

HOUSE BILL REPORT

HB 2003

As Reported by House Committee On: Ways & Means

Title: An act relating to premium payments for children's health coverage for children in families with income greater than two hundred percent of the federal poverty level who are not eligible for the federal children's health insurance program.

Brief Description: Concerning premium payments for children's health coverage for certain families who are not eligible for federal children's health insurance coverage.

Sponsors: Representatives Pettigrew, Hunter, Ryu and Kenney.

Brief History:

Committee Activity:

Ways & Means: 2/25/11 [DP].

Brief Summary of Bill

- Requires children in families with incomes greater than 200 percent of the Federal Poverty Level who are not eligible for the federally-funded Children's Health Insurance Program to pay premiums equal to the per capita cost of coverage under the state-funded Children's Health Program to receive state medical coverage.
- Allows financial sponsors to pay premiums on the behalf of children who are required to pay premiums for state medical coverage.

HOUSE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass. Signed by 27 members: Representatives Hunter, Chair; Darneille, Vice Chair; Hasegawa, Vice Chair; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Dammeier, Assistant Ranking Minority Member; Orcutt, Assistant Ranking Minority Member; Carlyle, Chandler, Cody, Dickerson, Haigh, Haler, Hinkle, Hudgins, Hunt, Kagi, Kenney, Ormsby, Parker, Pettigrew, Ross, Schmick, Seaquist, Springer, Sullivan and Wilcox.

Staff: Erik Cornellier (786-7116).

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.

Background:

The Department of Social and Health Services (DSHS) operates the Apple Health for Kids program, which provides medical coverage for children under age 19 in families with incomes at or below 300 percent of the federal poverty level (FPL). Apple Health for Kids includes three programs for financing this coverage. The joint state-federal Medicaid program provides coverage for children with family incomes at or below 133 percent of the FPL. The joint state-federal Children's Health Insurance Program (CHIP) provides coverage for children with family incomes above 133 percent and at or below 300 percent of the FPL. The state-funded Children's Health Program (CHP) provides coverage for children with family incomes at or below 300 percent of the FPL who are not eligible for Medicaid or CHIP due to their citizenship status.

Children with family incomes greater than 200 percent of the FPL are required to pay premiums for health care coverage. The premiums are based on family income and cannot exceed the premium limitations in the federal Social Security Act.

Children with family incomes above 300 percent of the FPL can purchase coverage from the DSHS without state subsidy.

Summary of Bill:

Children in families with incomes greater than 200 percent of the FPL who are not eligible for the federally-funded CHIP are required to pay premiums equal to the per capita cost of coverage under the state-funded CHP.

Financial sponsors, including charitable or faith-based organizations, may pay premiums on behalf of children who are required to pay premiums. Sponsors must arrange their sponsorships with parents and provide the sponsorships through a mechanism acceptable to the DSHS.

Appropriation: None.**Fiscal Note:** Requested on February 24, 2011.**Effective Date:** The bill contains an emergency clause and takes effect on April 1, 2011.**Staff Summary of Public Testimony:**

(In support) None.

(Other) This bill is not desirable because it will restrict access to health care for children, but it is necessary to implement the budget. This partial reduction is better than the Governor's proposal to completely eliminate the CHP. The provision that allows financial sponsors to

pay premiums could be significant in helping families purchase health care for children impacted by this reduction.

(Opposed) None.

Persons Testifying: Jen Estroff, Children's Alliance.

Persons Signed In To Testify But Not Testifying: None.