

# HOUSE BILL REPORT

## HB 2817

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*As Reported By House Committee on:  
Financial Institutions & Insurance*

**Title:** An act relating to small employer health insurance, data collection, and administrative reform.

**Brief Description:** Enacting the small employer health insurer availability act.

**Sponsor(s):** Representatives Zellinsky, Bowman, Dellwo, Broback, R. Johnson, Paris, Dorn, Schmidt, R. Meyers, Winsley, Ballard, Beck, Ludwig, Brough, Vance, Wynne, Carlson, Miller, Forner, Tate, Hochstatter, Van Luven, Wood, May, Fuhrman, Mitchell, Brumsickle and Ferguson.

**Brief History:**

Reported by House Committee on:  
Financial Institutions & Insurance, February 7, 1992,  
DPS.

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**HOUSE COMMITTEE ON  
FINANCIAL INSTITUTIONS & INSURANCE**

**Majority Report:** *The substitute bill be substituted therefor and the substitute bill do pass.* Signed by 13 members: Representatives Dellwo, Chair; Zellinsky, Vice Chair; Broback, Ranking Minority Member; Mielke, Assistant Ranking Minority Member; Anderson; Dorn; Inslee; R. Johnson; R. Meyers; Paris; Schmidt; Scott; and Winsley.

**Staff:** John Conniff (786-7119).

**Background:** In 1990, responding to small employer problems in obtaining group health insurance, the Legislature required insurers, health care service contractors, and health maintenance organizations to offer a basic group health insurance policy to employer groups of less than 25 employees. Apart from a general instruction that rates for such group plans should be reasonable and plan contracts should be submitted to the insurance commissioner for prior approval, no provision of the act set specific standards for design and sale of such coverage.

**Summary of Substitute Bill:** The insurance commissioner must study ways to improve small employer access to health

insurance and report back to the Legislature by January 1, 1993.

***Substitute Bill Compared to Original Bill:*** All provisions are replaced with a study of small employee group health coverage.

***Fiscal Note:*** Not requested.

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

***Testimony For:*** None.

***Testimony Against:*** None.

***Witnesses:*** None.