

SB 5861 - DIGEST

Recognizes that to stabilize the health insurance market and reduce the number of uninsured people in Washington state, health insurance premiums need to be lower. An uncertain market due to the uncompensated care needs of uninsured individuals and our current method of covering high-cost enrollees contributes to rising health insurance premiums. Our private health insurance market can begin covering some uninsured people and reduce uncompensated care when coverage is pooled for high-cost enrollees.

Declares an intent to reduce premiums, primarily for small employers, by broadly pooling high-cost enrollees and providing reinsurance services to the pool that reduces the cost of coverage. Pooling and reinsurance services for these unpredictable, high health care costs will reduce the uncertainty that raises premiums across the private health insurance market. Lower premiums will reduce the number of uninsured people in Washington state.

Finds that a reduction in the number of people needing health insurance will reduce the cost to providers who treat uninsured people and lower the cost of the uncompensated care borne by the premiums paid by purchasers and consumers. A part of the savings from more predictable premiums and less uncompensated care can be recaptured and targeted to make health insurance affordable for more small employers and others in the private health insurance market.

Creates a nonprofit entity known as the health insurance market stabilization pool. The purpose of the pool is to enroll more uninsured people in the private health insurance market by lowering and stabilizing premiums.