

HOUSE BILL REPORT

SHB 2160

As Amended by the Senate

Title: An act relating to health carrier payment of wellness incentives.

Brief Description: Concerning health carrier payment of wellness incentives.

Sponsors: House Committee on Health Care & Wellness (originally sponsored by Representatives Driscoll, Hinkle, Cody, Bailey, Kelley, Wood and Morrell; by request of Governor Gregoire).

Brief History:

Committee Activity:

Health Care & Wellness: 2/19/09, 2/20/09 [DPS].

Floor Activity

Passed House: 3/6/09, 96-0.

Senate Amended.

Passed Senate: 3/31/09, 48-0.

Brief Summary of Substitute Bill

- Permits health carriers to offer a wellness program that complies with the requirements of the Health Insurance Portability and Accountability Act.

HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives Cody, Chair; Driscoll, Vice Chair; Ericksen, Ranking Minority Member; Bailey, Campbell, Clibborn, Green, Herrera, Hinkle, Kelley, Moeller, Morrell and Pedersen.

Staff: Dave Knutson (786-7146)

Background:

Health carriers develop rates based on an adjusted community rate that may be varied for geographic area, family size, age, and wellness activities. Wellness activities include an explicit activity consistent with the Department of Health guidelines such as: smoking

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cessation; injury and accident prevention; reduction of alcohol misuse; appropriate weight reduction; exercise; automobile and motorcycle safety; blood cholesterol reduction; and nutrition education for the purpose of improving enrollee health status and reducing health service costs. There has been a question whether a health carrier can offer a wellness discount based on statutory language that prohibits a health carrier from offering rebates or inducements to purchase health insurance coverage.

Summary of Substitute Bill:

Notwithstanding, a prohibition against offering rebates or inducements to purchase insurance, health carriers are specifically permitted to offer a wellness program that complies with the requirements of the Health Insurance Portability and Accountability Act.

EFFECT OF SENATE AMENDMENT(S):

Provides that the modification of a wellness program included in a health coverage policy does not constitute a cancellation or nonrenewal of the policy.

Appropriation: None.

Fiscal Note: Not requested.

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

Staff Summary of Public Testimony:

(In support) This is a permitted activity under federal law. This bill simply clarifies that it is permitted under state law as well.

(Opposed) None.

Persons Testifying: Representative Driscoll, prime sponsor; Beth Berendt, Office of the Insurance Commissioner; and Jonathan Seib, Office of the Governor.

Persons Signed In To Testify But Not Testifying: None.