

HOUSE BILL REPORT

SHB 2772

*As Passed House
February 17, 1992*

Title: An act relating to health coverage offered to employers prohibiting individual exclusions from coverage based solely on medical condition or health status.

Brief Description: Prohibiting individual exclusions from health coverage based solely on medical condition or health status.

Sponsor(s): By House Committee on Financial Institutions & Insurance (originally sponsored by Representatives Zellinsky, Dellwo, Haugen, Broback, R. Johnson, Anderson, Paris, Dorn, Winsley, Schmidt, R. Meyers, Brough, Wood, Ludwig, Hochstatter, Mitchell, J. Kohl and Nelson).

Brief History:

Reported by House Committee on:
Financial Institutions & Insurance, February 7, 1992,
DPS;
Passed House, February 17, 1992, 97-0.

**HOUSE COMMITTEE ON
FINANCIAL INSTITUTIONS & INSURANCE**

Majority Report: *The substitute bill be substituted therefor and the substitute bill do pass.* Signed by 12 members: Representatives Dellwo, Chair; Zellinsky, Vice Chair; Broback, Ranking Minority Member; Mielke, Assistant Ranking Minority Member; Anderson; Inslee; R. Johnson; R. Meyers; Paris; Schmidt; Scott; and Winsley.

Staff: John Conniff (786-7119).

Background: Generally, employer sponsored group health care benefit plans do not require medical underwriting. Employees are covered without proof of good health. However, no provision of the insurance code prohibits a group insurance plan from requiring such proof of insurability.

Summary of Bill: Insurers, health care service contractors, and health maintenance organizations (HMO) may not exclude individuals from coverage under a group plan because of the health status of the individual. When determining whether

to issue coverage to a group, insurers, contractors, and HMOs must base the decision on the risk factors of the group as a whole and may not exclude individuals based solely on the individual's health status.

Fiscal Note: Not requested.

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

Testimony For: Prohibiting insurers from excluding individual employees from coverage under an employer provided group health plan will prevent insurers from forcing persons in poor health into the state high risk health pool and will ensure fair treatment of employers.

Testimony Against: None.

Witnesses: (Pro): Matt Ryan, Kitsap Physician Service; and Mel Sorenson, Washington Physicians Service Blue Cross.