

SENATE BILL REPORT

HB 1590

As Reported By Senate Committee On:
Health & Long-Term Care, March 25, 1997

Title: An act relating to the definition of health plan.

Brief Description: Defining health plan.

Sponsors: Representatives Dyer and Backlund.

Brief History:

Committee Activity: Health & Long-Term Care: 3/19/97, 3/25/97 [DP].

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass.

Signed by Senators Deccio, Chair; Wood, Vice Chair; Benton, Fairley, Franklin and Strannigan.

Staff: Don Sloma (786-7319)

Background: There are three primary types of health carrier: (1) a traditional health insurer that provides reimbursement for or payment of covered health services; (2) a health care service contractor, an association of providers that provide health care services; and (3) a health maintenance organization that provides health care services. Health carriers are regulated by the Office of the Insurance Commissioner.

Health carriers offering health plans must meet certain requirements, and the health plans themselves must also meet certain requirements. For instance, health carriers that offer any health plan must offer individuals or employers with 26-50 employees a plan equivalent to the services contained in the Basic Health Plan. Other health plans that may be offered to individuals and employers with 26 or more employees must include statutorily mandated benefits. Also, health plans for individuals and small employers (50 or fewer employees) are subject to adjusted community rating.

A health plan is defined as any policy, contract, or agreement offered by a health carrier to provide, arrange, reimburse, or pay for health care, except for: (1) long-term care insurance; (2) Medicare supplements; (3) limited health care service contracts; (4) disability income insurance; (5) incidental property and casualty insurance coverage; (6) workers' compensation coverage; (7) accident only insurance; (8) specified disease supplemental coverage; (9) employer-sponsored self-funded health plans; and (10) dental or vision only plans.

Summary of Bill: Plans deemed by the Insurance Commissioner to have a short-term or limited purpose, or to be student-only plans, are excluded from the definition of health plan.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: None.

Testimony Against: None.

Testified: No one.