

# SENATE BILL REPORT

## SB 5683

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As of February 16, 2017

**Title:** An act relating to health care for Pacific Islanders residing in Washington under a compact of free association.

**Brief Description:** Concerning health care for Pacific Islanders residing in Washington under a compact of free association.

**Sponsors:** Senators Saldaña, Kuderer, Cleveland, Hasegawa, Darneille, Hunt, Conway, Keiser, Hobbs, McCoy and Pedersen.

**Brief History:**

**Committee Activity:** Health Care: 2/14/17.

**Brief Summary of Bill**

- Creates a premium assistance program for Washington residents who are citizens of the Republic of the Marshall Islands, the Federated States of Micronesia, or the Republic of Palau.

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### SENATE COMMITTEE ON HEALTH CARE

**Staff:** Mich'l Needham (786-7442)

**Background:** Under the federal Patient Protection and Affordable Care Act (ACA), each state must establish a health benefit exchange through which consumers may compare and purchase individual and small group coverage, access premium and cost-sharing subsidies, and apply for Medicaid coverage. Premium subsidies are available to individuals between 100 percent and 400 percent of the federal poverty level. Qualified health plans sold in an exchange must meet certain standardized actuarial values: Bronze, 60 percent; Silver, 70 percent; Gold, 80 percent; and Platinum, 90 percent. Washington's health benefit exchange, the Washington Healthplanfinder, is a public-private partnership governed by a board consisting of members with expertise in the health care system and health care coverage.

Under the Compact of Free Association (COFA), citizens of the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau may live and work in the United States and serve in the United States Military. Citizens of COFA nations are also

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eligible for premium assistance through the Exchanges established by the ACA. Citizens of COFA nations are, however, ineligible for Medicaid.

The State Board of Health (Board), in collaboration with the Governor's Interagency Council on Health Disparities, may complete health impact reviews on legislative proposals to evaluate the proposals' impact on health and health disparities. In 2016, the Board completed a health impact review on HB 2986 (2016), which created a premium assistance program for citizens of COFA nations. The Board determined that the program would improve access and outcomes for COFA citizens and decrease health disparities.

A Health Impact Review of this legislation was requested and is available at the Washington State Board of Health's website, <http://sboh.wa.gov/Portals/7/Doc/HealthImpactReviews/HIR-2017-12-SB5683.pdf>.

**Summary of Bill:** The COFA Premium Assistance Program (Program) is established. Through the Program, the Health Care Authority (HCA) must, within funds appropriated for the specific funds, pay the premiums and out-of-pocket costs associated with a qualified health plan purchased by an eligible individual. A person is eligible for the Program if they:

- are a Washington resident;
- are a citizen of a COFA nation;
- enroll in a Silver plan;
- have an income that is less than 133 percent of the federal poverty level; and
- are ineligible for Medicaid coverage.

A person is disqualified for the program if they:

- no longer meets the eligibility criteria;
- fail to comply with the Program requirements related to procedures or documentation;
- fail to notify HCA of a change of address in a timely manner;
- withdraw their application or request the termination of coverage; or
- commit fraud that results in an insurer rescinding the policy.

The HCA must establish:

- application, enrollment, and renewal processes;
- the qualified health plans that are eligible for reimbursement by the Program;
- procedural requirements for participation in the Program;
- open enrollment and special enrollment periods consistent with the enrollment periods of the Washington Healthplanfinder—the first open enrollment period must begin by November 1, 2017; and
- a comprehensive community education and outreach campaign that must begin no later than September 1, 2017.

HCA must appoint an advisory committee (Committee) that must include insurers and representatives of communities of citizens of COFA nations. The Committee must advise the HCA in the development, implementation, and operation of the Program.

By December 31, 2018, HCA must report to the Governor and the Legislature on the implementation of the Program. The report must include:

- the number of people participating in the program;

- the actual costs of the program compared to predicted costs;
- the results of the community education and outreach campaign; and
- funding needed to continue the program through the end of the biennium.

**Appropriation:** None.

**Fiscal Note:** Requested on February 13, 2017.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** The bill contains an emergency clause and takes effect immediately.

**Staff Summary of Public Testimony:** PRO: Our district is the home of the international district with a very diverse population, including many Pacific Islanders. There are approximately 6500 COFA citizens in Washington. The fiscal note shows a large enrollment assumption but it missed that children and pregnant women are already covered so there would be a smaller take up than assumed with 2000 to 3000 that could qualify for the new program. Washington has a significant number of Pacific Islanders here. Through the compact, these citizens are able to freely migrate, study, and work here, but changes in 1996 to Medicaid coverage took Medicaid away from COFA citizens. It is critical to access health care especially to address the unique health disparities with this population, many of which were caused by the United States bombing of their islands. There is a long history with the United States and these islands. Many lands were contaminated by our bombing. We should provided access to health care for these individuals that is the same as other legally present individuals. The Board of Health completed a health impact review that shows if Washington creates a COFA premium assistant program people will enroll and they will have improved access to care.

**Persons Testifying:** PRO: Senator Rebecca Saldaña, Prime Sponsor; Holly Barker, citizen; Desiree Gross, UW Student; Rachael Tamngin, University of Washington student; Brianne Ramos, Pacific Islander Health Board.

OTHER: Alexandra Montano, State Board of Health/Policy Analyst.

**Persons Signed In To Testify But Not Testifying:** No one.