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**Health Care & Wellness  
Committee**

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**HB 1538**

**Brief Description:** Requiring an independent study of health benefit requirements.

**Sponsors:** Representatives Bailey, Linville, Hinkle, Alexander, Haler, Strow, Rodne, Warnick, Morrell, Green and Ericksen.

**Brief Summary of Bill**

- The Office of the Insurance Commissioner will contract for an independent review of health insurance mandates and their effect on health insurance premiums.

**Hearing Date:** 2/21/07

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

**Background:**

In 2002, the Office of the Insurance Commissioner issued a report titled "Mandated Benefits in Washington State." The report identified the following 39 mandated health benefits, and their date of enactment:

Required Services:

Chemical dependency - 1974  
Dependent child coverage from the moment of birth - 1974, 1984  
Prohibition of benefit reduction based on existing coverage  
(Coordination of Benefits) - 1983  
Reconstructive breast surgery - 1983  
Mastectomy and lumpectomy - 1985  
Basic Health Plan Benefits - 1987, 1993  
Phenylketonuria (PKU) - 1988  
Neurodevelopmental therapy - 1989  
Mammograms - 1989  
Maternity care stays (Erin Act) - 1996

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

Newborn coverage for 21 Days (Erin Act) - 1996  
Diabetes coverage - 1997  
Emergency services to screen and stabilize - 1997  
Long-term care hospital follow-up - 1999  
Maternity and drugs in the individual market - 2000  
General anesthesia for dental procedures - 2001

Required Offerings:

Home health and hospice - 1983  
Mental health - 1983  
Chiropractic care - 1983, 1986  
Prenatal diagnosis of congenital defects - 1988  
Temporomandibular joint disorders (TMJ) - 1989

Required Access to Providers:

Chiropody - 1963  
Podiatry - 1983  
Foot Care Services - 1983  
Optometry - 1965  
Chiropractic care - 1971  
Psychological services - 1971  
Registered nurses and advanced registered nurse practitioners - 1973  
Denturist Services - 1995  
Every Category of Provider - 1995, 1997  
Women's health care provider self referral - 1995  
Chiropractic care, nonreferral access - 2000

Establishing Eligibility:

Dependent child coverage continued for incapacity - 1969, 1977, 1984  
Dependent child coverage from moment of birth - 1974, 1984  
Continuation of coverage for former spouse and dependents - 1980  
Group conversion plan to be offered - 1984  
Continuation of benefits - 1984  
Coverage for adopted children - 1986  
Guaranteed issue to new members of a group,  
and continuity of group contract coverage - 2000  
Portability - 1995, 2000, 2001

In 2004, the Legislature prohibited all health carriers from denying coverage for the treatment of an injury solely because the injury resulted from the use of alcohol or narcotics. In 2005, the Legislature mandated mental health parity for groups over fifty.

There has been ongoing controversy over the costs and benefits of mandated health services and their effect on overall health care costs. In addition to mandated health services, statutory rating requirements and other statutes and rules are believed by some to contribute to the cost of individual and small group health insurance.

**Summary of Bill:**

The Office of the Insurance Commissioner will contract for an independent review of all existing health care coverage and statutory rating requirements. The study will focus on the items in-state and out-of-state insurance carriers identify as contributing most to the cost of health insurance. The review will include the costs associated with the specific statutory requirement, and whether there are documented savings or cost offsets. An interim report will be provided to the Governor and the Legislature by December 1, 2007, and a final report by December 1, 2008.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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