
Health Care & Wellness Committee

SB 5974

Brief Description: Requiring the insurance commissioner to review barriers to offering supplemental coverage options to disabled veterans and their dependents.

Sponsors: Senators Benton, Bailey, Hobbs, Chase, Cleveland, Angel, Hasegawa, Roach, Jayapal, Fraser, McCoy and Hewitt.

Brief Summary of Bill

- Requires the Insurance Commissioner to review and report on barriers to attracting insurance policies supplemental to the Civilian Health and Medical Program of the Department of Veterans Affairs.

Hearing Date: 3/13/15

Staff: Alexa Silver (786-7190).

Background:

The Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA) is a health benefits program administered by the United States Department of Veterans Affairs. A person may be eligible for CHAMPVA if he or she is the spouse, widow or widower, or child of a veteran who:

- is, or was at the time of death, rated permanently or totally disabled due to a service-connected disability;
- died of a service-connected disability; or
- died on active duty.

TRICARE is a health care program for active duty and retired members of the military, their families, and survivors. A person who is eligible for TRICARE is not eligible for CHAMPVA.

CHAMPVA provides reimbursement for most medically necessary health care services, including ambulance service, inpatient and outpatient services, ambulatory surgery, pharmacy,

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mental health services, family planning and maternity, skilled nursing care, and hospice care. Beneficiaries must pay an annual deductible of \$50 per person or \$100 per family, as well as a copayment of 25 percent of the allowed amount for services. The allowed amount is generally the same as for TRICARE and Medicare.

CHAMPVA supplemental policies charge a premium and cover out-of-pocket costs, such as the beneficiary's deductible, copayment, or costs over the CHAMPVA allowed amount. Many CHAMPVA supplemental policies have a preexisting condition waiting period, and some are available only to members of a particular organization.

Summary of Bill:

The Insurance Commissioner (Commissioner) must review the supplemental coverage options offered to the Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA) and identify barriers to attracting supplemental policies to the state. The Commissioner must report on steps the state and the Department of Veterans Affairs (DVA) can take to promote access to CHAMPVA supplemental policies. The review and recommendations must be submitted to the Governor, the appropriate committees of the Legislature, and the DVA by November 11, 2015.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.