

SENATE BILL REPORT

HB 1889

AS REPORTED BY COMMITTEE ON WAYS & MEANS, APRIL 15, 1991

Brief Description: Increasing the maximum deductible an indigent person pays under the limited casualty program.

SPONSORS: Representative Locke; by request of Office of Financial Management and Dept. of Social and Health Services.

HOUSE COMMITTEE ON APPROPRIATIONS

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators McDonald, Chairman; Craswell, Vice Chairman; Bailey, Bluechel, Cantu, Hayner, Johnson, Matson, Metcalf, Newhouse, Saling, and West.

Staff: Karen Hayes (786-7715)

Hearing Dates: April 15, 1991

BACKGROUND:

The Department of Social and Health Services' (DSHS) Medically Indigent Program is a state-only funded program within Medical Assistance. This program provides limited medical care to persons who have income or resources too high to qualify for income assistance, but insufficient to cover incurred medical expenses. The projected medically indigent caseload for the 1991-93 biennium is 2,875 with a budget of about \$64 million in general fund-state.

Services provided are limited to primarily inpatient emergency conditions. Participants must satisfy a deductible of \$500 in any 12-month period.

Increasing the deductible to \$1,500 would result in savings of \$19,500,000 in general fund-state and \$146,000 in federal funds.

SUMMARY:

On July 1, 1991, the deductible for care under the Medically Indigent Program is increased from \$500 to \$1,500 in any 12-month period.

Appropriation: none

Revenue: none

Fiscal Note: available

Effective Date: The bill contains an emergency clause and takes effect July 1, 1991.

TESTIMONY FOR:

Identified savings are assumed in the Governor's budget. The medically indigent is the fastest growing caseload; therefore, it is appropriate to look into this program for ways to hold down state medical costs. Hospitals that serve a disproportionate number of indigent patients will continue to get financial relief through the Medical Assistance Disproportionate Share Program.

TESTIMONY AGAINST: None

TESTIFIED: Jim Peterson, Office of Financial Management (pro)