

# HOUSE BILL REPORT

## HB 1476

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**As Reported By House Committee On:**  
Health Care

**Title:** An act relating to federal financial participation related to health insurer's and children's health care.

**Brief Description:** Modifying federal financial participation related to health insurer's and children's health care.

**Sponsors:** Representative Dyer; by request of Department of Social and Health Services.

**Brief History:**

**Committee Activity:**

Health Care: 2/10/95, 2/17/95 [DPS].

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### HOUSE COMMITTEE ON HEALTH CARE

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives Dyer, Chairman; Backlund, Vice Chairman; Hymes, Vice Chairman; Dellwo, Ranking Minority Member; Cody, Assistant Ranking Minority Member; Campbell; Casada; Conway; Crouse; Kessler; Morris; Sherstad and Skinner.

**Staff:** Bill Hagens (786-7131).

**Background:** Federal law (OBRA 93) requires certain insurance coverage standards for Medicaid-eligible persons, and children covered by medical child support orders. Under this federal law, the state's Medicaid program, administered by the Department of Social and Health Services (DSHS), faces potential federal fiscal sanctions if it does not comply with federal requirements. Therefore, DSHS and the Office of the Insurance Commissioner have requested changes to state law.

**Summary of Substitute Bill:** Insurers, as specified, cannot deny health plan enrollment of a child under the health care coverage of the child's parent on the grounds that the child is receiving Medicaid benefits, or is illegitimate, or was not claimed as a dependent on the parent's federal income tax return, or does not reside with the parent or in the insurer's service area.

Disenrollment of the child is not permitted except in specified circumstances, and insurers are prohibited from taking Medicaid status into account in approving enrollment or in payment of benefits. Coordination of benefits with Medicaid is required, as is the coverage of adoptive children, and the continuation of childhood immunization benefits.

**Substitute Bill Compared to Original Bill:** Several technical changes are made.

**Appropriation:** None.

**Fiscal Note:** Requested on February 6, 1995.

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

**Testimony For:** This bill is needed to maintain federal matching funds for Medicaid.

**Testimony Against:** None.

**Testified:** Jane Beyer, Medical Assistance, Department of Social & Health Services; and Melodie Bankers, Insurance Commissioner's Office.