

# SENATE BILL REPORT

## SB 6167

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As of January 21, 1998

**Title:** An act relating to protection from public disclosure of proprietary information of health care bidders and contractors.

**Brief Description:** Providing for protection from public disclosure of proprietary information of health care bidders and contractors.

**Sponsors:** Senators Deccio and Wojahn; by request of Department of Social and Health Services.

**Brief History:**

**Committee Activity:** Health & Long-Term Care: 1/22/98.

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### SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

**Staff:** Jonathan Seib (786-7427)

**Background:** The "healthy options" program is administered by the Medical Assistance Administration (MAA) within the Department of Social and Health Services. The program provides medical assistance through contracts with various managed care organizations (MCOs). The contracting process requires the MCOs to submit sensitive information on rates, access, providers, and quality of care. Recently, MAA began a joint bidding process with the Health Care Authority (HCA), which provides health care coverage for public employees and low-income persons. The HCA has an explicit law which protects bidding organizations' proprietary information from public disclosure. No similar law applies to MAA. There is concern that a lack of uniform protection across both agencies will discourage participation in future joint procurement efforts.

**Summary of Bill:** The MAA is granted authority similar to that enjoyed by the HCA.

When soliciting bids, MAA may exempt from disclosure proprietary information, e.g., actuarial formulae and underwriting assumptions, proposed rates, certain detailed financial statements and experience data, provider specific reimbursement information and contracts, accreditation data, and internal carrier minutes.

Information submitted to the MAA as part of the contracting process, which is otherwise exempt from public disclosure by law, retains its exempt status. This exemption is explicitly referenced in the public disclosure statute.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

