
Ways & Means Committee

HB 2341

Brief Description: Modifying the basic health plan program.

Sponsors: Representative Cody.

Brief Summary of Bill

- Prohibits individuals enrolled in medical assistance programs at the Department of Social and Health Service from enrolling in the Basic Health Plan.
- Authorizes the Health Care Authority (Authority) to consider factors such as smoking or obesity when establishing premiums for an individual.
- Allows the Authority to disenroll individuals on the BHP according to established criteria.

Hearing Date: 4/14/09

Staff: Chris Blake (786-7392)

Background:

The Health Care Authority administers the Basic Health Plan (BHP), which is a health care insurance program for low-income Washington residents. The BHP assists enrollees by providing a state subsidy to offset the costs of premiums. The BHP currently has approximately 100,000 subsidized enrollees statewide.

Residents of Washington with an income of less than 200 percent of federal poverty level are eligible for enrollment in the BHP. In addition, the enrollee must not be: (1) Eligible for Medicare, (2) institutionalized, or (3) in school on a temporary work visa.

The BHP offers general health care services, including physician services, inpatient and outpatient hospital services, prescription drugs and medications. In addition, the BHP provides coverage for chemical dependency services, mental health services, and organ transplant services; however, these services may not exceed 5 percent of the value of the benefit package.

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Enrollees in the BHP are required to contribute to the cost of enrollment in the health care plan through premiums. The premiums are established on a sliding scale according to the enrollee's income level. Providers and other organizations may sponsor enrollees through the payment of their premiums. Enrollees make other contributions in the form of copays, deductibles, and coinsurance.

Summary of Bill:

Individuals who are receiving medical assistance through the Department of Social and Health Services are not eligible for subsidized coverage under the Basic Health Plan (BHP).

The limitation of chemical dependency services, mental health services, and organ transplant services to a combined maximum limit of 5 percent of the value of the BHP benefit package is eliminated.

The Health Care Authority may consider factors such as smoking or obesity for purposes of establishing premiums for BHP enrollees. The Authority may also contract for smoking cessation and obesity management programs under the BHP. The Authority may require enrollees who have been continuously enrolled in the BHP for at least one year to complete a health risk assessment. Upon completion of the risk assessment, the Authority may require certain enrollees to participate in programs to improve health status, such as wellness and chronic disease management programs, as a condition for maintaining coverage in the BHP.

The Authority is authorized to disenroll subsidized enrollees to prevent overexpenditure of the BHP. The Authority shall establish criteria for selecting individuals to disenroll which may include the amount of time that an individual has been continually enrolled on the BHP, the individual's income level, or the individual's eligibility for other coverage. The criteria shall also address circumstances for allowing individuals who have been disenrolled to reapply.

The situations under which the Authority must implement a self-insured coverage system for subsidized BHP enrollees are removed and the Authority is permitted to establish a self-insurance system, at its discretion, as long as there is sufficient funding in the BHP Self-Insurance Reserve Account.

The report that the Authority must provide each year to detail the employment status of BHP enrollees is discontinued.

Appropriation: None.

Fiscal Note: Requested on April 10, 2009.

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