

# FINAL BILL REPORT

## ESSB 5386

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C 266 L 95

Synopsis as Enacted

**Brief Description:** Modifying provision of the basic health plan.

**Sponsors:** Senate Committee on Health & Long-Term Care (originally sponsored by Senators Quigley, Franklin, C. Anderson and Wojahn; by request of Health Care Authority).

**Senate Committee on Health & Long-Term Care**  
**House Committee on Health Care**

**Background:** The Basic Health Plan (BHP) is a state-funded health insurance program that offers subsidized coverage for individuals whose incomes are below 200 percent of the federal poverty level (approximately \$30,000 for a family of four). In addition, unsubsidized enrollment is available for any individual, family or group in the state. The BHP offers coverage for hospital, outpatient and related health services with no deductible and modest co-payments.

The BHP is administered by the Health Care Authority (HCA) which contracts with more than a dozen privately owned and operated managed care health plans. The Health Care Authority has identified several provisions within the authorizing legislation as barriers to more efficient and effective implementation and use of the BHP. In addition, the Washington Health Services Act of 1993 required that the services insured by the BHP must equal the uniform benefits package adopted by the Health Services Commission in July 1995. This legislation, requested by HCA, is intended to remove barriers to more effective implementation of the BHP, and to modify the dates of its transition to the uniform benefits package to comport with delayed implementation of health reform as recommended by the Health Services Commission.

**Summary:** The list of Basic Health Plan services may include chemical dependency, mental health and organ transplant services as long as their cost does not increase BHP costs by more than 5 percent.

Several references to the uniform benefits package as determined by the Health Services Commission are deleted, as are the requirements that the BHP list of covered services must comport with the uniform benefits package.

The Health Care Authority administrator is authorized to develop a model BHP plan with uniformity in enrollee cost sharing for use by private insurers.

The HCA is authorized to use co-payments, deductibles and other enrollee cost sharing in the design of the subsidized and unsubsidized BHP.

The HCA may base BHP subsidies on the cost of the lowest priced private provider cost for BHP.

The requirement to verify BHP enrollee income is placed under the discretion of the HCA.

The existing requirement that prospective BHP enrollees not relinquish more comprehensive coverage is repealed.

The requirement for employer premium sharing in BHP is changed from 50 percent of premium to an amount equal to the employee share.

No individual provider, carrier or facility must participate in or pay for a specific health service if they have a conscience or religious objection. No person may be denied access to a BHP service because of this. No one may be required to render free service because of someone else's exercise of this conscience clause. The HCA administrator must define a process to accomplish this.

The requirement that BHP use a premium pricing structure substantially equivalent to one used in January 1993 is repealed.

**Votes on Final Passage:**

Senate	47	0	
House	96	1	(House amended)
Senate	42	4	(Senate concurred)

**Effective:** July 1, 1995