

2 ESHB 1337 - S COMM AMD

3 By Committee on Health & Long-Term Care

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5 Strike everything after the enacting clause and insert the
6 following:

7 "NEW SECTION. **Sec. 1.** A new section is added to chapter 48.43 RCW
8 to read as follows:

9 (1) It is the intent of the legislature to clarify the regulatory
10 requirements of a health care provider, health care facility, or a
11 provider network contracting with a third-party payer to provide health
12 care services on a capitation, prepaid, or other at-risk basis.
13 Further, it is the intent of the legislature to encourage innovation in
14 the delivering and financing of health care services so long as a
15 lawful third-party payer remains ultimately financially responsible for
16 the provision of the health care services for which the public has paid
17 premiums.

18 (2) Notwithstanding any other provision of this title, a health
19 care provider, health care facility, or provider network is not
20 engaging in the business of insurance or otherwise subject to the
21 jurisdiction of this title when compensated by a lawful third-party
22 payer on a capitation, prepaid, or other at-risk basis, regardless of
23 whether or not the provider or provider network accepts compensation,
24 which, in turn, is used to pay other types of health care providers or
25 health care facilities for health care services.

26 (3) For purposes of this section, "lawful third-party payer" means
27 a health carrier regulated by this title.

28 (4) The authority of the state to regulate health care providers,
29 health care facilities, and provider networks as engaging in the
30 business of insurance or otherwise subject to the jurisdiction of this
31 title, when dealing with self-funded third-party payers governed by the
32 federal employee retirement income security act of 1974, as amended, or
33 the federal labor management relations (Taft Hartley) act of 1947, as
34 amended, is governed by federal preemption law."

1 **ESHB 1337** - S COMM AMD
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4 On page 1, line 2 of the title, after "coverage;" strike the
5 remainder of the title and insert "and adding a new section to chapter
6 48.43 RCW."

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