

ESHB 2340 - S COMM AMD

By Committee on Health Care

1 Strike everything after the enacting clause and insert the  
2 following:

3 "Sec. 1. RCW 48.41.100 and 2013 c 279 s 3 are each amended to  
4 read as follows:

5 (1)(a) The following persons who are residents of this state are  
6 eligible for pool coverage:

7 (i) Any resident of the state not eligible for medicare coverage  
8 or medicaid coverage, and residing in a county where an individual  
9 health plan other than a catastrophic health plan as defined in RCW  
10 48.43.005 is not offered to the resident during defined open  
11 enrollment or special enrollment periods at the time of application  
12 to the pool, whether through the health benefit exchange operated  
13 pursuant to chapter 43.71 RCW or in the private insurance market, and  
14 who makes application to the pool for coverage prior to December 31,  
15 ((2017)) 2018;

16 (ii) Any resident of the state not eligible for medicare  
17 coverage, enrolled in the pool prior to December 31, 2013, shall  
18 remain eligible for pool coverage except as provided in subsections  
19 (2) and (3) of this section through December 31, ((2017)) 2018;

20 (iii) Any person becoming eligible for medicare before August 1,  
21 2009, who provides evidence of (A) a rejection for medical reasons,  
22 (B) a requirement of restrictive riders, (C) an up-rated premium, (D)  
23 a preexisting conditions limitation, or (E) lack of access to or for  
24 a comprehensive medicare supplemental insurance policy under chapter  
25 48.66 RCW, the effect of any of which is to substantially reduce  
26 coverage from that received by a person considered a standard risk by  
27 at least one member within six months of the date of application; and

28 (iv) Any person becoming eligible for medicare on or after August  
29 1, 2009, who does not have access to a reasonable choice of  
30 comprehensive medicare part C plans, as defined in (b) of this  
31 subsection, and who provides evidence of (A) a rejection for medical  
32 reasons, (B) a requirement of restrictive riders, (C) an up-rated

1 premium, (D) a preexisting conditions limitation, or (E) lack of  
2 access to or for a comprehensive medicare supplemental insurance  
3 policy under chapter 48.66 RCW, the effect of any of which is to  
4 substantially reduce coverage from that received by a person  
5 considered a standard risk by at least one member within six months  
6 of the date of application.

7 (b) For purposes of (a)(i) of this subsection, by December 1,  
8 2013, the board shall develop and implement a process to determine an  
9 applicant's eligibility based on the criteria specified in (a)(i) of  
10 this subsection.

11 (c) For purposes of (a)(iv) of this subsection (1), a person does  
12 not have access to a reasonable choice of plans unless the person has  
13 a choice of health maintenance organization or preferred provider  
14 organization medicare part C plans offered by at least three  
15 different carriers that have had provider networks in the person's  
16 county of residence for at least five years. The plan options must  
17 include coverage at least as comprehensive as a plan F medicare  
18 supplement plan combined with medicare parts A and B. The plan  
19 options must also provide access to adequate and stable provider  
20 networks that make up-to-date provider directories easily accessible  
21 on the carrier web site, and will provide them in hard copy, if  
22 requested. In addition, if no health maintenance organization or  
23 preferred provider organization plan includes the health care  
24 provider with whom the person has an established care relationship  
25 and from whom he or she has received treatment within the past twelve  
26 months, the person does not have reasonable access.

27 (2) The following persons are not eligible for coverage by the  
28 pool:

29 (a) Any person having terminated coverage in the pool unless (i)  
30 twelve months have lapsed since termination, or (ii) that person can  
31 show continuous other coverage which has been involuntarily  
32 terminated for any reason other than nonpayment of premiums. However,  
33 these exclusions do not apply to eligible individuals as defined in  
34 section 2741(b) of the federal health insurance portability and  
35 accountability act of 1996 (42 U.S.C. Sec. 300gg-41(b));

36 (b) Inmates of public institutions and those persons who become  
37 eligible for medical assistance after June 30, 2008, as defined in  
38 RCW 74.09.010. However, these exclusions do not apply to eligible  
39 individuals as defined in section 2741(b) of the federal health

1 insurance portability and accountability act of 1996 (42 U.S.C. Sec.  
2 300gg-41(b)).

3 (3) When a carrier or insurer regulated under chapter 48.15 RCW  
4 begins to offer an individual health benefit plan in a county where  
5 no carrier had been offering an individual health benefit plan:

6 (a) If the health benefit plan offered is other than a  
7 catastrophic health plan as defined in RCW 48.43.005, any person  
8 enrolled in a pool plan pursuant to subsection (1)(a)(i) of this  
9 section in that county shall no longer be eligible for coverage under  
10 that plan pursuant to subsection (1)(a)(i) of this section; and

11 (b) The pool administrator shall provide written notice to any  
12 person who is no longer eligible for coverage under a pool plan under  
13 this subsection (3) within thirty days of the administrator's  
14 determination that the person is no longer eligible. The notice  
15 shall: (i) Indicate that coverage under the plan will cease ninety  
16 days from the date that the notice is dated; (ii) describe any other  
17 coverage options, either in or outside of the pool, available to the  
18 person; and (iii) describe the enrollment process for the available  
19 options outside of the pool.

20 **Sec. 2.** RCW 48.41.160 and 2013 c 279 s 4 are each amended to  
21 read as follows:

22 (1) On or before December 31, 2007, the pool shall cancel all  
23 existing pool policies and replace them with policies that are  
24 identical to the existing policies except for the inclusion of a  
25 provision providing for a guarantee of the continuity of coverage  
26 consistent with this section. As a means to minimize the number of  
27 policy changes for enrollees, replacement policies provided under  
28 this subsection also may include the plan modifications authorized in  
29 RCW 48.41.100, 48.41.110, and 48.41.120.

30 (2) A pool policy shall contain a guarantee of the individual's  
31 right to continued coverage, subject to the provisions of subsections  
32 (4), (5), (7), and (8) of this section.

33 (3) The guarantee of continuity of coverage required by this  
34 section shall not prevent the pool from canceling or nonrenewing a  
35 policy for:

36 (a) Nonpayment of premium;

37 (b) Violation of published policies of the pool;

38 (c) Failure of a covered person who becomes eligible for medicare  
39 benefits by reason of age to apply for a pool medical supplement

1 plan, or a medicare supplement plan or other similar plan offered by  
2 a carrier pursuant to federal laws and regulations;

3 (d) Failure of a covered person to pay any deductible or  
4 copayment amount owed to the pool and not the provider of health care  
5 services;

6 (e) Covered persons committing fraudulent acts as to the pool;

7 (f) Covered persons materially breaching the pool policy; or

8 (g) Changes adopted to federal or state laws when such changes no  
9 longer permit the continued offering of such coverage.

10 (4)(a) The guarantee of continuity of coverage provided by this  
11 section requires that if the pool replaces a plan, it must make the  
12 replacement plan available to all individuals in the plan being  
13 replaced. The replacement plan must include all of the services  
14 covered under the replaced plan, and must not significantly limit  
15 access to the kind of services covered under the replacement plan  
16 through unreasonable cost-sharing requirements or otherwise. The pool  
17 may also allow individuals who are covered by a plan that is being  
18 replaced an unrestricted right to transfer to a fully comparable  
19 plan.

20 (b) The guarantee of continuity of coverage provided by this  
21 section requires that if the pool discontinues offering a plan: (i)  
22 The pool must provide notice to each individual of the  
23 discontinuation at least ninety days prior to the date of the  
24 discontinuation; (ii) the pool must offer to each individual provided  
25 coverage under the discontinued plan the option to enroll in any  
26 other plan currently offered by the pool for which the individual is  
27 otherwise eligible; and (iii) in exercising the option to discontinue  
28 a plan and in offering the option of coverage under (b)(ii) of this  
29 subsection, the pool must act uniformly without regard to any health  
30 status-related factor of enrolled individuals or individuals who may  
31 become eligible for this coverage.

32 (c) The pool cannot replace or discontinue a plan under this  
33 subsection (4) until it has completed an evaluation of the impact of  
34 replacing the plan upon:

35 (i) The cost and quality of care to pool enrollees;

36 (ii) Pool financing and enrollment;

37 (iii) The board's ability to offer comprehensive and other plans  
38 to its enrollees;

39 (iv) Other items identified by the board.

1 In its evaluation, the board must request input from the  
2 constituents represented by the board members.

3 (d) The guarantee of continuity of coverage provided by this  
4 section does not apply if the pool has zero enrollment in a plan.

5 (5) The pool may not change the rates for pool policies except on  
6 a class basis, with a clear disclosure in the policy of the pool's  
7 right to do so.

8 (6) A pool policy offered under this chapter shall provide that,  
9 upon the death of the individual in whose name the policy is issued,  
10 every other individual then covered under the policy may elect,  
11 within a period specified in the policy, to continue coverage under  
12 the same or a different policy.

13 (7) All pool policies issued on or after January 1, 2014, must  
14 reflect the new eligibility requirements of RCW 48.41.100 and contain  
15 a statement of the intent to discontinue the pool coverage on  
16 December 31, ((2017)) 2018, under pool nonmedicare plans.

17 (8) Pool policies issued prior to January 1, 2014, shall be  
18 modified effective January 1, 2013, consistent with subsection (3)(g)  
19 of this section, and contain a statement of the intent to discontinue  
20 pool coverage on December 31, ((2017)) 2018, under pool nonmedicare  
21 plans.

22 (9) The pool shall discontinue all nonmedicare pool plans  
23 effective December 31, ((2017)) 2018."

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24 On page 1, line 1 of the title, after "pool;" strike the  
25 remainder of the title and insert "and amending RCW 48.41.100 and  
26 48.41.160."

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