assistance, children's health programs, medical services for the General Assistance (GAU) and Alcoholism and Drug Addiction Treatment and Support Act (ADATSA) recipients, and the Medically Indigent Program. Federal law requires the Medical Assistance Administration to be the payer of last resort, thus all other insurance resources must be used before MAA can reimburse for coverage. DSHS considers the current methods of third-party coverage identification, such as client interview, target mailing, and Employment Security matching to be inefficient.

HB 1956 is proposed by DSHS to improve the identification process. It is estimated to save $3.1 million (general fund-state) for the 1993-95 Biennium.

Summary: The Medical Assistance Administration is required to provide computerized information to private insurers regarding client eligibility and coverage information. Private insurers are required to use this information to identify joint MAA/private insurance beneficiaries and report to the MAA. MAA will use this information to improve accuracy of health insurance coverage data and promote improved coordination of benefits.

MAA and affected private insurers are required to develop the necessary data elements and standards for a compatible database on insurance coverage.

The information shall be up-dated at least semi-annually and is protected against inappropriate release.

MAA is required to target those private insurers with a high probability of joint beneficiaries.

Votes on Final Passage:

House   98   0
Senate 39   0

Effective: July 25, 1993