



Report to the Legislature

**2008 Report on the Employment
Status of Basic Health Enrollees**

**CY 2007 Employment Statistics
January 2008 and June 2008 Employers Identified**

Washington State Health Care Authority

Required by Engrossed Substitute House Bill 3079
Chapter 264, Laws of 2006
RCW 70.47.170

December 2008

Prepared on behalf of the Health Care Authority by:
Department of Social and Health Services
Planning, Performance and Accountability Administration
Research and Data Analysis Division
PO Box 45204
Olympia, WA 98504-5204
(360) 902-0701
Fax: (360) 902-0705

HCA

WASHINGTON STATE

Health Care Authority



Basic Health™

Headquarters located at:

676 Woodland Square Loop SE
Lacey, WA 98503

Mailing address:

PO Box 42682
Olympia, WA 98504-2682

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*Report prepared for the Washington
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14th and Jefferson Street
PO Box 45204
Olympia, WA 98504-5204
360.902.0701

Director: Elizabeth Kohlenberg, PhD
e-mail: kohleer@dshs.wa.gov

Authors: David Mancuso, PhD
Lijian He, PhD
Barbara E.M. Felver, MES, MPA
with

WASHINGTON STATE

Health Care Authority

and

WASHINGTON STATE

Employment Security Department

Agency contacts:

HEALTH CARE AUTHORITY

Preston Cody, (360) 412-4361
Basic Health Assistant Administrator

Dennis Martin, (360) 923-2831
Basic Health Legislative Liaison
(360) 923-2831

DEPARTMENT OF SOCIAL AND HEALTH SERVICES

David Mancuso, (360) 902-7557
Senior Research Manager, RDA

This report available electronically at:
http://www.hca.wa.gov/leg_reports.html



Washington State Health Care Authority

P.O. Box 42700 • Olympia, Washington 98504-2700
360-923-2828 • Fax 360-923-2606 • TTY 360-923-2701 • www.hca.wa.gov

January 7, 2009

Mr. Thomas Hoemann
Secretary of the Senate
Washington State Senate
P.O. Box 40482
Olympia, WA 98504-0482

Ms. Barbara Baker
Chief Clerk of the House
House of Representatives
P.O. Box 40600
Olympia, WA 98504-0600

Dear Mr. Hoemann and Ms. Baker:

The Health Care Authority is pleased to submit our 2008 report as directed by Engrossed Substitute House Bill 3079, chapter 264, Laws of 2006. The bill directs the Health Care Authority to report each year on the number of employed Basic Health enrollees with Social Security Numbers (SSN) and their covered dependents.

Please contact Dennis Martin at (360) 923-2831 or dennis.martin@hca.wa.gov if you have any questions concerning this report.

Sincerely,

Steve Hill

Administrator
Enclosure

cc: Senator Karen Keiser, Chair, Senate Health & Long-Term Care Committee
Senator Cheryl Pflug, Ranking Minority Member, Senate Health & Long-Term Care Committee
Representative Steve Conway, Chair, House Commerce and Labor Committee
Representative Cary Condotta, Ranking Minority Member, House Commerce and Labor Committee
Representative Eileen Cody, Chair, House Health Care & Wellness Committee
Representative Bill Hinkle, Ranking Minority Member, House Health Care & Wellness Committee
Christina Hulet, Governor's Policy Office
Jonathan Seib, Governor's Policy Office
Nick Lutes, Office of Financial Management
Mich'l Needham, Research Analyst, Senate Health & Long-Term Care Committee
Jill Reinmuth, Counsel, House Commerce and Labor Committee
Dave Knutson, Research Analyst, House Health Care & Wellness Committee



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As Required by Engrossed Substitute House Bill 3079

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INTRODUCTION

Engrossed Substitute House Bill 3079 (ESHB 3079), enacted in 2006, directs the Health Care Authority (HCA) and the Department of Social and Health Services (DSHS) to submit annual reports to the Legislature on the employment status of Basic Health Program (BH) enrollees and Medical Assistance clients. This report provides employer-specific and aggregate employer data related to Basic Health enrollees in compliance with Section 1 of the legislation (enacted as chapter 264, Laws of 2006 and codified in RCW 70.47.170). See Appendix 1 for a copy of RCW 70.47.170.

Governor Gregoire signed ESHB 3079, but vetoed the emergency clause included in the bill. The Governor's veto message urged caution when interpreting information provided in this report:

The employer information to be provided by the Health Care Authority (HCA) and the Department of Social and Health Services (DSHS) is not a requirement for enrollment or eligibility. Consequently, data contained in the reports will have been provided on a voluntary basis, and will be unverified. The two reports—an employer-specific report and an aggregated report—will originate from separate sources. Therefore, they will not be comparable. The reports will also be based on a point-in-time data collection and will therefore not reflect changes in employment status. These data limitations must be considered when interpreting the reports.

The Governor also noted the programs provide health care services to eligible working persons and expressed concern that the information "not be misconstrued to portray beneficiaries of our Basic Health and Medicaid programs in a negative light."

The Joint Legislative Audit and Review Committee (JLARC) conducted a two-part study of Basic Health. *Basic Health Plan Study—Part 2: Who is Enrolled? What Services Do They Use?* includes information on Basic Health enrollee employment status. The JLARC report—referencing Briefing Report 06-9—published November 29, 2006—is available on the Washington State Legislature Home Page:
<http://www1.leg.wa.gov/JLARC/Audit+and+Study+Reports/2006/06-9.htm>.

REPORT REQUIREMENTS

ESHB 3079 directs HCA to provide two separate sets of information regarding the employment status of BH enrollees.

REPORT A

- Employer-specific data for January and June 2008 for employers associated with 50 or more persons enrolled in Basic Health coverage.

REPORT B

- Aggregate data for calendar year (CY) 2007 by industry, firm size, and public/private ownership type. These data are based on ESD quarterly wage data.

BASIC HEALTH DATA SOURCES AND LIMITATIONS

REPORT A | Employer-specific data

HCA's member database—Basic Health Member Billing and Management System (MBMS)—does not include employer-specific information. The HCA is unable to modify or expand this legacy system to capture employer names and addresses for BH enrollees. To produce this report, BH created a separate database to capture this information. BH hired temporary staff to collect the most recent employer information identified on supporting documentation submitted by enrollees in compliance with the requirements for BH account maintenance, such as applications, recertification, and income verification information. These documents are stored in HCA's Legato imaging system. BH staff manually reviewed the imaged documents to see if employer-specific information was supplied. That information was entered as employer-specific data into the separate database for each individual account with verified enrollment in the BH member database. BH then contracted with the Department of Social and Health Services Research and Data Analysis Division to produce the 2008 report.

The employer-specific data source has several limitations. ESHB 3079 requires employer information; however, only Medical Assistance clients must provide this information. To determine eligibility, Basic Health applicants must provide family income documentations and can voluntarily disclose employer information. HCA's Legato imaging system employer information required by ESHB 3079 is not a requirement for enrollment or eligibility. Enrollees are required to document their family income, but they are not required to disclose their employer's name. Consequently, data contained in the report are provided on a voluntary basis and may be incomplete. For example, the vast majority of BH members with an identified employer did not have an identified hire date. Furthermore, employers identified in supporting documents may reflect previous income documentation required in determining eligibility and may not reflect the adult's employment status as of a particular point in time.

In addition, the data does not allow the business entity that is the member's employer of record to be verified with certainty. In the case of business franchises, our grouping of employee and member counts by employer name may overstate the number of members associated with a single business entity (for example, in the case of McDonalds). On the other hand, although significant work was undertaken to identify divisions, brands, and subsidiaries of large corporate entities (for example, the ownership of Dairy Queen, Orange Julius, and other enterprises by Berkshire Hathaway), it is not possible to completely catalog these (constantly changing) corporate relationships for the purposes of this report. We used a sophisticated programming algorithm to reduce the impact of misspellings in the raw employer name data.

The HCA has reported the total cost to the state for providing BH coverage to the net total number of enrollees either employed by or the dependent of a person employed by an employer included in this report (Table 3). For purposes of Report A (the by-firm analysis), the HCA used the average state cost of a BH member for the six-month period from January to June 2008: \$217.24 per adult member per month and \$62.28 per child/dependent member per month.

Finally, it was evident that many BH enrollees work for multiple employers. The employer-specific tabulations provided in this report do not unduplicate BH members who are associated with multiple employers.

REPORT B | Aggregate data by industry, ownership type, and firm size

BH member data compiled from the MBMS was cross-matched to the Employment Security Department (ESD) quarterly Unemployment Insurance (UI) employer data. The data match was completed for each of the four quarters of 2007. Tables 1 and 2 provide information from this match. It is important to note that the aggregate data match is conducted using the Social Security number (SSN) of BH enrolled adults. BH enrollees may voluntarily provide their SSN to BH, but BH cannot require enrollees to provide this information.

Counts of employed BH members were associated with a single "primary employer" in each quarter. The majority of employed BH members had a single employer in the quarter. In cases where the person had more than one employer in the quarter, the primary employer was defined to be the employer from whom the person received the greatest earnings. To create an unduplicated count of member months and state expenditures associated with employed persons, in the cases where a dependent was associated with more than one employed person, we associated the dependent with the person who had the highest earnings. Therefore, the counts of covered lives, member months, and costs to the state reported in Table 2 are unduplicated.

HCA reported the total cost to the state for providing BH coverage to the net total number of enrollees identified in the data match with ESD (see Table 2). For purposes of the aggregate analysis, HCA used the cost to the state based on the average state cost of a BH member for calendar year (CY) 2007: \$203.30 per adult member per month and \$58.12 per child/dependent member per month.

Comparison of employer-specific and aggregate data

The two reports originate from completely separate data sources. HCA strongly cautions the reader not to make direct comparisons between the employer-specific data and the aggregate statewide data by industry, ownership type, and firm size.

OBSERVATIONS

REPORT A | Employer-specific data

1. In CY 2007, about half of employed BH members with an employer identified on account maintenance documents were employed by firms with more than 50 employees (Table 1).

REPORT B | Aggregate data by industry, ownership type, and firm size

2. In the average quarter in CY 2007, there were 114,050 persons enrolled in BH coverage for at least one month in the quarter. Of this number, there were 97,964 *adults* enrolled in BH coverage for at least one month in the quarter. Of these, 79,981 *adults had a valid SSN* for linkage with ESD quarterly wage data. That is, 82 percent of adults enrolled in BH in a typical quarter in CY 2007 had an identified SSN to allow linkage with ESD wage data (79,981 of 97,964 adults).
3. In the average quarter in CY 2007, there were 34,959 adult BH members with ESD-reported earnings in the quarter (see Table 1) identified by the SSN match. This represents about 43.7 percent of all BH members with an identified SSN in the average quarter in CY 2007.
4. The 34,959 employed BH members had 12,312 other BH member adults and dependents on their BH accounts, for an average quarterly total of 47,271 covered lives associated with employed persons as identified in the ESD wage match (see Table 2). This represents 41.4 percent of all BH members in the average quarter in CY 2007.
5. There were 517,145 months of BH coverage associated with employed BH members in CY 2007 (Table 2). The total estimated cost to the state for this coverage was \$96.9 million in CY 2007.
6. Associated annual BH coverage costs were greatest for persons employed in the following industries: Accommodation and Food Services (\$15.2 million); Retail Trade (\$12.7 million); Health and Social Assistance (\$12.2 million); and Agriculture (\$10.2 million).
7. Almost all (92 percent) of the annual BH coverage costs were associated with private employers (\$88.7 million), as opposed to public employers (\$8.1 million).



REPORT A
By Firm Tables

Employment of Basic Health Enrollees by Firm:
January and June 2008



TABLE 1. REPORT A | Basic Health adults with an employer identified on forms required for account maintenance Associated enrolled adults and dependents and cost to the state

Table with columns: Employer, Basic Health Adults Employed by Firm (Jan/June), Enrolled Adults and Dependents Associated with BH Adults Employed by Firm (Jan/June), Total Cost to the State (Jan/June). Rows list various employers like ZIRKLE FRUIT COMPANY, WAL-MART STORES INC, etc.

| Employer | JANUARY AND JUNE 2008 | | Basic Health Adults Employed by Firm | | Enrolled Adults and Dependents Associated with BH Adults Employed by Firm | | Total Cost to the State | |
|-----------------------------------|-----------------------|------|--------------------------------------|------|---|----------|-------------------------|------|
| | January | June | January | June | January | June | January | June |
| STATE OF WASHINGTON | 51 | 6 | 73 | 6 | \$14,774 | \$1,303 | | |
| WASHINGTON STATE MIGRANT COUNCIL | 49 | 27 | 71 | 36 | \$15,114 | \$7,356 | | |
| ABM INDUSTRIES INCORPORATED | 42 | 32 | 71 | 43 | \$13,100 | \$8,721 | | |
| NORTHWEST HORTICULTURE | 34 | 31 | 71 | 63 | \$11,395 | \$10,432 | | |
| TRIARC COMPANIES INC | 47 | 35 | 69 | 44 | \$12,665 | \$8,784 | | |
| BOLTHOUSE FARMS, INC. | 38 | 5 | 69 | 9 | \$11,735 | \$1,490 | | |
| SNOKIST GROWERS | 41 | 22 | 68 | 34 | \$13,533 | \$7,231 | | |
| ROY FARMS | 37 | 37 | 68 | 74 | \$12,913 | \$13,596 | | |
| WALGREEN CO | 52 | 28 | 67 | 32 | \$14,090 | \$6,642 | | |
| ALLEGIS GROUP | 41 | 24 | 67 | 37 | \$12,386 | \$7,418 | | |
| TACOMA GOODWILL | 51 | 30 | 66 | 41 | \$13,563 | \$8,287 | | |
| SPOKANE SCHOOL DISTRICT | 47 | 33 | 66 | 40 | \$13,253 | \$8,690 | | |
| J. C. PENNEY COMPANY INC | 50 | 52 | 65 | 67 | \$12,881 | \$13,625 | | |
| TACOMA SCHOOL DISTRICT | 38 | 33 | 64 | 49 | \$11,889 | \$9,250 | | |
| MATSON FRUIT COMPANY | 37 | 25 | 61 | 39 | \$11,082 | \$8,162 | | |
| WYNDHAM WORLDWIDE CORPORATION | 33 | 23 | 60 | 37 | \$9,935 | \$6,798 | | |
| THE SEATTLE TIMES COMPANY | 39 | 27 | 59 | 41 | \$11,577 | \$8,287 | | |
| FIRSTGROUP PLC | 46 | 28 | 58 | 33 | \$12,135 | \$6,859 | | |
| VOLT INFORMATION SCIENCES INC | 37 | 34 | 58 | 42 | \$10,895 | \$8,969 | | |
| SCHWARTZ BROTHERS | 36 | 13 | 58 | 22 | \$10,895 | \$4,469 | | |
| CONGDON ORCHARDS | 32 | 17 | 58 | 29 | \$10,895 | \$5,525 | | |
| SHARI'S MANAGEMENT CORPORATION | 43 | 22 | 57 | 30 | \$11,453 | \$6,207 | | |
| MAR JON LABOR LLC | 40 | 33 | 57 | 40 | \$11,298 | \$8,690 | | |
| DARDEN RESTAURANTS INC | 35 | 25 | 57 | 39 | \$10,368 | \$7,233 | | |
| RED LION HOTELS CORPORATION | 37 | 20 | 56 | 24 | \$10,771 | \$5,214 | | |
| WEST CORPORATION | 45 | 23 | 55 | 26 | \$11,328 | \$5,648 | | |
| COMPASS GROUP PLC | 37 | 17 | 55 | 24 | \$10,554 | \$4,904 | | |
| BYBEE PRODUCE LLC | 33 | 14 | 55 | 17 | \$9,004 | \$3,228 | | |
| BLUE BIRD INC | 26 | 15 | 55 | 39 | \$9,779 | \$6,303 | | |
| KNOWLEDGE LEARNING CORPORATION | 45 | 33 | 54 | 39 | \$11,421 | \$8,007 | | |
| DENNY'S CORPORATION | 35 | 20 | 54 | 32 | \$10,336 | \$6,177 | | |
| KERSHAW SUNNYSIDE RANCHES INC. | 33 | 8 | 54 | 12 | \$10,181 | \$2,607 | | |
| WASHINGTON BEEF LLC | 33 | 26 | 54 | 40 | \$10,801 | \$7,760 | | |
| 7-ELEVEN INC | 31 | 23 | 54 | 37 | \$10,646 | \$7,263 | | |
| STARBUCKS CORPORATION | 45 | 28 | 53 | 36 | \$11,049 | \$7,511 | | |
| HOGUE RANCHES INC | 30 | 13 | 53 | 17 | \$9,809 | \$3,228 | | |
| LOWE'S COMPANIES INC | 35 | 29 | 51 | 34 | \$10,149 | \$7,386 | | |
| OLSEN BROTHERS RANCHES, INC | 31 | 33 | 51 | 57 | \$9,065 | \$10,678 | | |
| TAYLOR ORCHARDS LLC | 29 | 10 | 51 | 17 | \$9,840 | \$3,538 | | |
| NORDSTROM INC | 39 | 22 | 50 | 29 | \$10,552 | \$6,145 | | |
| SEATTLE SCHOOL DISTRICT | 37 | 19 | 50 | 26 | \$9,622 | \$5,338 | | |
| INTERCONTINENTAL HOTELS GROUP | 34 | 22 | 50 | 36 | \$9,467 | \$6,271 | | |
| BAKER PRODUCE INC | 32 | 29 | 50 | 43 | \$9,467 | \$8,257 | | |
| STRONG TWIG, LLC | 21 | 1 | 50 | 2 | \$8,383 | \$434 | | |
| GOODWILL INDUSTRIES INTERNATIONAL | 26 | 43 | 34 | 57 | \$6,766 | \$11,453 | | |



REPORT B
Aggregate Tables

Employment Status of Basic Health Enrollees and Persons
with Dependents with HCA Basic Health Coverage:

Calendar Year 2007

TABLE 2. REPORT B | Basic Health employed adults with identifiable SSN for Employment Security data match for Calendar Year 2007

| | Number of Employed Basic Health Members | | | | | | | | | | Yearly Average per Quarter | | | |
|-----------------------------------|---|---------------|---------------|---------------|----------------------------|--------------------------------------|----------------------------|---------------|---------------|------------|----------------------------|--|--|--|
| | QUARTER | | | | YEARLY Average per Quarter | Percent of Total Employed BH Members | BY HOURS WORKED IN QUARTER | | | Unknown | | | | |
| | 1 | 2 | 3 | 4 | | | 1 to 261 | 262 to 455 | More than 455 | | | | | |
| All Firms | 33,066 | 35,591 | 35,982 | 35,198 | 34,959 | 100.0% | 13,735 | 10,643 | 9,630 | 951 | | | | |
| By Industry | | | | | | | | | | | | | | |
| Agriculture (11) | 2,677 | 3,511 | 3,523 | 3,012 | 3,181 | 9.1% | 1,133 | 802 | 1,239 | 7 | | | | |
| Mining (21) | 11 | 17 | 16 | 18 | 16 | 0.0% | 5 | 3 | 8 | 0 | | | | |
| Utilities (22) | 26 | 39 | 38 | 36 | 35 | 0.1% | 18 | 9 | 8 | 0 | | | | |
| Construction (23) | 1,344 | 1,530 | 1,559 | 1,440 | 1,468 | 4.2% | 576 | 425 | 462 | 6 | | | | |
| Manufacturing (31-33) | 2,069 | 2,201 | 2,410 | 2,292 | 2,243 | 6.4% | 587 | 565 | 1,088 | 3 | | | | |
| Wholesale Trade (42) | 829 | 909 | 909 | 887 | 884 | 2.5% | 277 | 239 | 366 | 2 | | | | |
| Retail Trade (44) | 4,539 | 4,728 | 4,802 | 5,003 | 4,768 | 13.6% | 1,597 | 1,551 | 1,595 | 25 | | | | |
| Transportation/Warehousing (48) | 582 | 636 | 699 | 736 | 663 | 1.9% | 253 | 191 | 217 | 3 | | | | |
| Information (51) | 367 | 384 | 384 | 364 | 375 | 1.1% | 193 | 96 | 85 | 2 | | | | |
| Finance and Insurance (52) | 472 | 478 | 472 | 456 | 470 | 1.3% | 148 | 172 | 147 | 3 | | | | |
| Real Estate (53) | 603 | 641 | 664 | 607 | 629 | 1.8% | 275 | 175 | 176 | 3 | | | | |
| Professional/Technical (54) | 900 | 886 | 843 | 865 | 874 | 2.5% | 386 | 263 | 217 | 8 | | | | |
| Management (55) | 20 | 25 | 25 | 21 | 23 | 0.1% | 8 | 7 | 9 | 0 | | | | |
| Administrative/Waste (56) | 2,372 | 2,529 | 2,663 | 2,564 | 2,532 | 7.2% | 1,151 | 718 | 649 | 14 | | | | |
| Educational Services (61) | 2,425 | 2,526 | 2,149 | 2,501 | 2,400 | 6.9% | 1,684 | 565 | 150 | 2 | | | | |
| Health Care, Soc. Assistance (62) | 4,399 | 4,648 | 4,842 | 4,710 | 4,650 | 13.3% | 1,742 | 1,579 | 1,322 | 7 | | | | |
| Arts and Entertainment (71) | 825 | 889 | 908 | 848 | 868 | 2.5% | 440 | 253 | 174 | 1 | | | | |
| Accommodation and Food (72) | 5,567 | 5,805 | 5,818 | 5,722 | 5,728 | 16.4% | 2,274 | 2,258 | 1,189 | 8 | | | | |
| Other Services (81) | 2,545 | 2,650 | 2,633 | 2,598 | 2,607 | 7.5% | 721 | 628 | 421 | 837 | | | | |
| Other Government (92) | 454 | 536 | 615 | 506 | 528 | 1.5% | 272 | 147 | 108 | 1 | | | | |
| Unknown | 40 | 23 | 10 | 12 | 21 | 0.1% | 0 | 0 | 0 | 21 | | | | |
| By Ownership Type | | | | | | | | | | | | | | |
| Public | 3,006 | 3,208 | 2,929 | 3,092 | 3,059 | 8.7% | 1,892 | 789 | 356 | 23 | | | | |
| Private | 30,059 | 32,383 | 33,053 | 32,106 | 31,900 | 91.2% | 11,844 | 9,855 | 9,274 | 928 | | | | |
| Unknown | 1 | 0 | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | | | | |
| By Firm Size | | | | | | | | | | | | | | |
| 1-50 | 16,651 | 17,163 | 17,330 | 16,935 | 17,020 | 48.7% | 6,766 | 5,257 | 4,405 | 593 | | | | |
| 51-100 | 2,633 | 2,941 | 2,966 | 2,744 | 2,821 | 8.1% | 1,025 | 844 | 950 | 2 | | | | |
| 101-1000 | 8,762 | 9,697 | 9,569 | 9,626 | 9,414 | 26.9% | 3,615 | 2,886 | 2,883 | 30 | | | | |
| 1001-5000 | 3,977 | 4,405 | 5,021 | 4,335 | 4,435 | 12.7% | 2,019 | 1,362 | 1,030 | 25 | | | | |
| 5000+ | 1,042 | 1,385 | 1,096 | 1,558 | 1,270 | 3.6% | 311 | 295 | 361 | 303 | | | | |
| Unknown | 1 | 0 | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | | | | |



TABLE 3. REPORT B | Cost of Basic Health coverage associated with employed members with SSN identifiable

| CY 2007 | Number of Employed Basic Health Members | | Annual Profile | | Annual Cost to the State Associated with Employed Basic Health Members (Adults and Dependents) |
|-----------------------------------|---|-------------------------------------|---|---|--|
| | YEARLY Average per Quarter | Percent of Total Employed Enrollees | Average Quarterly BH Covered Lives Associated with Employed Members (Adults and Dependents) | Annual Months of BH Coverage Associated with Employed Members (Adults and Dependents) | |
| All Firms | 34,959 | 100.0% | 47,271 | 517,145 | \$96,854,947 |
| By Industry | | | | | |
| Agriculture (11) | 3,181 | 9.1% | 4,943 | 55,984 | \$10,246,385 |
| Mining (21) | 16 | 0.0% | 31 | 310 | \$54,748 |
| Utilities (22) | 35 | 0.1% | 51 | 530 | \$98,457 |
| Construction (23) | 1,468 | 4.2% | 2,442 | 26,226 | \$4,841,183 |
| Manufacturing (31-33) | 2,243 | 6.4% | 3,464 | 37,616 | \$6,927,966 |
| Wholesale Trade (42) | 884 | 2.5% | 1,308 | 14,370 | \$2,659,226 |
| Retail Trade (44) | 4,768 | 13.6% | 6,118 | 66,695 | \$12,707,903 |
| Transportation/Warehousing (48) | 663 | 1.9% | 990 | 10,731 | \$2,005,945 |
| Information (51) | 375 | 1.1% | 476 | 5,126 | \$986,222 |
| Finance and Insurance (52) | 470 | 1.3% | 633 | 6,657 | \$1,232,288 |
| Real Estate (53) | 629 | 1.8% | 772 | 8,339 | \$1,615,760 |
| Professional/Technical (54) | 874 | 2.5% | 1,138 | 12,205 | \$2,311,851 |
| Management (55) | 23 | 0.1% | 34 | 348 | \$63,199 |
| Administrative/Waste (56) | 2,532 | 7.2% | 3,293 | 35,522 | \$6,709,282 |
| Educational Services (61) | 2,400 | 6.9% | 3,200 | 35,148 | \$6,494,311 |
| Health Care, Soc. Assistance (62) | 4,650 | 13.3% | 5,954 | 64,355 | \$12,093,389 |
| Arts and Entertainment (71) | 868 | 2.5% | 1,075 | 11,689 | \$2,229,016 |
| Accommodation and Food (72) | 5,728 | 16.4% | 7,299 | 80,967 | \$15,191,573 |
| Other Services (81) | 2,607 | 7.5% | 3,354 | 36,977 | \$6,989,404 |
| Other Government (92) | 528 | 1.5% | 669 | 7,054 | \$1,341,453 |
| Unknown | 21 | 0.1% | 30 | 296 | \$55,386 |
| By Ownership Type | | | | | |
| Public | 3,059 | 8.7% | 4,013 | 43,620 | \$8,132,754 |
| Private | 31,900 | 91.2% | 43,257 | 473,519 | \$88,720,973 |
| Unknown | 0 | 0.0% | 1 | 6 | \$1,220 |
| By Firm Size | | | | | |
| 1-50 | 17,020 | 48.7% | 23,363 | 257,140 | \$48,181,615 |
| 51-100 | 2,821 | 8.1% | 3,885 | 42,300 | \$7,880,949 |
| 101-1000 | 9,414 | 26.9% | 12,654 | 137,789 | \$25,716,918 |
| 1001-5000 | 4,435 | 12.7% | 5,763 | 62,707 | \$11,782,741 |
| 5000+ | 1,270 | 3.6% | 1,606 | 17,203 | \$3,291,505 |
| Unknown | 0 | 0.0% | 1 | 6 | \$1,220 |

APPENDIX 1

RCW 70.47.170 Annual Reporting Requirement

(1) The health care authority, in coordination with the department of social and health services, shall by November 15th of each year report to the legislature:

(a) The number of basic health plan enrollees who: (i) Upon enrollment or recertification had reported being employed, and beginning with the 2008 report, the month and year they reported being hired; or (ii) upon enrollment or recertification had reported being the dependent of someone who was employed, and beginning with the 2008 report, the month and year they reported the employed person was hired; and (iii) the total cost to the state for these enrollees. The information shall be reported by employer [size] for employers having more than fifty employees as enrollees or with dependents as enrollees. This information shall be provided for the preceding January and June of that year.

(b) The following aggregated information: (i) The number of employees who are enrollees or with dependents as enrollees by private and governmental employers; (ii) the number of employees who are enrollees or with dependents as enrollees by employer size for employers with fifty or fewer employees, fifty-one to one hundred employees, one hundred one to one thousand employees, one thousand one to five thousand employees and more than five thousand employees; and (iii) the number of employees who are enrollees or with dependents as enrollees by industry type.

[(2)] For each aggregated classification, the report will include the number of hours worked and total cost to the state for these enrollees. This information shall be for each quarter of the preceding year.

[2006 c 264 § 1.]

APPENDIX 2

CHRISTINE O. GREGOIRE
Governor



STATE OF WASHINGTON
OFFICE OF THE GOVERNOR

P.O. Box 40002 · Olympia, Washington 98504-0002 · (360) 753-6780 · www.governor.wa.gov

March 27, 2006

To the Honorable Speaker and Members,
The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning, without my approval as to Section 3, Engrossed Substitute House Bill No. 3079 entitled:

"AN ACT Relating to health care services."

I support ESHB 3079, an act providing information about our Basic Health Plan and Medical Assistance programs. I am, however, vetoing section 3 of this act, which includes an unnecessary null and void clause.

In signing ESHB 3079, I express a cautionary note as to the interpretation of the reports that it requires to be developed. The employer information to be provided by the Health Care Authority (HCA) and the Department of Social and Health Services (DSHS) is not a requirement for enrollment or eligibility. Consequently, data contained in the reports will have been provided on a voluntary basis, and will be unverified. The two reports - an employer-specific report and an aggregated report - will originate from separate sources. Therefore, they will not be comparable. The reports will also be based on a point-in-time data collection and will therefore not reflect changes in employment status. These data limitations must be considered when interpreting the reports.

It is equally important to note that the Joint Legislative Audit and Review Committee (JLARC) study due in July 2006 will report Basic Health employment status and employer information in more detail than the aggregated report required by this bill.

It is my hope that the information collected and provided to the Legislature in accordance with ESHB 3079 will not be misconstrued to portray beneficiaries of our Basic Health and Medicaid

programs in a negative light. These programs are designed to provide health care services to eligible, often working, enrollees. I am confident that they are meeting that intent.

For these reasons, I have vetoed Section 3 of Engrossed Substitute House Bill No. 3079.

With the exception of Section 3, Engrossed Substitute House Bill No. 3079 is approved.

Respectfully submitted,

/s/
Christine O. Gregoire
Governor

Electronic versions of this report are available at:

http://www.hca.wa.gov/leg_reports.html

HEALTH CARE AUTHORITY CONTACTS:

Preston Cody, Basic Health Assistant Administrator, (360) 412-4361
Dennis Martin, Legislative Liaison, (360) 923-2831

DEPARTMENT OF SOCIAL AND HEALTH SERVICES CONTACT:

David Mancuso, Senior Research Manager, Research and Data Analysis Division, (360) 902-7557



Report prepared for the Washington State Health Care Authority Basic Health Program
by Washington State Department of Social and Health Services
Planning, Performance and Accountability Administration
Research and Data Analysis Division