

# HOUSE BILL REPORT

## HB 2677

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**As Passed House:**  
February 16, 2020

**Title:** An act relating to sharing health insurance information to improve the coordination of benefits between health insurers and the health care authority.

**Brief Description:** Sharing health insurance information to improve the coordination of benefits between health insurers and the health care authority.

**Sponsors:** Representatives Chopp, Cody, Tharinger, Leavitt and Davis; by request of Health Care Authority.

**Brief History:**

**Committee Activity:**

Health Care & Wellness: 1/31/20, 2/4/20 [DP].

**Floor Activity:**

Passed House: 2/16/20, 96-0.

**Brief Summary of Bill**

- Changes the primary responsibility for sharing information on joint beneficiaries from the Health Care Authority to health insurers.

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### HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

**Majority Report:** Do pass. Signed by 15 members: Representatives Cody, Chair; Macri, Vice Chair; Schmick, Ranking Minority Member; Caldier, Assistant Ranking Minority Member; Chambers, Chopp, Davis, DeBolt, Harris, Maycumber, Riccelli, Robinson, Stonier, Thai and Tharinger.

**Staff:** Jim Morishima (786-7191).

**Background:**

Federal law requires a state administering a Medicaid program to take reasonable efforts to ascertain the legal liability of third parties, including health insurers, that are legally responsible to pay for care and services available under the Medicaid program. The state

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must submit a plan to the federal government for pursuing claims for reimbursement against such third parties.

Under state law, the Health Care Authority (HCA) must provide routine, periodic information to health insurers to identify joint beneficiaries. The data must be provided at least semiannually. If an insurer identifies any joint beneficiaries, it must send the information to the HCA. The stated purpose of this information exchange is to improve coordination and administration of benefits and ensure that medical insurance benefits are properly utilized.

The State Auditor has found that the HCA has not performed semiannual data sharing with insurers as required by state law. Rather, the HCA has invited insurers to share the information using a format recommended by the federal government for data sharing. According to the State Auditor, the identification of joint beneficiaries is then done by the HCA, not by the insurers as is required by state law.

**Summary of Bill:**

The primary responsibility for sharing information on joint beneficiaries is changed from the Health Care Authority (HCA) to the insurers. Health insurers must share information on beneficiary eligibility and coverage with the HCA for the purpose of identifying joint beneficiaries.

The requirement that the information be provided at least semiannually is eliminated.

**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) This bill is simple cleanup legislation. Data sharing between insurers and the Health Care Authority is currently being initiated by insurers and is done monthly or in real time, not semiannually. This is consistent with federal law, but is inconsistent with state law, which has been an area of concern for the State Auditor. This bill addresses the State Auditor's concerns and will help ensure that health benefits are coordinated.

(Opposed) None.

**Persons Testifying:** Representative Chopp, prime sponsor; and Shawn O'Neill, Health Care Authority.

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