

HOUSE BILL REPORT

SHB 2500

As Amended by the Senate

Title: An act relating to health carrier information.

Brief Description: Requiring health carriers to report certain information.

Sponsors: By House Committee on Health Care (originally sponsored by Representatives Green, Morrell, Cody, Schual-Berke, Clibborn and Conway; by request of Insurance Commissioner).

Brief History:

Committee Activity:

Health Care: 1/20/06, 1/27/06 [DPS].

Floor Activity:

Passed House: 2/8/06, 98-0.

Senate Amended.

Passed Senate: 3/1/06, 46-1.

<h3>Brief Summary of Substitute Bill</h3>

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| <ul style="list-style-type: none">• Health carriers are required to supply the Office of the Insurance Commissioner with information on their individual contracts, small group contracts, large group contracts, and government contracts on an annual basis in a different format. |
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HOUSE COMMITTEE ON HEALTH CARE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 15 members: Representatives Cody, Chair; Campbell, Vice Chair; Morrell, Vice Chair; Hinkle, Ranking Minority Member; Curtis, Assistant Ranking Minority Member; Alexander, Appleton, Bailey, Clibborn, Condotta, Green, Lantz, Moeller, Schual-Berke and Skinner.

Staff: Dave Knutson (786-7146).

Background:

Health carriers are required to submit an annual report to the Office of the Insurance Commissioner (OIC). The information contained in the annual report is not easily retrievable or accessible by consumers.

Summary of Substitute Bill:

Health carriers are required to submit information to the OIC each year in a different format. The information includes total number of members, total amount of revenue, total amount of hospital and medical payments, medical loss ratio, average amount of premiums per member per month, and the percent change in the average premium per member per month from the previous year. Additional required information includes total amount of claim adjustment expenses, total amount of general administrative expenses, total amount of the reserves maintained for unpaid claims, total net underwriting gain or loss, carrier's net income after taxes, dividends to stockholders, net change in capital and surplus from the prior year, and total amount of the capital and surplus. The OIC will make the information available to the public through the Internet.

EFFECT OF SENATE AMENDMENT(S):

An intent section is added. The commissioner is directed to work collaboratively with disability insurers to gather the required information utilizing existing data sources.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: Health carriers submit a great deal of information to the OIC in its annual report. The information should be in a format that would allow consumers to access it and use it.

Testimony Against: None.

Persons Testifying: Mike Kreidler, Insurance Commissioner; Beth Berendt, Office of the Insurance Commissioner; Bill Daley, Washington Citizen Action; Robby Stern, Washington State Labor Council; and Rick Wickman, Premera.

Persons Signed In To Testify But Not Testifying: None.