

1 **SHB 1728 - H AMD 0086 ADOPTED 3/14/01**

2 By Representative Campbell

3 On page 1, line 3, strike everything after the enacting clause,  
4 and insert the following:

5 **NEW SECTION. Sec. 1.**

6 (1) The insurance commissioner shall establish the task force on  
7 third party administrator regulation. The task force shall consist of  
8 thirteen members. The co-speakers of the house of representatives  
9 shall select two member from the house of representatives, one from  
10 each political caucus, and the president of the senate shall select two  
11 members from the senate, one from each political caucus. The  
12 commissioner shall select two members representing health carriers, one  
13 member representing third party administrators with a contractual  
14 relationship with a health carrier, one member representing health care  
15 purchasers, two members representing licensed health care providers,  
16 two member representing consumers, and one representative of the office  
17 of insurance commissioner, who shall act in an ex officio capacity.

18 (2) The task force shall review the need for regulation of third  
19 party administrators, including:

- 20 (a) network adequacy and disclosure of network adequacy standards;  
21 (b) provider application and credentialing processes;  
22 (c) the consistency of third party administrator standards and  
23 benefit packages sold by health carriers, including utilization  
24 guidelines;  
25 (d) the revocation of prior authorization;  
26 (e) the receipt of provider claims; and  
27 (f) the classes of third party administrators that should be  
28 subject to state regulation.

29 (3) The task force shall report its findings and recommendations  
30 to the legislature no later than December 15, 2001. In conducting its  
31 work, the task force shall monitor the development of the National  
32 Association of Insurance Commissioners proposal to develop a model  
33 state statute on the regulation of third party administrators, and  
34 incorporate appropriate elements of the model statute in its  
35 recommendation to the legislature.

1           NEW SECTION. **Sec.2.** This act is necessary for the immediate  
2 preservation of the public peace, health, or safety, or support of the  
3 state government and its specific public institutions, and takes effect  
4 immediately."

**EFFECT:** Establishes a task force to review the need for state  
regulation of third party administrators and requires a report and  
recommendations to the legislature no later than December 15,  
2001.