

# SENATE BILL REPORT

## SB 5841

---

---

As of February 25, 2009

**Title:** An act relating to the health insurance partnership.

**Brief Description:** Delaying the implementation of the health insurance partnership.

**Sponsors:** Senator Keiser; by request of Health Care Authority.

**Brief History:**

**Committee Activity:** Ways & Means: 2/25/09.

---

### SENATE COMMITTEE ON WAYS & MEANS

**Staff:** Elaine Deschamps (786-7441)

**Background:** The Blue Ribbon Commission bill passed during the 2007 Legislative Session established the Health Insurance Partnership (HIP) within the Health Care Authority (Authority) to provide health care premium subsidies for low-income employees of small employers. Small employers must attest that they are not offering health insurance and at least 50 percent of their employees are low-wage workers. A seven-member Health Insurance Partnership Board (Board) was established. Members include the Authority administrator and individuals with expertise in the health insurance market and benefit design. The Board designated the health plans eligible for premium subsidies, the benchmark plan for the development of subsidy amounts, the minimum employee participation requirements, and the minimum employer contribution.

**Summary of Bill:** Processing enrollment applications for the HIP is delayed from January 1, 2009, until January 1, 2011, or earlier, subject to sufficient state or federal funding being provided for this purpose. The requirement that the Partnership begin offering coverage no later than March 1, 2009, is repealed.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

---

*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.*

**Staff Summary of Public Testimony:** PRO: As a result of the November revenue forecast, the delay of implementation of this program was necessary in order to achieve the Governor's directed budget reductions.

**Persons Testifying:** PRO: Richard Onizuka, Health Care Authority.