

# FINAL BILL REPORT

## SSB 5777

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Synopsis as Enacted

**Brief Description:** Concerning the Washington state insurance pool.

**Sponsors:** Senate Committee on Health & Long-Term Care (originally sponsored by Senators Murray and Parlette).

**Senate Committee on Health & Long-Term Care**  
**House Committee on Health Care & Wellness**

**Background:** In the individual health insurance market, persons applying for coverage must first take the standard health questionnaire. If their score places them in the 8 percent of highest cost cases the health carrier may reject them for coverage. At that point the person is eligible for coverage through the Washington State Health Insurance Pool (WSHIP), the state's high risk pool. WSHIP is established in statute as a nonprofit entity, funded by assessments on all commercial insurers licensed in Washington and the state's self-insured medical plan operated by the Health Care Authority. The Board of the WSHIP is required to recertify the health screening questionnaire every 18 months.

The 2008 Legislature modified WSHIP eligibility for those persons who are eligible for the medical assistance program. The language was included in another bill modifying medical assistance eligibility that has a delayed effective date and a null and void clause if not funded in the next biennial budget. WSHIP eligibility for Medicare eligible enrollees has not been modified to reflect the additional coverage choices available in Medicare. The WSHIP Board has expressed concerns with the pool's funding mechanism, as more employers move from the fully-insured business to self-insured plans that do not contribute to the assessments.

**Summary:** The Board of WSHIP will recertify the standard health questionnaire every 36 months rather than every 18 months. Eligibility for the program is modified for a Medicare-eligible person applying for pool coverage after August 1, 2009. New Medicare-eligible enrollees are eligible if they do not have access to a reasonable choice of at least three Medicare Part C plans offered by health maintenance organizations or preferred provider organizations, and that have had established provider networks for at least five years in their county of residence.

The 2008 eligibility change for medical assistance enrollees is inserted, repeating the language subject that will be null and void with passage of a new biennial budget. The Board

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of WSHIP must conduct a study to identify a stable, sustainable funding source for the operation of the pool. The Board is authorized to solicit funding to conduct the study, and must report to the Legislature by December 15, 2009.

**Votes on Final Passage:**

Senate	43	0	
House	96	0	(House amended)
			(Senate refused to concur)
House	95	0	(House amended)
Senate	49	0	(Senate concurred)

**Effective:** July 26, 2009