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HOUSE BILL 2160

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State of Washington

61st Legislature

2009 Regular Session

By Representatives Driscoll, Hinkle, Cody, Bailey, Kelley, Wood, and Morrell; by request of Governor Gregoire

Read first time 02/11/09. Referred to Committee on Health Care & Wellness.

1 AN ACT Relating to health carrier payment of wellness incentives;  
2 and amending RCW 48.30.140 and 48.30.150.

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

4 **Sec. 1.** RCW 48.30.140 and 2008 c 217 s 35 are each amended to read  
5 as follows:

6 (1) Except to the extent provided for in an applicable filing with  
7 the commissioner then in effect, no insurer, insurance producer, or  
8 title insurance agent shall, as an inducement to insurance, or after  
9 insurance has been effected, directly or indirectly, offer, promise,  
10 allow, give, set off, or pay to the insured or to any employee of the  
11 insured, any rebate, discount, abatement, or reduction of premium or  
12 any part thereof named in any insurance contract, or any commission  
13 thereon, or earnings, profits, dividends, or other benefit, or any  
14 other valuable consideration or inducement whatsoever which is not  
15 expressly provided for in the policy.

16 (2) Subsection (1) of this section shall not apply as to  
17 commissions paid to a licensed insurance producer, or title insurance  
18 agent for insurance placed on that person's own property or risks.

1 (3) This section shall not apply to the allowance by any marine  
2 insurer, or marine insurance producer, to any insured, in connection  
3 with marine insurance, of such discount as is sanctioned by custom  
4 among marine insurers as being additional to the insurance producer's  
5 commission.

6 (4) This section shall not apply to advertising or promotional  
7 programs conducted by insurers, insurance producers, or title insurance  
8 agents whereby prizes, goods, wares, or merchandise, not exceeding  
9 twenty-five dollars in value per person in the aggregate in any twelve  
10 month period, are given to all insureds or prospective insureds under  
11 similar qualifying circumstances.

12 (5) This section does not apply to an offset or reimbursement of  
13 all or part of a fee paid to an insurance producer as provided in RCW  
14 48.17.270.

15 (6)(a) Subsection (1) of this section shall not be construed to  
16 prohibit a health carrier or disability insurer from including as part  
17 of a health benefit plan or contract containing health benefits, a  
18 wellness program which meets the requirements of the health insurance  
19 portability and accountability act (P.L. 104-191; 110 Stat. 1936) and  
20 regulations adopted pursuant to that act.

21 (b) For purposes of this subsection: (i) "Health carrier" and  
22 "health benefit plan" have the same meaning as provided in RCW  
23 48.43.005; and (ii) "wellness program" has the same meaning as provided  
24 in 45 CFR 146.121(f).

25 **Sec. 2.** RCW 48.30.150 and 2008 c 217 s 36 are each amended to read  
26 as follows:

27 (1) No insurer, insurance producer, title insurance agent, or other  
28 person shall, as an inducement to insurance, or in connection with any  
29 insurance transaction, provide in any policy for, or offer, or sell,  
30 buy, or offer or promise to buy or give, or promise, or allow to, or on  
31 behalf of, the insured or prospective insured in any manner whatsoever:

32 ((+1)) (a) Any shares of stock or other securities issued or at  
33 any time to be issued on any interest therein or rights thereto; or

34 ((+2)) (b) Any special advisory board contract, or other contract,  
35 agreement, or understanding of any kind, offering, providing for, or  
36 promising any profits or special returns or special dividends; or

1        ~~((3))~~ (c) Any prizes, goods, wares, or merchandise of an  
2 aggregate value in excess of twenty-five dollars.

3        (2) Subsection (1) of this section shall not be deemed to prohibit  
4 the sale or purchase of securities as a condition to or in connection  
5 with surety insurance insuring the performance of an obligation as part  
6 of a plan of financing found by the commissioner to be designed and  
7 operated in good faith primarily for the purpose of such financing, nor  
8 shall it be deemed to prohibit the sale of redeemable securities of a  
9 registered investment company in the same transaction in which life  
10 insurance is sold.

11        (3)(a) Subsection (1) of this section shall not be deemed to  
12 prohibit a health carrier or disability insurer from including as part  
13 of a health benefit plan or contract providing health benefits, a  
14 wellness program which meets the requirements of the health insurance  
15 portability and accountability act (P.L. 104-191; 110 Stat. 1936) and  
16 regulations adopted pursuant to that act.

17        (b) For purposes of this subsection: (i) "Health carrier" and  
18 "health benefit plan" have the same meaning as provided in RCW  
19 48.43.005; and (ii) "wellness program" has the same meaning as provided  
20 in 45 CFR 146.121(f).

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