

HOUSE BILL REPORT

HB 2128

As Reported by House Committee On:
Health Care & Wellness

Title: An act relating to meeting the goal of all children in Washington state having health care coverage by 2010.

Brief Description: Concerning health care coverage for children.

Sponsors: Representatives Seaquist and Simpson.

Brief History:

Committee Activity:

Health Care & Wellness: 2/17/09, 2/20/09 [DPS].

Brief Summary of Substitute Bill

- Delays the availability of children's health insurance for children in families with household income over 300 percent of the federal poverty level until January 1, 2010.
- Exempts the insurance product for children in households with incomes over 300 percent of the federal poverty level from some of the mandates of Title 48 RCW.
- Allows the insurance product for children in households with incomes over 300 percent of the federal poverty level to not have the same benefit package provided to children with household incomes below 300 percent of the federal poverty level.
- Directs the Department of Social and Health Services to improve outreach, enrollment, and renewal efforts in order to qualify for enhanced federal funding.
- Renames the children's health program the Apple Health for Kids Program.

HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

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.

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Cody, Chair; Driscoll, Vice Chair; Campbell, Clibborn, Green, Kelley, Moeller, Morrell and Pedersen.

Minority Report: Do not pass. Signed by 4 members: Representatives Ericksen, Ranking Minority Member; Bailey, Herrera and Hinkle.

Staff: Dave Knutson (786-7146)

Background:

The Department of Social and Health Services (DSHS) is required to provide affordable health coverage for all children living in Washington whose family income is at or below 250 percent of the federal poverty level (\$53,000 for a family of four). If the Legislature appropriates sufficient funds, the financial eligibility for the program will increase to 300 percent of the federal poverty level (\$63,600 for a family of four). For children living in families with household income above 300 percent of the federal poverty level, the DSHS is required to offer nonsubsidized health coverage for children beginning on January 1, 2009. The DSHS is also required to offer nonsubsidized health care coverage through the same children's health programs available to children living in families with household incomes below 300 percent of the federal poverty level.

Summary of Substitute Bill:

The DSHS is required to:

- modify outreach, application, and renewal procedures to increase enrollment and enrollment rates, and renewals and renewal rates;
- use an eligibility card that identifies a child as a participant in the Apple Health for Kids Program; and
- develop performance measures that show children in the Apple Health for Kids Program are receiving health care from a medical home and whether the overall health of enrolled children is improving.

After January 1, 2010, the DSHS will offer families whose household income exceeds 300 percent of the federal poverty level the ability to purchase health insurance for their children without an explicit premium subsidy from the state. The benefit design of the health insurance will be different from the package available to children living in families with household incomes below 300 percent of the federal poverty level.

Substitute Bill Compared to Original Bill:

The substitute bill removes the requirement for the DSHS to implement the express-lane eligibility by July 1, 2010. The substitute bill eliminates the requirement for a separate eligibility care for the Apple Health for Kids Program. The substitute bill directs the DSHS to manage eligibility and renewal procedures so as to qualify for enhanced federal funding.

The substitute bill exempts the health insurance coverage offered to children in families with household incomes over 300 percent federal poverty level from complying with the requirements of Title 48 RCW, except for coordination of benefit requirements, display of Social Security numbers on insurance cards, consumer protections under the patient bill of rights, and liability of health carriers who fail to follow the accepted standard of care. The substitute bill deletes the requirement to appoint an Apple Health for Kids Program manager who reports to the Secretary of the DSHS.

Appropriation: None.

Fiscal Note: Requested 2-16-09.

Effective Date of Substitute Bill: 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 will continue the progress in covering more children eligible for insurance coverage. We are now covering 96 percent of all children in Washington with health insurance. We also need to focus on the health outcomes of the children covered through the program. This program will simplify the administrative procedures health care providers and facilities must follow when providing services to children covered by the Apple Health for Kids Program. It is important to delay the availability of the insurance product for children in families with household incomes over 300 percent of the federal poverty level so the benefit package can be designed in such a way as to make it affordable.

(Neutral) Some provisions of the original bill will result in increased costs to the DSHS.

(Opposed) None.

Persons Testifying: (In support) Representative Seaquest, prime sponsor; Liz Arjun, Georgetown Center for Children and Families; Len McComb, Washington State Hospital Association; Ariel Mercado, Public Health Seattle-King County; Sean Pickard, Washington Dental Service Foundation; Sofia Aragon, Washington State Nurses Association; and Brad Tower, Optometric Physicians of Washington.

(Neutral) Roger Gantz, Department of Social and Health Services.

Persons Signed In To Testify But Not Testifying: None.