

HOUSE BILL REPORT

HB 1956

As Reported By House Committee On:
Health Care

Title: An act relating to computerized medical insurance eligibility and beneficiary coverage information available to the department of social and health services from medical insurance payers.

Brief Description: Requiring computerized collection of health insurance coverage provided by certain state entities.

Sponsors: Representatives Cothorn, Locke, Wolfe and Springer; by request of Department of Social and Health Services.

Brief History:

Reported by House Committee on:
Health Care, March 2, 1993, DP.

HOUSE COMMITTEE ON HEALTH CARE

Majority Report: Do pass. Signed by 16 members: Representatives Dellwo, Chair; L. Johnson, Vice Chair; Dyer, Ranking Minority Member; Ballasiotes, Assistant Ranking Minority Member; Appelwick; Campbell; Conway; Cooke; Flemming; R. Johnson; Lisk; Mastin; Mielke; Morris; Thibaudeau; and Veloria.

Staff: Bill Hagens (786-7131).

Background: Presently, about 11 percent of the 500,000 medical assistance recipients have some form of third-party health coverage. Federal law requires Medical Assistance to be the payer of last resort, thus all other insurance resources must be used before Medical Assistance can reimburse for coverage. The Department of Social and Health Services (DSHS) considers the current methods of third-party coverage identification, e.g., client interview, target mailing, and Employment Security matching as inefficient.

"Medical assistance" is the broad category of health service provided through the Medical Assistance Administration of The Department of Social and Health Services. It includes: Medicaid; Refugee Assistance; Children's Health Programs; Medical Services for the General Assistance (GAU) and Alcoholism and Drug Addiction Treatment and Support Act (ADATSA) recipients; and the Medically Indigent.

HB 1956 is presented by DSHS to improve the process. It is estimated to save \$3.1 million (General Fund-State) for the 1993-95 biennium. These savings have been assumed in Governor Gardner's budget proposal.

Summary of Bill: The Medical Assistance Administration (MAA) is required to provide computerized information to private insurers regarding client eligibility and coverage information. Private insurers are required to use this information to identify joint MAA/private insurance beneficiaries and report to the MAA. MAA shall use this information to improve accuracy of health insurance coverage data and promote improved coordination of benefits.

MAA and affected private insurers are required to develop the necessary data elements and related standards.

The information shall be up-dated at least semi-annually.

The information is protected against inappropriate release.

MAA is required to target those private insurers with a high probability of joint beneficiaries.

Fiscal Note: Not requested.

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

Testimony For: This bill will streamline private/public coordination of benefits and save public dollars.

Testimony Against: None

Witnesses: Dan Dowler, Department of Social and Health Services (pro); and Greg Vigdor, Washington State Hospital Association (pro).