# Washington State House of Representatives Office of Program Research

BILL ANALYSIS

## **Judiciary Committee**

### **HB 2585**

**Title:** An act relating to prohibiting civil or criminal liabilities or penalties for actions related to the Washington State Health Insurance Pool.

**Brief Description:** Prohibiting civil or criminal liabilities or penalties for actions related to the Washington state health insurance pool.

**Sponsors:** Representatives Cody, Bailey and Schual-Berke.

#### **Brief Summary of Bill**

- Expands immunity against civil and criminal liability provided to the Washington State Health Insurance Pool to include the pool's board director, officers, employees, the Insurance Commissioner, and the commissioner's representatives and employees;
- Makes other changes to the immunity provision that applies to the Washington State Health Insurance Pool.

Hearing Date: 1/29/04

**Staff:** Trudes Tango Hutcheson (786-7384).

#### **Background:**

The Washington State Health Insurance Pool (WSHIP) is the state-facilitated insurance program for individuals who are unable to obtain coverage in the private market. It is governed by a tenmember board of directors, six of whom are appointed by the Governor and four of whom are selected from among the health carriers that make up the membership of the pool. The Insurance Commissioner is also a non-voting, ex officio member. The pool and its financial reports are subject to examination by the commissioner.

Among other things, the board establishes a uniform screening mechanism for subscribers to enter the pool, establishes appropriate rates and rate schedules, assesses members of the pool, and issues health coverage policies.

The statutes governing WSHIP provide that participation by pool members, the establishment of rates, forms, and procedures, and any other joint or collective action required by the statutes or the state shall not be the basis for any civil or criminal liability or penalty against the pool, members of the pool, or members of the board of directors either jointly or separately.

#### **Summary of Bill:**

The current immunity provision is amended to provide that there shall be no civil or criminal liability or penalty, and no cause of action of any nature shall arise against the pool, members of the pool, the board director, officer, or employee of the pool, or against the commissioner or the commissioner's representatives or employees, for any action taken or not taken in good faith, including any discretionary decision or failure to make a discretionary decision, in the performance of the powers and duties under the laws governing WSHIP.

**Appropriation:** None.

Fiscal Note: Not requested.

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