
SENATE BILL 6412

State of Washington

62nd Legislature

2012 Regular Session

By Senators Rolfes and Harper

Read first time 01/23/12. Referred to Committee on Health & Long-Term Care.

1 AN ACT Relating to applying for health insurance coverage when an
2 insurance carrier discontinues all individual health benefit plan
3 coverage; amending RCW 48.43.018; and declaring an emergency.

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

5 **Sec. 1.** RCW 48.43.018 and 2010 c 277 s 1 are each amended to read
6 as follows:

7 (1) Except as provided in (a) through (g) of this subsection, a
8 health carrier may require any person applying for an individual health
9 benefit plan and the health care authority shall require any person
10 applying for nonsubsidized enrollment in the basic health plan to
11 complete the standard health questionnaire designated under chapter
12 48.41 RCW.

13 (a) If a person is seeking an individual health benefit plan or
14 enrollment in the basic health plan as a nonsubsidized enrollee due to
15 his or her change of residence from one geographic area in Washington
16 state to another geographic area in Washington state where his or her
17 current health plan is not offered, completion of the standard health
18 questionnaire shall not be a condition of coverage if application for
19 coverage is made within ninety days of relocation.

1 (b) If a person is seeking an individual health benefit plan or
2 enrollment in the basic health plan as a nonsubsidized enrollee:

3 (i) Because a health care provider with whom he or she has an
4 established care relationship and from whom he or she has received
5 treatment within the past twelve months is no longer part of the
6 carrier's provider network under his or her existing Washington
7 individual health benefit plan; and

8 (ii) His or her health care provider is part of another carrier's
9 or a basic health plan managed care system's provider network; and

10 (iii) Application for a health benefit plan under that carrier's
11 provider network individual coverage or for basic health plan
12 nonsubsidized enrollment is made within ninety days of his or her
13 provider leaving the previous carrier's provider network; then
14 completion of the standard health questionnaire shall not be a
15 condition of coverage.

16 (c) If a person is seeking an individual health benefit plan or
17 enrollment in the basic health plan as a nonsubsidized enrollee due to
18 his or her having exhausted continuation coverage provided under 29
19 U.S.C. Sec. 1161 et seq., completion of the standard health
20 questionnaire shall not be a condition of coverage if application for
21 coverage is made within ninety days of exhaustion of continuation
22 coverage. A health carrier or the health care authority as
23 administrator of basic health plan nonsubsidized coverage shall accept
24 an application without a standard health questionnaire from a person
25 currently covered by such continuation coverage if application is made
26 within ninety days prior to the date the continuation coverage would be
27 exhausted and the effective date of the individual coverage applied for
28 is the date the continuation coverage would be exhausted, or within
29 ninety days thereafter.

30 (d) If a person is seeking an individual health benefit plan or
31 enrollment in the basic health plan as a nonsubsidized enrollee due to
32 a change in employment status that would qualify him or her to purchase
33 continuation coverage provided under 29 U.S.C. Sec. 1161 et seq., but
34 the person's employer is exempt under federal law from the requirement
35 to offer such coverage, completion of the standard health questionnaire
36 shall not be a condition of coverage if: (i) Application for coverage
37 is made within ninety days of a qualifying event as defined in 29
38 U.S.C. Sec. 1163; and (ii) the person had at least twenty-four months

1 of continuous group coverage immediately prior to the qualifying event.
2 A health carrier shall accept an application without a standard health
3 questionnaire from a person with at least twenty-four months of
4 continuous group coverage if application is made no more than ninety
5 days prior to the date of a qualifying event and the effective date of
6 the individual coverage applied for is the date of the qualifying
7 event, or within ninety days thereafter.

8 (e) If a person is seeking an individual health benefit plan,
9 completion of the standard health questionnaire shall not be a
10 condition of coverage if: (i) The person had at least twenty-four
11 months of continuous basic health plan coverage under chapter 70.47 RCW
12 immediately prior to disenrollment; and (ii) application for coverage
13 is made within ninety days of disenrollment from the basic health plan.
14 A health carrier shall accept an application without a standard health
15 questionnaire from a person with at least twenty-four months of
16 continuous basic health plan coverage if application is made no more
17 than ninety days prior to the date of disenrollment and the effective
18 date of the individual coverage applied for is the date of
19 disenrollment, or within ninety days thereafter.

20 (f) If a person is seeking an individual health benefit plan due to
21 a change in employment status that would qualify him or her to purchase
22 continuation coverage provided under 29 U.S.C. Sec. 1161 et seq.,
23 completion of the standard health questionnaire is not a condition of
24 coverage if: (i) Application for coverage is made within ninety days
25 of a qualifying event as defined in 29 U.S.C. Sec. 1163; and (ii) the
26 person had at least twenty-four months of continuous group coverage
27 immediately prior to the qualifying event. A health carrier shall
28 accept an application without a standard health questionnaire from a
29 person with at least twenty-four months of continuous group coverage if
30 application is made no more than ninety days prior to the date of a
31 qualifying event and the effective date of the individual coverage
32 applied for is the date of the qualifying event, or within ninety days
33 thereafter.

34 (g) If a person is seeking an individual health benefit plan due to
35 their terminating continuation coverage under 29 U.S.C. Sec. 1161 et
36 seq., completion of the standard health questionnaire shall not be a
37 condition of coverage if: (i) Application for coverage is made within
38 ninety days of terminating the continuation coverage; and (ii) the

1 person had at least twenty-four months of continuous group coverage
2 immediately prior to the termination. A health carrier shall accept an
3 application without a standard health questionnaire from a person with
4 at least twenty-four months of continuous group coverage if application
5 is made no more than ninety days prior to the date of termination of
6 the continuation coverage and the effective date of the individual
7 coverage applied for is the date the continuation coverage is
8 terminated, or within ninety days thereafter.

9 (h) If a person is seeking an individual health benefit plan
10 because his or her employer, or former employer, discontinues group
11 coverage due to the closure of the business, completion of the standard
12 health questionnaire shall not be a condition of coverage if: (i)
13 Application for coverage is made within ninety days of the employer
14 discontinuing group coverage due to closure of the business; and (ii)
15 the person had at least twenty-four months of continuous group coverage
16 immediately prior to the termination. A health carrier shall accept an
17 application without a standard health questionnaire from a person with
18 at least twenty-four months of continuous group coverage if application
19 is made no more than ninety days prior to the date of discontinuation
20 of group coverage, and the effective date of the individual coverage
21 applied for is the date the group coverage is discontinued, or within
22 ninety days thereafter.

23 (i) If a person is seeking an individual health benefit plan
24 because his or her health carrier is discontinuing all individual
25 health benefit plan coverage by July 1, 2012, completion of the
26 standard health questionnaire shall not be a condition of coverage if:
27 (i) Application for coverage is made within ninety days of the carrier
28 discontinuing individual health benefit plan coverage; and (ii) the
29 person had at least twenty-four months of individual health benefit
30 plan coverage immediately prior to the termination. A health carrier
31 shall accept an application without a standard health questionnaire
32 from a person with at least twenty-four months of individual health
33 benefit plan coverage if application is made no more than ninety days
34 prior to the date of discontinuation of individual health benefit plan
35 coverage, and the effective date of the individual coverage applied for
36 is the date the individual health benefit plan coverage is
37 discontinued, or within ninety days thereafter.

1 (2) If, based upon the results of the standard health
2 questionnaire, the person qualifies for coverage under the Washington
3 state health insurance pool, the following shall apply:

4 (a) The carrier may decide not to accept the person's application
5 for enrollment in its individual health benefit plan and the health
6 care authority, as administrator of basic health plan nonsubsidized
7 coverage, shall not accept the person's application for enrollment as
8 a nonsubsidized enrollee; and

9 (b) Within fifteen business days of receipt of a completed
10 application, the carrier or the health care authority as administrator
11 of basic health plan nonsubsidized coverage shall provide written
12 notice of the decision not to accept the person's application for
13 enrollment to both the person and the administrator of the Washington
14 state health insurance pool. The notice to the person shall state that
15 the person is eligible for health insurance provided by the Washington
16 state health insurance pool, and shall include information about the
17 Washington state health insurance pool and an application for such
18 coverage. If the carrier or the health care authority as administrator
19 of basic health plan nonsubsidized coverage does not provide or
20 postmark such notice within fifteen business days, the application is
21 deemed approved.

22 (3) If the person applying for an individual health benefit plan:

23 (a) Does not qualify for coverage under the Washington state health
24 insurance pool based upon the results of the standard health
25 questionnaire; (b) does qualify for coverage under the Washington state
26 health insurance pool based upon the results of the standard health
27 questionnaire and the carrier elects to accept the person for
28 enrollment; or (c) is not required to complete the standard health
29 questionnaire designated under this chapter under subsection (1)(a) or
30 (b) of this section, the carrier or the health care authority as
31 administrator of basic health plan nonsubsidized coverage, whichever
32 entity administered the standard health questionnaire, shall accept the
33 person for enrollment if he or she resides within the carrier's or the
34 basic health plan's service area and provide or assure the provision of
35 all covered services regardless of age, sex, family structure,
36 ethnicity, race, health condition, geographic location, employment
37 status, socioeconomic status, other condition or situation, or the
38 provisions of RCW 49.60.174(2). The commissioner may grant a temporary

1 exemption from this subsection if, upon application by a health
2 carrier, the commissioner finds that the clinical, financial, or
3 administrative capacity to serve existing enrollees will be impaired if
4 a health carrier is required to continue enrollment of additional
5 eligible individuals.

6 NEW SECTION. **Sec. 2.** This act is necessary for the immediate
7 preservation of the public peace, health, or safety, or support of the
8 state government and its existing public institutions, and takes effect
9 immediately.

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