
SENATE BILL 5529

State of Washington

59th Legislature

2005 Regular Session

By Senators Fairley and Kohl-Welles

Read first time 01/27/2005. Referred to Committee on Financial Institutions, Housing & Consumer Protection.

1 AN ACT Relating to continuing health insurance coverage for
2 convicted felons; amending RCW 48.41.160, 48.44.220, 48.44.360, and
3 48.46.380; and adding a new section to chapter 48.46 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 48.41.160 and 1987 c 431 s 16 are each amended to read
6 as follows:

7 (1) A pool policy offered under this chapter shall contain
8 provisions under which the pool is obligated to renew the policy until
9 the day on which the individual in whose name the policy is issued
10 first becomes eligible for medicare coverage. At that time, coverage
11 of dependents shall terminate if such dependents are eligible for
12 coverage under a different health plan. Dependents who become eligible
13 for medicare prior to the individual in whose name the policy is
14 issued, shall receive benefits in accordance with RCW 48.41.150.

15 (2) The pool may not change the rates for pool policies except on
16 a class basis, with a clear disclosure in the policy of the pool's
17 right to do so.

18 (3) A pool policy offered under this chapter shall provide that,
19 upon the death or felony conviction of the individual in whose name the

1 policy is issued, every other individual then covered under the policy
2 may elect, within a period specified in the policy, to continue
3 coverage under the same or a different policy.

4 **Sec. 2.** RCW 48.44.220 and 1983 c 154 s 4 are each amended to read
5 as follows:

6 No health care service contractor shall deny coverage to any person
7 solely on account of race, religion, national origin, felony
8 conviction, or the presence of any sensory, mental, or physical
9 handicap. Nothing in this section shall be construed as limiting a
10 health care service contractor's authority to deny or otherwise limit
11 coverage to a person when the person because of a medical condition
12 does not meet the essential eligibility requirements established by the
13 health care service contractor for purposes of determining coverage for
14 any person.

15 No health care service contractor shall refuse to provide
16 reimbursement or indemnity to any person for covered health care
17 services for reasons that the health care services were provided by a
18 holder of a license under chapter 18.22 RCW.

19 **Sec. 3.** RCW 48.44.360 and 1984 c 190 s 5 are each amended to read
20 as follows:

21 (1) Every health care service contractor that issues group
22 contracts providing group coverage for hospital or medical expense
23 shall offer the contract holder an option to include a contract
24 provision granting a person who becomes ineligible for coverage under
25 the group contract, including a person who becomes ineligible as a
26 consequence of a felony conviction, the right to continue the group
27 benefits for a period of time and at a rate agreed upon. The contract
28 provision shall provide that when such coverage terminates, the covered
29 person may convert to a contract as provided in RCW 48.44.370.

30 (2) Subsection (1) of this section applies to the dependents of a
31 covered person who loses group coverage eligibility due to a felony
32 conviction.

33 NEW SECTION. **Sec. 4.** A new section is added to chapter 48.46 RCW
34 to read as follows:

35 Each health maintenance agreement issued, amended, or renewed after

1 the effective date of this section must provide for the continuation of
2 coverage for a convicted felon and that felon's dependents upon payment
3 of the premium for the coverage.

4 **Sec. 5.** RCW 48.46.380 and 1993 c 492 s 291 are each amended to
5 read as follows:

6 Every authorized health maintenance organization, upon canceling,
7 denying, or refusing to renew any individual health maintenance
8 agreement, shall, upon written request, directly notify in writing the
9 applicant or enrolled participant as appropriate, of the reasons for
10 the action by the health maintenance organization. Any benefits,
11 terms, rates, or conditions of such agreement which are restricted,
12 excluded, modified, increased, or reduced shall, upon written request,
13 be set forth in writing and supplied to the individual. The written
14 communications required by this section shall be phrased in simple
15 language which is readily understandable to a person of average
16 intelligence, education, and reading ability. The written
17 communication must include a statement of the right of a convicted
18 felon, and the felon's dependents, to continue coverage upon payment of
19 the premium for the coverage.

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