

Approved 3-20-85  
Date

MINUTES OF THE House COMMITTEE ON Insurance

The meeting was called to order by Rep. Rex B. Hoy at  
Chairperson

3:30 ~~am~~/p.m. on Tuesday, March 19, 1985 in room 521S of the Capitol.

All members were present except:

Reps. Lowther - Excused

Committee staff present:

Emalene Correll - Legislative Research  
Melinda Hanson - Legislative Research  
Gordon Self - Revisor's Office  
Helen Carlson - Secretary

Conferees appearing before the committee:

Mr. Ron Todd - Insurance Dept.  
Mr. Martin L. Toews - American Diabetes Association

Ms. Hanson of Staff was asked to explain briefly SB 19. She stated the bill had been amended in the Senate to allow insurance companies to negotiate and enter into contracts for alternative rates of payment with health care providers, and other parties, and to offer the benefits of those rates to insureds who select such providers.

Mr. Ron Todd, Insurance Dept., said he had testified in favor of the bill in the Senate and felt it would facilitate lower health care costs by allowing regular insurance companies, as well as Blue Cross/Blue Shield, to enter into contracts for alternative rates of pay. He further stated the existing law is very difficult to understand, and that some of the language has been stricken and the bill specifically lists what is to be allowed in lines 33 through 43.

Ms. Correll explained SB 121 saying the Senate Committee's intent was that the Insurance Commissioner could not implement risk pools under the statute, as amended, until the Legislature could comment on plans for such pools. The second statute provided that the Legislature have an opportunity to review the data and comment on whether there is a need for implementation of the plan.

Mr. Todd said he had no objections to SB 121 and had appeared before the Committee in favor of HB 2167 which is a similar proposal. He presented an amendment for the Committee's consideration as follows; On line 75, after the number (2), insert the words, "with regard to accident and sickness insurance". On line 75, after the word "shall", insert the word "initially". Mr. Todd further stated that this is essentially enabling legislation and does not have any language allowing payment to come out of the General Fund for any risk pool benefit payments.

Mr. Toews, American Diabetes Assn., said he had no problems with the bill.

The Chairman said that since Sen. Jim Francisco was unable to be at the meeting SB 121 would be taken up at a later date.

The Committee went back to SB 19.

Rep. Graeber made a motion, seconded by Rep. King, to report SB 19 favorably for passage. Motion carried.

The Chairman asked for approval of the minutes for March 6th, March 7th AM and March 7th PM. The March 6th minutes were amended to show Rep. Blumenthal present and the original copy has been so corrected. Minutes approved.

Meeting adjourned at 4:20 PM.

*Rex B Hoy*

