FINAL BILL REPORT
HB 1590

C 55 L 97
Synopsis as Enacted

Brief Description: Defining health plan.

Sponsors: Representatives Dyer and Backlund.

House Committee on Health Care
Senate Committee on Health & Long-Term Care

Background: There are three primary types of health carriers: (1) traditional health insurers that provide reimbursement for or payment of covered health services; (2) health care service contractors which are associations of providers that provide health care services; and (3) health maintenance organizations that provide health care services. Health carriers are regulated by the Office of the Insurance Commissioner (OIC).

A health plan is defined as any policy, contract, or agreement offered by a health carrier to provide, arrange, reimburse, or pay for health care, except for: (1) long-term care insurance; (2) medicare supplements; (3) limited health care service contracts; (4) disability income insurance; (5) incidental property and casualty insurance coverage; (6) workers' compensation coverage; (7) accident only insurance; (8) specified disease supplemental coverage; (9) employer-sponsored self-funded health plans; and (10) dental or vision only plans.

Health carriers offering health plans must meet certain requirements, and the health plans themselves must also meet certain requirements. For instance, health carriers that offer any health plan must offer individuals or employers with 26 to 50 employees a plan equivalent to the services contained in the Basic Health Plan. Some health plans offered to individuals and employers with 26 or more employees must include statutorily mandated benefits. Also, health plans for individuals and employers with 50 or fewer employees are subject to adjusted community rating.

Summary: Plans deemed by the insurance commissioner to have a short-term or limited purpose, or to be student-only plans, are excluded from the definition of health plan.

Votes on Final Passage:

House 95 0

Senate 47 0

Effective: April 16, 1997