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HOUSE BILL 2942

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State of Washington                      59th Legislature                      2006 Regular Session

By Representatives Curtis, Morrell, Campbell, Cody, Green, Clibborn, Kessler, Serben, Rodne, Moeller, McCune and Hasegawa

Read first time 01/17/2006. Referred to Committee on Health Care.

1            AN ACT Relating to health care provider contracts; and adding a new  
2 section to chapter 48.30 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4            NEW SECTION.    **Sec. 1.** A new section is added to chapter 48.30 RCW  
5 to read as follows:

6            (1) Whenever a health carrier's share of a local market for health  
7 plans within this state meets or exceeds forty percent as determined by  
8 the commissioner, the carrier may not directly, or indirectly through  
9 a subcontracted network, terminate a provider contract except for  
10 reasonable cause within that local market.

11            (2) Whenever a health carrier's market share of a local market for  
12 health plans within this state meets or exceeds forty percent as  
13 determined by the commissioner, the carrier and any subcontracted  
14 network of the carrier shall offer a provider contract to any provider  
15 within the local area who meets the carrier's customary and reasonable  
16 credentialing standards.

17            (3) Beginning January 1, 2007, and every two years following, after  
18 reasonable consideration of the information available from regularly  
19 filed reports by carriers doing business in this state, the

1 commissioner shall publish a report identifying the carrier and the  
2 local market within the state where the carrier's practices must  
3 conform to the requirements of this section for the two years following  
4 such identification. In making the determination, the commissioner  
5 shall consider the carrier's local market share of persons covered  
6 under any agreement, plan, or policy providing direct or indirect  
7 reimbursement of health care service. In defining the local market,  
8 the commissioner may consider the network reports filed with the  
9 commissioner by carriers and standards used by the United States  
10 department of justice antitrust division. Nothing in this section may  
11 be deemed to require the commissioner to rely upon any particular  
12 source of information in making a finding required by this section.

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