

# HOUSE BILL REPORT

## SB 5974

---

**As Passed House:**  
April 13, 2015

**Title:** An act relating to the insurance commissioner review of barriers to offering supplemental coverage options to disabled veterans and their dependents.

**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 History:**

**Committee Activity:**

Health Care & Wellness: 3/13/15, 3/17/15 [DP].

**Floor Activity:**

Passed House: 4/13/15, 97-0.

**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.

---

### HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

**Majority Report:** Do pass. Signed by 15 members: Representatives Cody, Chair; Riccelli, Vice Chair; Schmick, Ranking Minority Member; Harris, Assistant Ranking Minority Member; Caldier, Clibborn, DeBolt, Jinkins, Johnson, Moeller, Robinson, Rodne, Short, Tharinger and Van De Wege.

**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

---

*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.*

Veterans Affairs. A person may be eligible for the 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 the CHAMPVA.

The CHAMPVA provides reimbursement for most medically necessary health care services, including ambulance service, inpatient and outpatient services, ambulatory surgery, pharmacy, 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. The maximum out-of-pocket expenses that a family may incur for covered services is \$3,000 per year.

Policies supplemental to the CHAMPVA 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.

**Staff Summary of Public Testimony:**

(In support) None.

(Opposed) None.

**Persons Testifying:** None.

**Persons Signed In To Testify But Not Testifying:** None.