

# HOUSE BILL REPORT

## SSB 5419

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### As Passed House:

April 4, 1995

**Title:** An act relating to federal financial participation related to health insurer's and children's health care.

**Brief Description:** Modifying federal financial participation related to health insurer's and children's health care.

**Sponsors:** Senate Committee on Health & Long-Term Care (originally sponsored by Senators Fairley and Quigley; by request of Department of Social and Health Services).

### Brief History:

#### Committee Activity:

Health Care: 3/16/95 [DP].

#### Floor Activity:

Passed House: 4/4/95, 97-0.

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### HOUSE COMMITTEE ON HEALTH CARE

**Majority Report:** Do pass. Signed by 12 members: Representatives Dyer, Chairman; Backlund, Vice Chairman; Hymes, Vice Chairman; Dellwo, Ranking Minority Member; Cody, Assistant Ranking Minority Member; Campbell; Casada; Conway; Crouse; Kessler; Sherstad and Skinner.

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

**Background:** The Omnibus Budget Reconciliation Act of 1993 (OBRA 93) requires certain insurance coverage standards for Medicaid-eligible persons, and children covered by medical child support orders. Under this federal law, the state's Medicaid program, administered by the Department of Social and Health Services (DSHS), faces potential federal fiscal sanctions if it does not comply with federal requirements. Therefore, DSHS and the Office of the Insurance Commissioner have requested changes to state law.

**Summary of Bill:** Insurers, as specified, cannot deny health plan enrollment of a child under the health care coverage of the child's parent on the grounds that the child is receiving Medicaid benefits, or is illegitimate, or was not claimed as a dependent

on the parent's federal income tax return, or does not reside with the parent or in the insurer's service area.

Disenrollment of the child is not permitted except in specified circumstances, and insurers are prohibited from taking Medicaid status into account in approving enrollment or in payment of benefits. Coordination of benefits with Medicaid is required, as is the coverage of adoptive children, and the continuation of childhood immunization benefits.

**Appropriation:** None.

**Fiscal Note:** Available.

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

**Testimony For:** The bill is necessary to comply with federal Medicaid law.

**Testimony Against:** None.

**Testified:** Diane Weeden, Department of Social and Health Services (pro).