

SENATE BILL REPORT

EHB 2005

As Reported By Senate Committee On:
Health & Long-Term Care, March 24, 1995

Title: An act relating to the modification of provisions governing certified health plans providing vision benefits only.

Brief Description: Modifying certified health plan provision of vision benefits.

Sponsors: Representatives Dyer and Dellwo.

Brief History:

Committee Activity: Health & Long-Term Care: 3/23/95, 3/24/95 [DPA].

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass as amended.

Signed by Senators Quigley, Chair; Wojahn, Vice Chair; Deccio, Fairley, Franklin, Winsley and Wood.

Staff: Don Sloma (786-7319)

Background: The Washington Health Services Act of 1993 requires newly created certified health plans (CHPs) to offer, at a minimum, the full uniform benefits package (UBP). An exception to this requirement is sought in order to permit certain CHPs to offer vision care only.

Summary of Amended Bill: Insuring entities who have or who obtain licenses as HMO, HCSC's or insurers are permitted to offer coverage for vision care as part of, or separate from, the UBP, consistent with certification rules set by the Insurance Commissioner. This permission is not intended to convey a market advantage for vision-only CHPs. The Washington Health Services Commission and the Insurance Commissioner must develop and enforce separate cost containment requirements, including separate community-rated premium submaximums and enrollee financial participation submaximums.

Vision-care only CHPs are required to comply with all applicable laws governing the financial supervision and solvency of these organizations, including laws concerning capital and surplus requirements, reserves, deposits, bonds, and indemnities.

Amended Bill Compared to Original Bill: New licensees may also receive the exemption.

Appropriation: None.

Fiscal Note: Requested on March 14, 1995.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 1995.

Testimony For: The bill would allow the continuation of vision only insurers, but as referred by the House, the bill would prohibit new entrants into the vision only market.

Testimony Against: None.

Testified: Jean Leonard, Vision Services Plan (pro).