ESSB 6016 - H COMM AMD
By Committee on Health Care & Wellness

ADOPTED AS AMENDED 03/05/2014

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** A new section is added to chapter 43.71 RCW to read as follows:

(1) The exchange must provide electronic notification to the qualified health plan before the sixth of the month indicating an enrollee has not paid the premium.

(2) If the health benefit exchange notifies an enrollee that he or she is delinquent on payment of premium, the notice must include information on how to report a change in income or circumstances and an explanation that such a report may result in a change in the premium amount or program eligibility.

NEW SECTION. **Sec. 2.** A new section is added to chapter 48.43 RCW to read as follows:

(1) For an enrollee who is in the second or third month of the grace period, an issuer of a qualified health plan shall:

(a) Upon request by a health care provider or health care facility, provide information regarding the enrollee's eligibility status in real-time; and

(b) Notify a health care provider or health care facility that an enrollee is in the grace period within three business days after submittal of a claim or status request for services provided.

(2) The information or notification required under subsection (1) of this section must, at a minimum, indicate "grace period" or use the appropriate national coding standard as the reason for pending the claim if a claim is pended due to the enrollee's grace period status.

(3) By December 1, 2014, and annually each December 1st thereafter, the health benefit exchange shall provide a report to the appropriate committees of the legislature with the following information for the

calendar year: (a) The number of exchange enrollees who entered the grace period; (b) the number of enrollees who subsequently paid premium after entering the grace period; (c) the average number of days enrollees were in the grace period prior to paying premium; and (d) the number of enrollees who were in the grace period and whose coverage was terminated due to nonpayment of premium. The report must include as much data as is available for the calendar year.

(4) For purposes of this section, "grace period" means nonpayment of premiums by an enrollee receiving advance payments of the premium tax credit, as defined in section 1412 of the patient protection and affordable care act, P.L. 111-148, as amended by the health care and education reconciliation act, P.L. 111-152, and implementing regulations issued by the federal department of health and human services.

Sec. 3. RCW 48.43.--- and 2014 c . . . s 2 (section 2 of this act) are each amended to read as follows:

(1) For an enrollee who is in the second or third month of the grace period, an issuer of a qualified health plan shall:

(a) Upon request by a health care provider or health care facility, provide information regarding the enrollee's eligibility status in real-time; and

(b) Notify a health care provider or health care facility that an enrollee is in the grace period within three business days after submittal of a claim or status request for services provided.

(2) The information or notification required under subsection (1) of this section must, at a minimum((~~,~~)):

(a) Indicate "grace period" or use the appropriate national coding standard as the reason for pending the claim if a claim is pended due to the enrollee's grace period status; and

(b) Except for notifications provided electronically, indicate that enrollee is in the second or third month of the grace period.

(3) By December 1, 2014, and annually each December 1st thereafter, the health benefit exchange shall provide a report to the appropriate committees of the legislature with the following information for the calendar year: (a) The number of exchange enrollees who entered the grace period; (b) the number of enrollees who subsequently paid premium after entering the grace period; (c) the average number of days

enrollees were in the grace period prior to paying premium; and (d) the number of enrollees who were in the grace period and whose coverage was terminated due to nonpayment of premium. The report must include as much data as is available for the calendar year.

(4) For purposes of this section, "grace period" means nonpayment of premiums by an enrollee receiving advance payments of the premium tax credit, as defined in section 1412 of the patient protection and affordable care act, P.L. 111-148, as amended by the health care and education reconciliation act, P.L. 111-152, and implementing regulations issued by the federal department of health and human services.

NEW SECTION. **Sec. 4.** Section 3 of this act takes effect January 1st following the issuance of a report under section 2(3) of this act indicating that coverage was terminated due to nonpayment of premium for ten thousand or more enrollees who were in the grace period in that calendar year. In no case may section 3 of this act take effect before January 1, 2015. The health benefit exchange must provide notice of the effective date of section 3 of this act to affected parties, the chief clerk of the house of representatives, the secretary of the senate, the office of the code reviser, and others as deemed appropriate by the health benefit exchange."

Correct the title.

EFFECT: (1) Modifies the requirement that an issuer notify a provider or facility that an enrollee is in a grace period as follows:

(a) With respect to an enrollee in the second or third month of the grace period, requires the issuer to: (i) Upon request by a provider or facility, provide information regarding the enrollee's eligibility status in real-time; and (ii) notify a provider or facility that the enrollee is in the grace period within three business days after submittal of a claim or status request for services provided.

(b) Requires the information or notification to, at a minimum, indicate "grace period" or a national coding standard as the reason for pending the claim if a claim is pended due to the grace period.

(c) Requires an annual report to the Legislature by the Exchange with the following information for the calendar year: The number of enrollees who entered the grace period; the number of enrollees who paid premium after entering the grace period; the average number of

days enrollees were in the grace period prior to paying premium; and the number of enrollees who were in the grace period and whose coverage was terminated due to nonpayment of premium.

(d) Provides that if the Exchange report indicates that coverage was terminated due to nonpayment of premium for 10,000 or more enrollees who were in the grace period, the issuer's notification to the provider or facility must also indicate whether the enrollee is in the second or third month of the grace period, unless the notification is provided electronically. Makes this requirement effective January 1st following issuance of the report, but in no case before January 1, 2015. Requires the Exchange to notify affected parties and the Legislature if the contingency occurs.

(e) Defines "grace period" to mean nonpayment of premiums by an enrollee receiving advance payments of the premium tax credit, as defined by the Affordable Care Act and implementing regulations issued by the United States Department of Health and Human Services.

(2) Provides that if the Exchange notifies an enrollee of a delinquency in paying premium, the notice must include information on how to report a change in income or circumstances, as well as an explanation that such a report may result in a change in the premium amount or program eligibility.

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