

SENATE BILL REPORT

SHB 1308

As Reported by Senate Committee On:
Health & Long-Term Care, March 18, 2009

Title: An act relating to reducing organ transplant benefit waiting periods based upon prior creditable coverage.

Brief Description: Reducing organ transplant benefit waiting periods based upon prior creditable coverage.

Sponsors: House Committee on Health Care & Wellness (originally sponsored by Representatives Driscoll, Hinkle, Cody, Sells, Wood, Morrell, Kelley, Clibborn, Moeller, Pedersen, Hudgins, Ormsby, Parker, Chase, Kenney, Goodman, Bailey, Simpson, Herrera and Nelson; by request of Insurance Commissioner).

Brief History: Passed House: 3/03/09, 97-0.

Committee Activity: Health & Long-Term Care: 3/18/09 [DP].

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass.

Signed by Senators Keiser, Chair; Franklin, Vice Chair; Pflug, Ranking Minority Member; Becker, Fairley and Parlette.

Staff: Mich'l Needham (786-7442)

Background: A pre-existing condition exclusion is a limitation or exclusion of benefits relating to a condition based on the fact that the condition was present before the date of enrollment for such coverage. Under state and federal law, an insurance company may impose a waiting period before a new policyholder is covered for certain pre-existing conditions. An insurance company may also impose a separate waiting period for an organ transplant.

If an employer or an individual changes health plans and the new coverage begins within 90 days, then that person's prior coverage applies toward the new plan's pre-existing condition waiting period. However, if a person needs an organ transplant, his or her previous coverage may not apply toward the separate transplant waiting period. Consequently, such a person may need to go through another full organ transplant waiting period.

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.

Summary of Bill: All health benefit plans issued or renewed on or after January 1, 2010, must reduce any organ transplant benefit waiting period by the amount of time a covered person had prior creditable coverage. If a person has less than a 90-day break in health coverage, the amount of time that person has spent waiting for a transplant under the former health plan must carry over to the new health plan. The definition of "creditable coverage" means the same as set forth in section 2701 of the federal Health Insurance Portability and Accountability Act (HIPAA), as it exists on the bill's effective date, or on such subsequent date as may be provided by the Insurance Commissioner by rule, consistent with the purposes of the bill.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill came as a result of a Spokane constituent who was on the waiting list for a liver transplant. His employer changed plan coverage which kicked him into a new waiting period. The insurance plan helped resolve the problem and brought forward this discussion with other insurance carriers and the Office of the Insurance Commissioner. All parties have contributed to this straight forward fix to ensure people do not have to initiate a new waiting period when their coverage changes.

Persons Testifying: PRO: Representative Driscoll, prime sponsor; Mary Clogston, Office of Insurance Commissioner.