SENATE BILL REPORT
ESHB 1401

As Reported by Senate Committee On:
Health & Long-Term Care, March 19, 2009

Title: An act relating to the standard health questionnaire.

Brief Description: Concerning the standard health questionnaire.

Sponsors: House Committee on Health Care & Wellness (originally sponsored by Representatives Cody, Hinkle, Morrell, Ericksen, Green, Moeller and Kelley).

Brief History: Passed House: 2/23/09, 97-0.
  Committee Activity: Health & Long-Term Care: 3/19/09 [DP].

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass.
  Signed by Senators Keiser, Chair; Franklin, Vice Chair; Pflug, Ranking Minority Member; Becker, Fairley, Marr, Murray and Parlette.

Staff: Mich'l Needham (786-7442)

Background: Congress passed the Consolidated Omnibus Budget Reconciliation Act (COBRA) health benefit provisions in 1986. The law amends the Employee Retirement Income Security Act (ERISA), the Internal Revenue Code, and the Public Health Service Act to provide continuation of group health coverage that otherwise would be terminated. COBRA contains provisions giving certain former employees, retirees, spouses, and dependent children the right to temporary continuation of health coverage at group rates. The law generally covers group health plans maintained by employers with 20 or more employees in the prior year.

A recent analysis from The Commonwealth Fund found only 9 percent of laid-off workers took up coverage under COBRA in 2006. The analysis indicates 66 percent of all current workers, if laid off, would be eligible to extend their health insurance under COBRA; however, only 38 percent of low-wage workers are eligible to receive COBRA benefits because they don't receive health insurance through their jobs, work for small firms that aren't required to offer COBRA, or are uninsured to begin with.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Currently, persons wishing to purchase an individual health benefit plan must complete a standard health questionnaire unless they are moving from one geographic area to another where the current health plan is not offered, their established health care provider is no longer in the network of the individual health plan, they have exhausted COBRA continuation coverage and apply within 90 days, they lose group coverage from a group that was exempt from COBRA requirements but had at least 24 months of continuous coverage immediately prior to disenrollment, or they had at least 24 months of continuous coverage in the Basic Health plan immediately prior to application.

Summary of Bill: Individuals who are eligible to purchase COBRA continuation coverage or who drop COBRA continuation coverage are not required to take the standard health questionnaire when they apply for individual health insurance coverage. Individuals who do not qualify for COBRA coverage because their employer employs fewer than 20 employees do not have to complete the standard health questionnaire if they apply for an individual health care policy within 90 days of a federally-defined qualifying event.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This is aimed at people losing their jobs and allows some additional flexibility to ensure they can retain access to coverage and not subject them to the health screening questionnaire unnecessarily. This is the same as the Senate bill passed by this committee. It also cleans up inadvertent language for people coming off coverage from the mini-groups and makes the exceptions to the health screen consistent throughout and cleaner for the carriers.

Persons Testifying: PRO: Representative Cody, prime sponsor; Carrie Tellefson, Regence.