
Two Important Legislative Actions Affect WSHIP and the Standard Health Questionnaire

Eligibility rules modified for WSHIP's Medicare Basic Plan

With the passage of ESSB 5777, eligibility for WSHIP's Medicare Basic Plan will be limited to people living in Washington counties without a reasonable choice of Medicare Advantage Plans. The WSHIP Board supported passage of ESSB 5777 because WSHIP's purpose is to provide access to comprehensive coverage for those who are unable to obtain it. Advantage Plans are financed by the federal government, while WSHIP losses are funded through assessments on health insurance in Washington. The law assures that consumers will continue to be eligible for WSHIP if they do not have reasonable choice. Advantage plans often offer such coverage at more affordable rates than WSHIP's Medicare Basic Plan.

This new law goes into effect August 1, 2009. A reasonable choice is defined as:

1. having the option of an HMO or PPO Advantage Plan offered by at least three different carriers that have had provider networks in the applicant's county of residence for at least five years.
2. coverage is at least as comprehensive as a Plan F Medicare supplement plan combined with Medicare parts A and B.
3. the plan provides access to adequate and stable provider networks that make up-to-date provider directories easily accessible on the carrier web site and will provide a hard copy, if requested.
4. the provider network for at least one of these plans includes the applicant's health care provider from whom they have received treatment within the past twelve months.

ESHB 1401 adds exemptions for the Standard Health Questionnaire

The Washington State Legislature has enacted new exemptions for the Standard Health Questionnaire (SHQ) effective July 26, 2009. ESHB 1401 provides exemptions from having to take the questionnaire for persons applying for individual health coverage who:

- were covered by a group plan provided by an employer that is exempt from COBRA, and they are applying for individual health coverage within 90 days of an event which would qualify them for COBRA if their employer had not been exempt from COBRA, and they had at least 24 months of continuous group coverage prior to such event;
- apply within 90 days of an event which qualifies them for COBRA, and they had at least 24 months of continuous group coverage prior to such event, but they choose not to take COBRA coverage.

ESHB 1401 continued...

To implement these new exemption rules, the SHQ has been revised on the version dated for use July 26, 2009. Health carriers provide the SHQ as part of their application procedure; however, for information purposes the SHQ is posted to WSHIP's website at www.wship.org.

At this time there are three versions of the SHQ posted to the WSHIP website:

- Standard Health Questionnaire dated April 1, 2008, for use *prior to July 26, 2009*;
- Standard Health Questionnaire dated April 1, 2008, for use *as of July 26, 2009*;
- Standard Health Questionnaire for use with coverage that begins *on or after October 1, 2009*.

Which SHQ to use? Prior to July 26, 2009, applicants should use the April 1, 2008, SHQ for use prior to July 26, 2009. Beginning July 26, 2009, applicants should use the April 1, 2008, SHQ for use as of July 26, 2009, for coverage that will begin before October 1, 2009. For coverage that begins on or after October 1, 2009, the new October 1, 2009, SHQ should be used.

Questions about which SHQ to use? Agents should contact the health carrier to whom your client is applying for individual coverage if you need help determining which version of the SHQ should be filled out.

Questions about the exemptions for the SHQ? Please contact the carrier to whom your client is applying or the Office of the Insurance Commissioner's Consumer Division, **1-800-562-6900**, if you have questions about the rules for SHQ exemptions.

Standard Health Questionnaire recertification requirement expanded to 36 months

With the passage of ESSB 5777 the WSHIP Board of Directors is charged with certifying the Standard Health Questionnaire no less than every 36 months rather than every 18. "Certification" means WSHIP's actuary reviews individual claims data provided by carriers in Washington state and WSHIP to confirm that the SHQ point threshold identifies the 8% most costly to treat. This recertification process is costly for all involved, and resources will be conserved by reducing the frequency of recertifications.

Funding study supported

Securing stable funding for the high risk pool is vital to the health insurance market in Washington state. ESSB 5777 authorizes WSHIP to initiate a funding study that will identify equitable, stable and broadbased funding sources. Working with the University of Washington Department of Health Services, WSHIP is moving forward to complete the study.

WSHIP's Agent Directory

Please review your personal contact information on the WSHIP Agent Directory posted on WSHIP's website. Send any changes for your listing to Anne Mackie, amackie@wship.org.