

**ESHB 1220** - S COMM AMD

By Committee on Health & Long-Term Care

NOT ADOPTED 04/07/2011

1 Strike everything after the enacting clause and insert the  
2 following:

3 "Sec. 1. RCW 48.02.120 and 1985 c 264 s 2 are each amended to read  
4 as follows:

5 (1) The commissioner shall preserve in permanent form records of  
6 his or her proceedings, hearings, investigations, and examinations, and  
7 shall file such records in his or her office.

8 (2) The records of the commissioner and insurance filings in his or  
9 her office shall be open to public inspection, except as otherwise  
10 provided by this code.

11 (3) Except as provided in subsection (4) of this section, actuarial  
12 formulas, statistics, and assumptions submitted in support of a rate or  
13 form filing by an insurer, health care service contractor, or health  
14 maintenance organization or submitted to the commissioner upon his or  
15 her request shall be withheld from public inspection in order to  
16 preserve trade secrets or prevent unfair competition.

17 (4) For rate filings with an effective date on or after January 1,  
18 2012, subsection (3) of this section does not apply to rate filings for  
19 individual and small group health benefit plans. Subsection (3) of  
20 this section may continue to apply for a period of one year from the  
21 date a new individual or small group product filing is submitted or  
22 until the next rate filing for the product, whichever occurs earlier,  
23 if the commissioner determines that the proposed rate filing is for a  
24 new product that is distinct and unique from any of the carrier's  
25 currently or previously offered health benefit plans. Carriers must  
26 make a written request for a product classification as a new product  
27 under this subsection, and must receive subsequent written approval by  
28 the commissioner for this subsection to apply.

29 (5) Unless the commissioner has determined that the filing is for

1 a new product pursuant to subsection (4) of this section, for  
2 individual or small group health benefit plan rate filings with an  
3 effective date on or after January 1, 2012, the commissioner must:

4 (a) Make each filing available for public inspection on the tenth  
5 calendar day after the commissioner determines that the rate filing is  
6 complete and accepts the filing for review through the electronic rate  
7 and form filing system;

8 (b) Prepare a rate disclosure summary form in a standard format for  
9 carriers to complete and submit to the commissioner electronically as  
10 part of each rate filing. The disclosure form must be written in plain  
11 language easily understood by the general public. The summary must  
12 allow carriers to explain the relationship between premium and health  
13 care cost drivers. The summary must set forth, at a minimum, the  
14 following: (i) The rate increase, year over year, for annual  
15 increases, including historic rate adjustments for at least the past  
16 three years; (ii) any percent increase to current rates attributed to  
17 mandated changes, not including changes due to demographics; (iii) the  
18 number of members impacted by the rate; (iv) the impact of benefit  
19 changes on the rate; (v) the products' filed health care trend; (vi)  
20 the projected medical loss ratio for the rating period; and (vii) other  
21 information the commissioner finds reasonably necessary to help  
22 consumers understand the reasons for proposed and accepted rates;

23 (c) Prepare a standardized rate summary form, to explain his or her  
24 findings after the rate review process is completed. The  
25 commissioner's summary form must be included as part of the rate filing  
26 documentation and available to the public electronically.

27 (6) The commissioner must adopt rules to implement and administer  
28 this section. The rules must include, but are not limited to, a  
29 process for updating the summary form content referenced in subsection  
30 (5)(b) of this section. In adopting rules under this section, the  
31 commissioner must consult with carriers, as defined in RCW 48.43.005,  
32 and consumers in the development of the summary forms."

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- 1        On page 1, line 1 of the title, after "rates;" strike the remainder
- 2        of the title and insert "and amending RCW 48.02.120."

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