Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Health Care Committee

HB 1221

Brief Description: Expanding health benefit plan options available to employers.

Sponsors: Representatives Cody, Schual-Berke, Morrell, Kessler, Simpson, Campbell, Williams, Chase, Dickerson, Kenney, O'Brien, Clibborn, Conway, Sells, Kagi, Ormsby, McIntire, Upthegrove and Kilmer; by request of Governor Gregoire.

Brief Summary of Bill

• Allows private employers to purchase health care coverage for their employees through the Health Care Authority.

Hearing Date: 1/28/05

Staff: Dave Knutson (786-7146).

Background:

Recent rapid increases in the cost of health care has made it difficult for small employers to afford to provide health care coverage for their employees. The percentage of small employers providing health care coverage for their employees has declined for the past several years.

The Health Care Authority is responsible for purchasing health care coverage for public employees and retirees.

Summary of Bill:

Private employers with at least two employees may provide health care coverage for themselves, their employees, and their dependents through the Health Care Authority. The Health Care Authority will include private employer groups in the single community-rated risk pool comprised of state employees. The Health Care Authority may limit the participation of private employer groups if their participation adversely impacts insurance rates for state employees.

Appropriation: None.

Fiscal Note: Not requested.

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