

FINAL BILL REPORT

ESSB 5371

C 315 L 11

Synopsis as Enacted

Brief Description: Addressing the needs for health insurance coverage for persons under age nineteen.

Sponsors: Senate Committee on Health & Long-Term Care (originally sponsored by Senators Keiser and Conway).

Senate Committee on Health & Long-Term Care
House Committee on Health Care & Wellness

Background: The federal Patient Protection and Affordable Care Act (PPACA), passed in March 2010, requires all health insurance carriers to provide coverage for persons under age 19 without application of pre-existing condition exclusions, for policies issued on or after September 23, 2010.

Previously, the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) limited the application of pre-existing condition waiting periods under certain conditions for all group plans. PPACA extended the provisions to individual plans and self-insured plans for all persons effective January 1, 2014, and persons under 19 beginning in 2010.

The federal Department of Health and Human Services with the Department of Labor and the Department of the Treasury, has issued regulations for the enrollment of persons under age 19. All health plans must issue the coverage as guarantee issue and may not apply health screening exams, known as the standard health questionnaire in Washington State. The Office of the Insurance Commissioner issued emergency rules to help guide insurance carriers through implementation with the establishment of open enrollment periods and special enrollment qualifying events (such as loss of eligibility for Medicaid or other public programs, loss of coverage due to a divorce, loss of coverage due to a move out of a plan service area, or birth or adoption).

The Washington State Health Insurance Pool (WSHIP), or high risk pool, is established in statute to provide coverage for those persons that are rejected for individual health insurance as a result of the standard health questionnaire screening. The pool cannot reject an individual with pre-existing conditions but it does apply a six-month waiting period for coverage of pre-existing conditions.

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.

Summary: The state statutes governing regulated insurance carriers and health plans are modified to reflect the PPACA requirement to provide coverage for persons under age 19 without application of pre-existing condition exclusions and without a health screening exam. The requirement does not apply to a grandfathered plan, as established in PPACA.

The Office of the Insurance Commissioner (Commissioner) must establish rules defining the time frame for open enrollment, an opportunity to be held at the same time each year when applicants may enroll in individual health plan coverage without health screening or providing other evidence of insurability. Rules must also define a special enrollment that is triggered by a specific qualifying event.

The Commissioner must monitor the sale of individual health benefit plans and if an insurance carrier refuses to sell policies to persons under age 19 during open enrollment or special enrollment, and may issue fines or suspend or revoke the carrier license as provided in RCW 48.05.

Eligibility for WSHIP, or high risk pool, is modified to include persons under 19 that do not have access to individual plan open enrollment or special enrollment, or the federal pre-existing condition insurance pool at the time of application. The pool may not impose any pre-existing condition waiting period for any person under 19.

Votes on Final Passage:

Senate	48	1	
House	90	2	(House amended)
Senate	48	0	(Senate concurred)

Effective: May 11, 2011 (Sections 5 and 6).
July 22, 2011.