

SENATE BILL REPORT

SHB 1275

As Reported By Senate Committee On:
Health & Long-Term Care, March 25, 2003

Title: An act relating to the human immunodeficiency virus insurance program.

Brief Description: Transferring the human immunodeficiency virus insurance program to the department of health.

Sponsors: House Committee on Health Care (originally sponsored by Representatives Darneille, Pflug, Moeller, Cody, Romero, Wood and Upthegrove; by request of Department of Health).

Brief History:

Committee Activity: Health & Long-Term Care: 3/25/03 [DP].

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass.

Signed by Senators Deccio, Chair; Winsley, Vice Chair; Franklin, Keiser, Parlette and Thibaudeau.

Staff: Jonathan Seib (786-7427)

Background: The Acquired Human Immunodeficiency Syndrome Insurance Program is a state program which pays for health insurance coverage for persons with AIDS. Created as a pilot project by the Legislature in 1989, the program was made permanent in 1993. Also known as the Evergreen Health Insurance Program (EHIP), it is administered by the Department of Social and Health Services (DSHS) through a contract with the Lifelong Aids Alliance. The program has served over 2,300 persons since its inception.

Eligibility for EHIP is determined by DSHS. Current requirements limit the program to Washington residents not eligible for Medicaid, earning less than 370 percent of the federal poverty level (\$33,226 per year for a family of one), with assets (excluding house and car) of not more than \$15,000. Those with incomes between 200 and 370 percent of the federal poverty level pay a portion of their own premium.

Current law explicitly authorizes EHIP to pay for coverage for those eligible for "continuation coverage" under federal COBRA standards, or group insurance policies. However, the program has enrolled a number of persons in the Washington State Health Insurance Pool (WSHIP), the state's high risk pool for the individual market. There are approximately 270 people currently enrolled in WSHIP through EHIP.

The Department of Health (DOH) also provides a number of services to those with HIV or AIDS, including a federally funded early intervention insurance program that is similar to EHIP. It is suggested that responsibility for EHIP be transferred to DOH, and the enabling

statute be updated to allow for the creation of a single streamlined HIV/AIDS education, prevention, early intervention, and health insurance program.

Summary of Bill: The statute creating the Acquired Human Immunodeficiency Syndrome Program in DSHS is repealed. The program is reauthorized within DOH with the following changes:

- Insurance may be purchased on behalf of those with HIV, whether or not they have had an AIDS diagnosis;
- It is made explicit that anyone eligible for Medicaid is not eligible for this program;
- The program is no longer limited to using only state funds;
- In addition to purchasing insurance for those eligible for "continuation coverage" and group policies, the program is explicitly authorized to pay for insurance for those who are eligible for individual policies.

The number of persons enrolled by the program in WSHIP may never exceed the number enrolled on July 1, 2003.

DOH must adopt rules to implement the act.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2003.

Testimony For: The transfer called for in the bill will allow all HIV/AIDS programs to be housed in the Department of Health, which will improve communication and streamline procedures. This will be good for both program clients and the department. The bill as written addresses the fears of the private insurance market regarding the impact of the program on the Washington State Health Insurance Pool. EHIP allows those with AIDS to obtain insurance pending their return to work.

Testimony Against: None.

Testified: PRO: Rep. Darneille, prime sponsor; Dr. Maxine Hayes, Department of Health; Paul Feldman, Ross Baker, Lifelong AIDS Alliance; Nancee Wildermuth, Regence Blue Shield, PacifiCare of WA.