

SENATE BILL REPORT

SB 5000

AS OF JANUARY 13, 1993

Brief Description: Repealing the basic health plan sunset termination.

SPONSORS: Senators Gaspard, Talmadge, Snyder, Prentice, Skratek, Drew, Fraser, Owen, Sheldon, Pelz, Rinehart, McAuliffe, M. Rasmussen, Wojahn, Williams, A. Rasmussen, A. Smith, Loveland, Vognild, Hargrove, Jesernig, Bauer, Spanel, Sutherland, Winsley, West, Moyer, Erwin, Quigley, von Reichbauer, Haugen, Sellar, Hochstatter, Newhouse, Oke, McDonald and Roach

SENATE COMMITTEE ON HEALTH & HUMAN SERVICES

Staff: Don Sloma (786-7319)

Hearing Dates:

BACKGROUND:

The Basic Health Plan (BHP) is a pilot program established by the Washington Legislature in 1987 to provide state subsidized, basic health insurance through privately managed health care plans to persons with incomes below 200 percent of the federal poverty level (approximately \$27,900/year for a family of four).

The BHP provides insurance coverage for medical care including preventive care, outpatient physician services, hospital care, emergency care, laboratory and x-ray, and ambulance services. The BHP does not cover prescription drugs, vision care, dental services, mental health or chemical dependency, most maternity care, physical therapy, cosmetic surgery, or organ transplants. In addition, there is a 12-month waiting period for pre-existing conditions.

To date the BHP has served 32,754 Washington citizens. Current enrollment stands at 22,169. The plan provides coverage to persons living in 19 of Washington's 39 counties including King, Spokane, Snohomish, Pierce, Clark, Pend Orielle, Yakima, Grays Harbor, Walla Walla and ten other counties.

The average BHP enrollee's family income is \$9,214/year. Average family size is 2.4 persons. Families with children make up 47 percent of the BHP's enrollees.

The average cost for BHP is \$86.12 per enrollee with the state paying \$68.83 and enrollees paying \$17.29 on average. Regardless of income, all enrollees in BHP contribute to the cost of the plan with enrollee premium sharing beginning at \$10 per month, per enrollee or \$20 per family.

As a pilot program, the BHP has completed a program and fiscal review, and is scheduled for termination under the provisions of the Washington State Sunset Act on June 30, 1993, unless reauthorized by the Legislature. The Legislative Budget Committee, which completed the review of the program last year, recommended continuation of the BHP.

SUMMARY:

The statutes terminating the BHP are repealed. The effect is to continue the BHP indefinitely.

Appropriation: none

Revenue: none

Fiscal Note: none requested