

SENATE BILL REPORT

SHB 2226

As Reported By Senate Committee On:
Health & Long-Term Care, April 1, 1997

Title: An act relating to residency requirements for subsidized enrollees in the basic health plan.

Brief Description: Establishing residency requirements for subsidized enrollees in the basic health plan.

Sponsors: House Committee on Health Care (originally sponsored by Representatives Dyer, Cody, Cooke, Crouse, Sheahan, Clements, Alexander, Wensman, Sehlin, Carlson, Talcott, D. Schmidt, Benson, Regala, Tokuda, Anderson, Wood, Hatfield, Kessler, Blalock, Backlund and Kenney).

Brief History:

Committee Activity: Health & Long-Term Care: 3/27/97, 4/1/97 [DP].

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass.

Signed by Senators Deccio, Chair; Wood, Vice Chair; Benton, Strannigan and Wojahn.

Staff: Jonathan Seib (786-7427)

Background: The Basic Health Plan (BHP) was created in 1987 as a state-administered program that allows state residents to enroll in one of several privately administered managed care health plans, all offering the same schedule of basic health services. The plan is administered by the state Health Care Authority (HCA) on a subsidized and unsubsidized basis. Presently, there are 126,500 subsidized BHP enrollees, with roughly 69,000 interested persons on a waiting list; there are also 18,400 unsubsidized enrollees. The BHP schedule of benefits must include "physician services, inpatient and outpatient hospital services, prescription drugs and medications, and other services that may be necessary for basic health care. . . ." Consistent with agency appropriation, the HCA administrator has added limited ". . . chemical dependency services, mental health services and organ transplant services . . ." to the schedule.

To be eligible for the subsidized BHP, one must be ineligible for Medicare, have gross family income at the time of enrollment that does not exceed twice the federal poverty level, and reside in an area of the state served by a managed health care system participating in the plan.

Presently, there is no minimal period of residency required prior to BHP eligibility.

Summary of Bill: To be eligible for the subsidized BHP, a person must have resided for at least 11 months in an area of the state served by a managed health care system

participating in the plan; however, seasonal workers, as defined by rule, are exempt from this requirement.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: None.

Testimony Against: The bill is of particular concern to home care agencies and other group providers using the BHP because of the risk that if one of the group did not meet the residency requirement, all in the group would be disqualified from coverage. The bill is unconstitutional. There will be substantial costs in defending the bill in court when the bill itself will do little to increase access to the BHP.

Testified: Dennis Martin, Health Care Authority; CON: Majken Ryherd Keira, Fremont Public Association, Friends of BHP; Ele Hamburger, Washington Citizen Action; Margaret Casey, Washington State Chore and Home Care.