

FINAL BILL REPORT

ESSB 6392

C 312 L 96

Synopsis as Enacted

Brief Description: Requiring disclosures by managed care entities.

Sponsors: Senate Committee on Health & Long-Term Care (originally sponsored by Senators Wood, Quigley, Roach, Cantu, Deccio, Prince and Moyer).

Senate Committee on Health & Long-Term Care

House Committee on Health Care

Background: The health care delivery system is changing rapidly. Consumers need to know which options for patient care exist when selecting health plans. Patients frequently lack information necessary to make informed choices about the health plans they select. Concern exists that many consumers are unaware of which health care services are covered in their plans and which benefits are excluded until the time that services are needed.

It has been suggested that consumers have difficulty obtaining detailed information and understanding the language used in their health care policies.

Summary: All health insurers are required to provide a list of available disclosure items to all enrollees or potential enrollees and to provide those disclosure items if requested. Proprietary information does not have to be disclosed.

The disclosure must contain any documents referred to in the enrollment agreement and information on procedures enrollees must follow for prior authorization of health care and referrals to specialists. The disclosure must also state whether a point of service option is available, the grievance procedures available to enrollees and the use of drug lists or formularies.

Plans must disclose whether they require providers to comply with any specified numbers or targets and whether they use incentives or penalties to encourage providers to withhold services or specialty referrals. Circumstances in which a plan may make a retroactive denial of coverage for prior approved treatment must also be disclosed.

Contracts that prevent the exchange of information between providers and enrollees or that prevent enrollees from purchasing health care outside of the plan are prohibited. Immunity is provided for authors of comparison documents based on information provided in the disclosure.

The Insurance Commissioner is prohibited from promulgating any rules.

Votes on Final Passage:

Senate	47	2	
House	97	0	(House amended)
Senate	46	2	(Senate concurred)

Effective: July 1, 1996