

# SENATE BILL REPORT

## SHB 1291

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As Reported by Senate Committee On:  
Health Care, March 14, 2017

**Title:** An act relating to health care for Pacific Islanders residing in Washington under a compact of free association.

**Brief Description:** Concerning health care for Pacific Islanders residing in Washington under a compact of free association.

**Sponsors:** House Committee on Appropriations (originally sponsored by Representatives Santos, Jinkins, Fey, Robinson, Fitzgibbon, Stanford, Ormsby and Riccelli).

**Brief History:** Passed House: 3/02/17, 51-47.

**Committee Activity:** Health Care: 3/14/17, 3/14/17 [DP-WM].

### Brief Summary of Bill

- Creates a premium assistance program for Washington residents who are citizens of the Republic of the Marshall Islands, the Federated States of Micronesia, or the Republic of Palau.

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### SENATE COMMITTEE ON HEALTH CARE

**Majority Report:** Do pass and be referred to Committee on Ways & Means.

Signed by Senators Rivers, Chair; Becker, Vice Chair; Cleveland, Ranking Minority Member; Bailey, Conway, Fain, Keiser, Miloscia, Mullet, O'Ban and Walsh.

**Staff:** Mich'l Needham (786-7442)

**Background:** Under the federal Patient Protection and Affordable Care Act (ACA), each state must establish a health benefit exchange through which consumers may compare and purchase individual and small group coverage, access premium and cost-sharing subsidies, and apply for Medicaid coverage. Premium subsidies are available to individuals between 100 percent and 400 percent of the federal poverty level. Qualified health plans sold in an exchange must meet certain standardized actuarial values: Bronze, 60 percent; Silver, 70 percent; Gold, 80 percent; and Platinum, 90 percent. Washington's health benefit exchange,

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the Washington Healthplanfinder, is a public-private partnership governed by a board consisting of members with expertise in the health care system and health care coverage.

Under the Compact of Free Association (COFA), citizens of the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau may live and work in the United States and serve in the United States Military. Citizens of COFA nations are also eligible for premium assistance through the Exchanges established by the ACA. Citizens of COFA nations are, however, ineligible for Medicaid.

The State Board of Health (Board), in collaboration with the Governor's Interagency Council on Health Disparities, may complete health impact reviews on legislative proposals to evaluate the proposals' impact on health and health disparities. In 2016, the Board completed a health impact review on HB 2986 (2016), which created a premium assistance program for citizens of COFA nations. The Board determined that the program would improve access and outcomes for COFA citizens and decrease health disparities.

A Health Impact Review of this legislation was requested and is available at the Washington State Board of Health's website,

<http://sboh.wa.gov/Portals/7/Doc/HealthImpactReviews/HIR-2017-06-HB1291.pdf?ver=2017-01-24-124929-027>.

**Summary of Bill:** The COFA Premium Assistance Program (Program) is established. Through the Program, the Health Care Authority (HCA) must, within funds appropriated for the specific purpose, pay the premiums associated with a qualified health plan purchased by an eligible individual. A person is eligible for the Program if the person:

- is a Washington resident;
- is a citizen of a COFA nation;
- enrolls in a Silver plan;
- has an income that is less than 133 percent of the federal poverty level; and
- is ineligible for a federal or state medical program.

A person is disqualified for the program if the person:

- no longer meets the eligibility criteria;
- fails to comply with the Program requirements related to procedures or documentation;
- fails to notify the HCA of a change of address in a timely manner;
- withdraws their application or requests the termination of coverage; or
- commits fraud that results in an insurer rescinding the policy.

The HCA must establish:

- application, enrollment, and renewal processes;
- the QHPs that are eligible for reimbursement by the Program;
- procedural requirements for participation in the Program;
- open enrollment and special enrollment periods consistent with the enrollment periods of the Washington Healthplanfinder—the first open enrollment period must begin by November 1, 2017; and
- a comprehensive community education and outreach campaign that must begin no later than September 1, 2017.

The HCA must appoint an advisory committee (Committee) that must include insurers and representatives of communities of citizens of COFA nations. The Committee must advise the HCA in the development, implementation, and operation of the Program.

By December 31, 2018, the HCA must report to the Governor and the Legislature on the implementation of the Program. The report must include the following:

- the number of people participating in the program;
- the actual costs of the program compared to predicted costs;
- the results of the community education and outreach campaign; and
- the funding needed to continue the program through the end of the biennium.

**Appropriation:** None.

**Fiscal Note:** Available.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** The bill contains an emergency clause and takes effect immediately. However, the bill is null and void if not funded in the budget.

**Staff Summary of Public Testimony:** PRO: It is important to remember why we have Pacific Islander citizens here, due to our historical relationship with the islands and the U.S. involvement there. Many serve in the U.S. military and are concentrated near our military bases. Although they maintain their COFA citizenship, this is their home. These COFA citizens are our neighbors, our friends, and our fellow Washingtonians and they contribute to our economy. They have high rates of diseases, high rates of infant mortality, and other complications directly linked to the U.S. caused radiation. These COFA citizens are not eligible for Medicaid but have significant health impacts from the 60 U.S. bombs that were detonated over the course of 12 years. They legally work here, pay taxes here, and need access to health care here.

**Persons Testifying:** PRO: Representative Sharon Tomiko Santos, Prime Sponsor; Brianne Ramos, Pacific Islander Health Board; Emily Murphy, Children's Alliance.

**Persons Signed In To Testify But Not Testifying:** No one.