

2785

Sponsor(s): Representatives Cody, Morrell, Conway, G. Simpson, Dickerson, Lantz and Murray

Brief Description: Increasing access to health insurance coverage.

**HB 2785 - DIGEST**

Declares it is the intent of the legislature to: (1) Expand access to health care by imposing a fee on large employers, generating revenue that will be used to provide health care through basic health plan enrollment of the employees of employers paying the tax, and their dependents. However, consistent with this act, large employers can reduce or eliminate their fee through expenditures on health services for their employees;

(2) Maintain existing protections in law for persons eligible for public programs including, but not limited to, medical assistance programs, the state children's health insurance program, and the basic health plan.

Declares it is not the intent of the legislature to influence the content or administration of employee benefit plans, and the legislature is neutral as to whether large employers choose to pay the tax or provide health services to their employees and dependents.

Finds that many small employers struggle with the cost of providing employer-sponsored health insurance coverage to their employees and their employees' families, while others are unable to offer employer-sponsored health insurance due to its high cost. Low-wage workers also struggle with the burden of paying their share of the costs of employer-sponsored health insurance, while others turn down their employer's offer of coverage due to its costs.

Finds that limitations on access to health care services for enrollees in the state, such as in rural and underserved areas, are particularly challenging for the basic health plan.

Declares an intent to authorize the administrator to develop alternative purchasing strategies to ensure access to basic health plan enrollees in all areas of the state, including: (1) The use of differential rating for managed health care systems based on geographic differences in costs; and (2) limited use of self-insurance in areas where adequate access cannot be ensured through other options.

Finds that: (1) While increasing access to health care coverage for the state's uninsured residents is critical, no effort to address improvements in our health care system can proceed without close examination of health care costs and quality; and

(2) A comprehensive examination of health care cost and quality must include meaningful participation of a broad array of interests, including health care purchasers, health care providers, and insurers.

Directs the administrator of the health care authority to conduct a study and prepare recommendations to the legislature related to cost containment and quality improvement in the state's health care system. The report must be submitted to the governor

and appropriate committees of the legislature by October 1, 2005.