

SENATE BILL REPORT

SB 5966

As Reported by Senate Committee On:
Health & Long-Term Care, January 26, 2012

Title: An act relating to establishing the office of the health care authority ombudsman.

Brief Description: Establishing the office of the health care authority ombudsman.

Sponsors: Senators Fraser and Swecker.

Brief History:

Committee Activity: Health & Long-Term Care: 1/18/12, 1/26/12 [DPS].

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: That Substitute Senate Bill No. 5966 be substituted therefor, and the substitute bill do pass.

Signed by Senators Keiser, Chair; Conway, Vice Chair; Becker, Ranking Minority Member; Carrell, Frockt, Parlette, Pflug and Pridemore.

Staff: Mich'l Needham (786-7442)

Background: The Office of the Insurance Commissioner (OIC) licenses and regulates insurance carriers offering products in Washington. Insurance laws govern these licensed carriers or health plans, but do not govern self-insured plans offered by employers, consistent with federal ERISA law. The state Health Care Authority (HCA) and Public Employees Benefits Board (PEBB) program contract with licensed health plans and self-insure. Special provisions have been provided that subject the state's self-insured plan to many of the insurance laws for licensed health plans. Health plans are required to track appeals and keep a log for three years that must be made available to the Insurance Commissioner, and each plan must identify and evaluate any trends in appeals.

In addition, Legislation passed in 2010 (SSB 6584) requires HCA to report to the Legislature annually with a summary of complaints and appeals made by PEBB members within the following categories: customer service; quality of a health service; or the availability of a service. The first annual report was submitted this fall.

Summary of Bill (Recommended Substitute): The volunteer position within OIC must assist retirees enrolled in PEBB with questions and concerns, assist PEBB program with

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identification of retiree concerns, and maintain access to updated program information. The volunteer shall be trained as part of the existing volunteer training provided to the statewide health insurance benefit advisors (SHIBA) program.

EFFECT OF CHANGES MADE BY HEALTH & LONG-TERM CARE COMMITTEE (Recommended Substitute): The volunteer position within OIC must assist retirees enrolled in PEBB with questions and concerns, assist PEBB program with identification of retiree concerns, and maintain access to updated program information. The volunteer shall be trained as part of the existing volunteer training provided to the SHIBA program.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony on Original Bill: PRO: We had the report passed a few years ago that required HCA to document the customer service complaints, but the report we have received only has charts with numbers and no descriptive information. We need to have more information to ensure that the program is helping retirees. Retirees need more help, as many do not have access to a computer and cannot complete their open enrollment or understand their choices. The Office of Financial Management has a volunteer program known as the SHIBA)with a training program they provide to the volunteers, and they have indicated this additional volunteer could fit into the existing training. We need to add a SHIBA volunteer specific to PEBB retirees issues and really help these retirees.

Persons Testifying: PRO: George Masten, Retired Public Employees Council.