

# FINAL BILL REPORT

## ESSB 5449

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Synopsis as Enacted

**Brief Description:** Addressing the Washington state health insurance pool.

**Sponsors:** Senate Committee on Health Care (originally sponsored by Senators Parlette, Keiser, Becker, Bailey, Dammeier, Frockt, Ericksen and Schlicher).

**Senate Committee on Health Care**  
**House Committee on Health Care & Wellness**

**Background:** The Washington State Health Insurance Pool (WSHIP) is the state's high-risk pool. Currently, individuals must complete a health screening questionnaire to purchase individual health insurance and may be rejected and referred to the high-risk pool. Effective January 1, 2014, the federal Affordable Care Act (ACA) requires individual insurance plans to be available without a health screen, with no pre-existing condition exclusions.

In anticipation of the insurance changes coming in 2014, the 2012 Legislature directed WSHIP to complete a study to assess the populations that may need ongoing access to coverage through the pool and may be excluded from other coverage options. The WSHIP Board was asked to submit recommendations for eligibility modifications, changes to the standard health questionnaire or other eligibility screening tool, and on whether the assessments that fund the program should be adjusted to make the assessment fair and equitable among all payers.

The WSHIP report was submitted to the Legislature in November 2012. The Board found that the majority of persons currently covered by WSHIP will be eligible for comprehensive coverage through the commercial market or the ACA-mandated Health Benefit Exchange, and others may be eligible for coverage through the Medicaid Expansion. However, several populations were identified that may need ongoing access to WSHIP, and the Board submitted recommendations for program changes that reflect the expected need.

**Summary:** The requirement for WSHIP to maintain and update the standard health questionnaire is removed, and all references to use of the questionnaire are removed. Eligibility for WSHIP is modified. Applications for new enrollees will be accepted through December 31, 2017, for any resident not eligible for Medicare or Medicaid coverage residing in a county where there is not access to a comprehensive individual plan either through the Health Benefit Exchange or the private insurance market during a defined open enrollment or special enrollment period. Non-Medicare individuals enrolled in the pool prior to December

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

31, 2013, remain eligible for the pool coverage through December 31, 2017. The pool coverage for all Non-Medicare enrollees must be discontinued, effective December 31, 2017.

Medicare-eligible individuals remain eligible for the pool coverage if they do not have access to a reasonable choice of comprehensive Medicare Part C plans and provide evidence of a rejection for coverage, a restrictive rider, an up-rated premium, a pre-existing condition limitation, or lack of access to a Medicare Supplemental Insurance Policy. The Medicare pool coverage does not have a termination date.

The WSHIP Board must complete a study by November 1, 2015, with a review of the populations that may need on-going access to the pool coverage. The eligibility study must include the non-Medicare population and Medicare populations, and consider whether the enrollees have access to comprehensive coverage alternatives that include appropriate pharmacy coverage. The study must include recommendations to address any barriers in eligibility that remain in accessing other coverage such as Medicare supplemental coverage or comprehensive pharmacy coverage, with suggestions for financing changes and recommendations on a future expiration of the pool.

**Votes on Final Passage:**

Senate	49	0	
House	96	0	(House amended)
Senate	47	0	(Senate concurred)

**Effective:** July 28, 2013  
January 1, 2014 (Sections 2 and 3)