

# HOUSE BILL REPORT

## ESHB 2097

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**As Passed House:**  
February 13, 1996

**Title:** An act relating to basic health plan services.

**Brief Description:** Authorizing additional basic health plan services.

**Sponsors:** By House Committee on Health Care (originally sponsored by Representatives Dyer, Campbell, Foreman, Casada, Hymes, L. Thomas, D. Schmidt, Mulliken, Crouse, Carrell, Boldt, Lisk, Lambert, Johnson, Hankins, Ballasiotes, Pelesky, Sterk, Silver, Radcliff, Mitchell, Robertson, Skinner, Pennington, Clements, Chandler, Blanton, Carlson, Schoesler, Smith, Brumsickle, Hargrove, B. Thomas, Koster, Goldsmith, McMorris, Basich, Sehlin, Morris, Ebersole, Conway, Stevens, Kremen, Chappell, Huff, Talcott, Kessler, Dickerson, Grant, Cody, Hatfield, Cooke, Sheldon, Thompson, Cairnes, McMahan, Van Luven, Costa, Delvin, Benton and Mason).

**Brief History:**

**Committee Activity:**

Health Care: 1/18/96, 1/30/96 [DPS];  
Appropriations: 2/3/96 [DPS(HC)].

**Floor Activity:**

Passed House: 2/13/96, 89-8.

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### HOUSE COMMITTEE ON HEALTH CARE

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Dyer, Chairman; Backlund, Vice Chairman; Cody, Ranking Minority Member; Murray, Assistant Ranking Minority Member; Campbell; Casada; Crouse; Morris and H. Sommers.

**Minority Report:** Do not pass. Signed by 1 member: Representative Sherstad.

**Staff:** Bill Hagens (786-7131).

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### HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** The substitute bill by Committee on Health Care be substituted therefor and the substitute bill do pass. Signed by 28 members: Representatives Huff, Chairman; Clements, Vice Chairman; Pelesky, Vice Chairman; H. Sommers, Ranking Minority Member; Valle, Assistant Ranking Minority Member; Beeksma; Brumsickle; Carlson; Chappell; Cooke; Crouse; Dellwo; Dyer; Foreman; Grant; Hargrove; Hickel; Kessler; Lambert; Linville; McMorris; Poulsen; Reams; Rust; Sehlin; Sheahan; Talcott and Wolfe.

**Staff:** Susan Nakagawa (786-7145).

**Background:** The Basic Health Plan [BHP] was created in 1987 as a state-administered program which allows state residents to enroll in one of several, privately administered, managed care health plans, all offering the same schedule of basic medical insurance. The program is administered by the Health Care Authority (HCA). Families with incomes less than 200 percent of the federal poverty level are eligible to receive enrollment subsidies. Currently, the BHP subsidized enrollment goal is 200,000 by June, 1997.

Currently, the BHP schedule of benefits must include physician services, inpatient and outpatient hospital services, prescription drugs, medications, and other services that may be necessary for basic health care. Consistent with agency appropriation, the HCA administrator may (and has) add limited chemical dependency services, mental health services, and organ transplant services; however, no one service or any combination of these three services can increase the value of the BHP benefits by more than 5 percent.

At present, the BHP statute does not specifically include rehabilitation or chiropractic services; however, these services can be received under the BHP, if authorized through an appropriate referral, consistent with the health carrier's contract.

**Summary of Bill:** Effective January 1, 1998, rehabilitation and chiropractic services are added to the mandatory schedule of BHP benefits; however, these services cannot increase the value of the BHP benefits by more than 1 percent.

Current requirements of health carriers regarding the Model Basic Health Plan are modified to permit disability insurers to offer the actuarial equivalency of a pre-paid plan. The Health Care Authority Administrator must establish by rule a mechanism to recognize the right of individuals and organizations with religious or moral tenets opposed to specific services but that ensures enrollees timely access to services covered in the Basic Health Plan.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Testimony For:** (Health Care) These services are cost effective and necessary for adequate coverage.

(Appropriations) None.

**Testimony Against:** (Health Care) Continued expansion of the BHP will eventually make it too expensive. Evidence is inconclusive regarding the impact of mandated services on health status.

(Appropriations) None.

**Testified:** (Health Care) (Pro) Steve Wehrly and Dr. Ray MacDonald, Washington State Chiropractors; Robert Stern, Washington State Labor Council; (Con) Carl Nelson, Washington State Medical Association; Carol Monohan, Association of Washington Business; Gary Smith, Independent Business Association; and Jim Halstrom, Health Care Purchasers Association.

(Appropriations) None.