

HOUSE BILL REPORT

HB 2097

As Reported By House Committee On:

Health Care
Appropriations

Title: An act relating to basic health plan services.

Brief Description: Authorizing additional basic health plan services.

Sponsors: 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)].

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).

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 Substitute 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.

Substitute Bill Compared to Original Bill: Because the text of HB 2097 was amended after this bill's introduction (adding chemical dependency services, mental health services, and organ transplant services), technical corrections were made. Rehabilitation and chiropractic services are made mandatory, but subject to the 1 percent limit. A date setting time when services must be included is added.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: These services are cost effective and necessary for adequate coverage.

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

Testified: (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.

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).

Summary of Recommendation of Committee on Appropriations Compared to Recommendation of Committee on Health Care: No new changes were recommended.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: None.

Testimony Against: None.

Testified: None.