

# HOUSE BILL REPORT

## HB 1830

---

---

### As Reported by House Committee On:

Health Care

**Title:** An act relating to basic health plan and medicaid coverage of employed individuals.

**Brief Description:** Requiring large employers to reimburse the state for basic health plan and medical assistance coverage of its employees.

**Sponsors:** Representatives Conway, Wood, Cooper, Moeller, Kirby and Simpson.

### Brief History:

#### Committee Activity:

Health Care: 2/20/03, 3/4/03 [DPS].

#### Brief Summary of Substitute Bill

- Authorizes the Health Care Authority administrator to seek reimbursement for the cost of providing basic health plan services to enrollees who are employees of public and private employers.

---

### HOUSE COMMITTEE ON HEALTH CARE

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 7 members: Representatives Cody, Chair; Morrell, Vice Chair; Campbell, Clibborn, Darneille, Moeller and Schual-Berke.

**Minority Report:** Do not pass. Signed by 5 members: Representatives Pflug, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Alexander, Benson and Skinner.

**Staff:** Dave Knutson (786-7146).

### Background:

The Basic Health Plan provides services to people who are not eligible for Medicare, not confined in government-operated facilities, live in an area of the state served by a participating managed care program, have a household income below 200 percent of the federal poverty level, and agree to make periodic payments to the plan. The employer of

an eligible person may, but is not required to, pay the premium of an enrollee.

---

**Summary of Substitute Bill:**

The Health Care Authority will require an enrollee's employer to pay an amount equal to what the employee pays for subsidized Basic Health Plan coverage, or will pay the enrollee's monthly premium obligation for their employer-sponsored health insurance coverage.

**Substitute Bill Compared to Original Bill:**

The requirement that the Department of Social and Health Services seek reimbursement from large employers is deleted. The Health Care Authority will require an enrollee's employer to pay an amount equal to what the employee pays for subsidized Basic Health Plan coverage, or will pay the enrollee's monthly premium obligation for their employer-sponsored health insurance coverage.

---

**Appropriation:** None.

**Fiscal Note:** Not Requested.

**Effective Date of Substitute Bill:** The bill takes effect 90 days after adjournment of session in which bill is passed.

**Testimony For:** Large employers should not take advantage of state subsidized health benefits.

**Testimony Against:** There are many reasons why employees may not take advantage of employers health benefits. Until we have more information we should not jump to conclusions about why some employees enroll in the Basic Health Plan.

**Testified:** (In support) Representative Conway, prime sponsor; Blaine Sherfinski, UFCW Local 367; Ellie Menzies, Service Employees International Union; and Robby Stern, Washington State Labor Council.

(Concerns) Amber Balch, National Federation of Independent Business; Gary Smith, Independent Business Association; and Kevin Glackin-Coley, Washington State Catholic Conference.