

HOUSE BILL REPORT

HB 2398

As Passed House:
February 11, 2006

Title: An act relating to expanding participation in state purchased health care programs.

Brief Description: Expanding participation in state purchased health care programs.

Sponsors: By Representatives Cody, Morrell, Appleton, Hasegawa, Clibborn, Hudgins, Dickerson, Kagi, Green and Schual-Berke.

Brief History:

Committee Activity:

Health Care: 1/10/06, 1/13/06 [DP].

Floor Activity:

Passed House: 2/11/06, 53-42.

Brief Summary of Bill

- Individuals applying for the Basic Health Plan as nonsubsidized enrollees must first take the same standard health questionnaire used by individuals seeking health coverage through the individual health insurance market.

HOUSE COMMITTEE ON HEALTH CARE

Majority Report: Do pass. Signed by 9 members: Representatives Cody, Chair; Campbell, Vice Chair; Morrell, Vice Chair; Appleton, Clibborn, Green, Lantz, Moeller and Schual-Berke.

Minority Report: Do not pass. Signed by 6 members: Representatives Hinkle, Ranking Minority Member; Curtis, Assistant Ranking Minority Member; Alexander, Bailey, Condotta and Skinner.

Staff: Dave Knutson (786-7146).

Background:

Since 2000, individuals seeking health insurance coverage through the individual market have been required to first complete a standard health questionnaire. If the standard health questionnaire identifies the applicant as being in the top 8 percent of most costly cases, the health carrier may deny the individual's application and refer them for coverage to the Washington State Health Insurance Pool. Individuals who apply for coverage as a

nonsubsidized enrollee in the Basic Health Plan are not required to complete the standard health questionnaire as part of the application process.

Summary of Bill:

Individuals applying for the Basic Health Plan as nonsubsidized enrollees must first take the same standard health questionnaire used by individuals seeking health coverage through the individual health insurance market. If the standard health questionnaire identifies the applicant as being in the top 8 percent of most costly cases, the Basic Health Plan will deny the individual's application and refer them for coverage to the Washington State Health Insurance Pool.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: If applicants for the nonsubsidized basic health plan are required to take the standardized health questionnaire, it would result in the 8 percent of most costly cases being shifted to the Washington state health insurance program. This would make the remaining enrollees in the nonsubsidized basic health plan healthier and, therefore, less costly to cover. It might result in health carriers deciding to again offer policies for the nonsubsidized basic health plan.

Testimony Against: The nonsubsidized basic health plan has not had any enrollees since at least 2000. It is unlikely health carriers will offer policies for the nonsubsidized basic health plan regardless of whether applicants will take the standard health questionnaire or not.

Persons Testifying: (In support) Representative Cody, prime sponsor; and Dennis Martin, Health Care Authority.

(With concerns) Sydney Zvara, Association of Washington Healthcare Plans; Nancee Wildermuth, Regence Blue Shield, PacifiCare, Aetna; and Gary Smith, Independent Business Association.

(Opposed) Mel Sorensen, America's Health Insurance Plans.

Persons Signed In To Testify But Not Testifying: None.