

SENATE BILL REPORT

SB 5536

As Reported By Senate Committee On:
Health & Long-Term Care, February 28, 2005

Title: An act relating to the basic health plan.

Brief Description: Providing for a JLARC study of the basic health plan.

Sponsors: Senators Parlette, Haugen, Poulsen, Finkbeiner, Morton, Benson, Delvin, Kline, Kohl-Welles, Mulliken and Shin.

Brief History:

Committee Activity: Health & Long-Term Care: 2/14/05, 2/28/05 [DPS-WM].

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: That Substitute Senate Bill No. 5536 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Keiser, Chair; Thibaudeau, Vice Chair; Benson, Brandland, Franklin, Johnson, Kastama, Kline, Parlette and Poulsen.

Staff: Jonathan Seib (786-7427)

Background: The Basic Health Plan (BHP) was established in 1987 to provide access to health insurance for low income Washington residents. Begun as a pilot demonstration program open to 4,000 residents in King and Spokane Counties, it currently provides state subsidized coverage to approximately 101,000 people statewide. In recent years, increasing costs have made the BHP more difficult to maintain and have forced significant changes to the program.

There is interest in evaluating the BHP to assure that it continues to provide the most value for the resources expended, and to serve those people for whom it was originally intended.

Summary of Substitute Bill: The Joint Legislative Audit Review Committee is to conduct a study of the BHP. Part one of the study is to examine the extent to which BHP policies and procedures promote or discourage the provision of appropriate, high-quality, cost-effective care to basic health plan enrollees, and is due by December 15, 2005. Part two of the study must examine the characteristics of individuals enrolled in the BHP and their utilization of health care services. The part two interim report is due by December 15, 2005, with the final report completed by July 1, 2006.

Substitute Bill Compared to Original Bill: The substitute bill explicitly directs JLARC to also examine the employment status of BHP enrollees, and by whom they are employed.

Appropriation: \$100,000.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Testimony For: The study should move forward to help clear up questions regarding the Basic Health Plan, although the study should be even broader than currently provided in the bill. The Health Care Authority is willing and interested in participating in a JLARC study.

Testimony Against: None.

Who Testified: PRO: Senator Parlette, prime sponsor; Steve Gano, Wal-Mart. OTHER: Dennis Martin, Health Care Authority.