E2SHB 2572 - S AMD TO HEA COMM AMD (S5588.2)
    By Senator Deccio

PULLED 03/01/2006

1   On page 2, line 19 of the amendment, after "act" insert ", or
2 subsidies to fund a health savings account under section 5 of this act"

3   On page 2, after line 19 of the amendment, insert the following:

4   "NEW SECTION. **Sec. 4.** HEALTH SAVINGS ACCOUNT SUBSIDIES TO
5 ELIGIBLE EMPLOYEES. (1) Beginning July 1, 2007, the administrator
6 shall accept applications from eligible employees, on behalf of
7 themselves, their spouses, and their dependent children, to receive
8 subsidies to fund a health savings account through the small employer
9 health insurance partnership program.
10   (2) Health savings account subsidy payments may be provided to
11 eligible employees if:
12   (a) The eligible employee is employed by a small employer; and
13   (b) The eligible employee participates in an employer sponsored
14 high deductible health plan and health savings account that conforms to
15 section 223, Part VII of subchapter B of chapter 1 of the internal
16 revenue code of 1986.
17   (3) The amount of an eligible employee's health savings account
18 subsidy shall be determined by the legislature in the biennial
19 operating budget.
20   (4) After an eligible individual has enrolled in the program, the
21 program shall issue subsidies in an amount determined pursuant to
22 subsection (3) of this section to either the eligible employee or to
23 the carrier designated by the eligible employee.
24   (5) An eligible employee must agree to provide verification of
25 continued enrollment in his or her small employer's health benefit plan
26 on a semiannual basis or to notify the administrator whenever his or
27 her enrollment status changes, whichever is earlier. Verification or
28 notification may be made directly by the employee, or through his or
29 her employer or the carrier providing the small employer health benefit

1 plan. When necessary, the administrator has the authority to perform
2 retrospective audits on health savings account subsidy accounts. The
3 administrator may suspend or terminate an employee's participation in
4 the program and seek repayment of any subsidy amounts paid due to the
5 omission or misrepresentation of an applicant or enrolled employee.
6 The administrator shall adopt rules to define the appropriate
7 application of these sanctions and the processes to implement the
8 sanctions provided in this subsection, within available resources."

9   Renumber the remaining sections consecutively and correct internal
10 references accordingly.

    EFFECT: Allows the Health Care Authority to also provide
subsidies for individuals who have health savings accounts.

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