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HOUSE BILL 1410

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State of Washington                      63rd Legislature                      2013 Regular Session

By Representatives Schmick, Cody, Hope, Harris, and Morrell

Read first time 01/25/13. Referred to Committee on Health Care & Wellness.

1            AN ACT Relating to wellness programs under the insurance code; and  
2 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 2009 c 329 s 1 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~~) This section does not apply to a health carrier or  
17 disability insurer (~~from including as part of a group or individual~~  
18 ~~health benefit plan or contract containing health benefits,~~) offering  
19 a wellness program (~~which meets the requirements for an exception from~~  
20 ~~the prohibition against discrimination based on a health factor under~~  
21 ~~the health insurance portability and accountability act (P.L. 104-191;~~  
22 ~~110 Stat. 1936) and regulations adopted pursuant to that act~~)).

23 (b) For purposes of this subsection: (i) "Health carrier" (~~and~~  
24 ~~"health benefit plan" have~~) has the same meaning as provided in RCW  
25 48.43.005; and (ii) "wellness program" (~~has the same meaning as~~  
26 ~~provided in 45 C.F.R. 146.121(f)~~) means a program of health promotion  
27 or disease prevention.

28 **Sec. 2.** RCW 48.30.150 and 2009 c 329 s 2 are each amended to read  
29 as follows:

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

35 (a) Any shares of stock or other securities issued or at any time  
36 to be issued on any interest therein or rights thereto; or

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

4 (c) Any prizes, goods, wares, or merchandise of an aggregate value  
5 in excess of twenty-five dollars.

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

14 (3)(a) Subsection (1) of this section shall not be deemed to  
15 prohibit a health carrier or disability insurer from (~~including as~~  
16 ~~part of a group or individual health benefit plan or contract providing~~  
17 ~~health benefits,~~) offering a wellness program (~~which meets the~~  
18 ~~requirements for an exception from the prohibition against~~  
19 ~~discrimination based on a health factor under the health insurance~~  
20 ~~portability and accountability act (P.L. 104-191; 110 Stat. 1936) and~~  
21 ~~regulations adopted pursuant to that act).~~

22 (b) For purposes of this subsection: (i) "Health carrier" (~~and~~  
23 ~~"health benefit plan" have~~) has the same meaning as provided in RCW  
24 48.43.005; and (ii) "wellness program" (~~has the same meaning as~~  
25 ~~provided in 45 C.F.R. 146.121(f)~~) means a program of health promotion  
26 or disease prevention.

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