



Washington Association of Health Underwriters

Legislative Update ~ February 10, 2010

Dear WAHU Member,

House Committee Approves Amended Measure Intended to Clarify Census in a Small Employer Plan

The House Health Care & Wellness Committee has approved an amended version of HB 2997—a measure that has been introduced at the request of the Association of Washington Health Plans to clarify the determination of the census of a small group so that rates can be determined and offered to small employers on a timely basis. Current law does not define a census date. When the bill was considered at hearing, representatives from the Association of Washington Healthcare Plans, individual carriers, AHIP and the Washington Association of Health Underwriters testified in support of the bill. Carriers noted that last year the OIC determined that the census day must be the actual census on the effective date of the policy. This determination would make it impossible for carriers to provide accurate rate quotes to small groups prior to the effective date of coverage. As introduced, HB 2997 would allow for a census to be taken 60 days before the effective date of the policy so that a rate quote can be provided to small employers on a timely basis. Representatives from the Washington Association of Health Underwriters, however, commented that the bill should allow the census to be taken 60 days before the open enrollment date, which would allow more time for small employers to review their options on a timely basis. In response to this testimony, the bill was amended to allow for a census to be taken 90 days prior to the effective date of coverage. The amended bill has been referred to the House Rules Committee.

Legislators, Regulators, Carriers and Providers Continue to Debate Controversial Issues Regarding Coverage for Emergency Health Care Services—House Committee Passes Bill, Keeping Pressure On

The House Health Care & Wellness Committee has approved HB 2779—a measure that is intended to clarify the circumstances involving coverage for the delivery of health care services by non-participating providers, and to prevent balance billing. The measure was introduced by Rep. Eileen Cody, committee Chair. When the bill was considered at hearing, Rep. Cody and representatives from health plans testified in support of the measure, arguing that consumers need to be protected from balance billing by non-participating providers. The Washington State Medical Association, together with the Washington State Hospital Association and the American College of Emergency Physicians testified in opposition to the measure. The WSMA hired former Insurance

Commissioner Deborah Senn to testify in opposition to the bill. Opponents argued that the bill amounts to price-fixing, and damages Washington health care providers who are already paid less than providers in other states under Medicare. A companion bill in the Senate—SB 6400—was killed in committee when it was not brought to a vote before the February 5 cut-off.

In the wake of the controversies uncovered during the hearing 2779 and SB 6400, representatives from the medical association, OIC, and health plans met to discuss the issues. It appears that longer-range discussions are likely. It also appears that no consensus is likely to develop with respect to HB 2779, but legislators may be using the bill to encourage continued dialogue.

Proposal to Establish Non-Profit Corporation to Fund Vaccines for Children Moved to Senate Floor

On Friday, February 5 the Senate Rules Committee placed SB 6263 on the Senate floor calendar. The measure would create a new non-profit corporation—the Washington Vaccine Association—to provide funding for vaccines. The program would be funded by new assessments imposed on health carriers and third party administrators, and the funding would be intended to provide vaccines for children. At a hearing on the measure, pediatricians, together with representatives from Regence BlueShield and Aetna testified in support of the bill. The House Health Care & Wellness Committee approved a companion measure (HB 2551) on Friday, January 22. HB 2551 was considered at hearing by the House Ways and Means Committee Wednesday, February 3, and is scheduled for a committee vote on Saturday, February 6. If approved by the committee, the measure will be referred to the House Rules Committee.

Senate Committee Kills Controversial Bill Dealing with Dental Charges—House Committee Approves Measure

The House Health Care & Wellness Committee has approved HB 2686—a measure which would prohibit participating provider agreements from imposing restrictions on charges that relate to services that are not covered under the applicable contract. The measure has been referred to the House Rules Committee. SB 6427 was killed by the Senate Health & Long Term Care Committee when it was not considered and brought to a vote before the February 5 cut-off for committee approval. Health plans have expressed concern that transparency should be a top priority and that consumers often have no idea of the costs of uncovered services. Fee schedules offer transparent pricing and consumer protections.

We will continue to track bills that could be of interest to you and your clients and will keep you posted.

Thank you and have a great week.

Mark Rose
WAHU State Legislative Chair

WAHU
PO Box 58530
Seattle, WA 98138