

FINAL BILL REPORT

HB 3154

C 80 L 00

Synopsis as Enacted

Brief Description: Modifying provisions concerning health insurance.

Sponsors: Representatives Cody, Parlette, Conway, Clements, Campbell, Cairnes and Wood.

Background:

Legislation passed during the 2000 legislative session modified standards governing health benefit plans, primarily in the individual market. Under this legislation, the Governor is authorized to appoint six of ten members of the Washington Health Insurance Pool Board. The Governor must select board members from a list of three names submitted by various state-wide organizations.

The legislation permits health carriers to deny coverage for applicants based on a health questionnaire. Individuals who exhaust their health insurance coverage under the federal COBRA provisions are required to take this health questionnaire and be screened.

The basic health plan self-insurance reserve account is managed by the state investment board. The board is not authorized to deduct investment and management fees from the account.

The federal Health Insurance Portability and Accountability Act (HIPAA) of 1996 establishes standards insurance related to preexisting condition waiting periods. Each state insurance program and health insurance carrier must comply with these minimum federal standards.

Summary of Bill:

In making appointments to the Washington Health Insurance Pool Board, if the Governor chooses not to select a name from the list submitted by the state-wide organizations representing the members of the board, the Governor may request that the organizations submit additional names for the Governor's consideration.

Individuals exhausting their COBRA health coverage and applying for individual health insurance are not subject to a health questionnaire.

The state investment board may deduct investment and management fees from the basic health plan self-insurance reserve account.

Health carriers, the Washington State Health Insurance Pool, and the new product offered by the health care authority must all comply with HIPAA standards relating to preexisting conditions when serving consumers applying for health coverage.

Votes on Final Passage:

House 96 0

Senate 43 1

Effective: June 8, 2000