
SENATE BILL 5919

State of Washington

63rd Legislature

2013 Regular Session

By Senator Ericksen

Read first time 04/22/13. Referred to Committee on Ways & Means.

1 AN ACT Relating to requesting and implementing a federal waiver to
2 ensure the ongoing sustainability and vitality of the commercial
3 insurance market by seeking a waiver to offer multiple private health
4 benefit exchanges; adding a new section to chapter 43.71 RCW; and
5 creating a new section.

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

7 NEW SECTION. **Sec. 1.** (1) The legislature finds that private
8 exchanges combine new technologies and traditional customer service
9 including online eligibility verification, mechanisms for allowing
10 employers who connect their employees or retirees with exchanges to
11 offer subsidies, and meaningful health plan comparisons. These
12 exchanges are sometimes called marketplaces or intermediaries, and work
13 directly with consumers to connect them with the desired health
14 insurance product.

15 (2) The legislature finds that private exchanges are designed to
16 help consumers find plans personalized to their various needs,
17 including specific health conditions, preferred and convenient doctors
18 and hospital networks, and family budgets.

1 (3) The legislature finds that it is in the best interest of the
2 residents of Washington to transition functions of the Washington
3 health benefit exchange into the hands of private exchanges where there
4 is a proven track record of connecting customers with appropriate and
5 affordable health insurance, superior customer satisfaction, and an
6 abundance of plans from which to choose.

7 (4) Furthermore, the legislature finds that having robust
8 competition among health insurance plans accrues benefits to consumers
9 and the people of Washington, in like manner, eliminating the current
10 monopoly held by the Washington health benefit exchange and creating an
11 opportunity for competition and superior service among private
12 exchanges will demonstrate market efficiencies and expand business
13 opportunities.

14 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.71 RCW
15 to read as follows:

16 (1) By July 1, 2014, the exchange shall, in collaboration with the
17 office of the insurance commissioner, apply to the secretary of the
18 United States department of health and human services for a waiver to
19 authorize Washington state to explore the opportunity of offering
20 multiple private health benefit exchanges in Washington state by
21 January 1, 2016.

22 (2) The exchange, in collaboration with the office of the insurance
23 commissioner, must hire a neutral consultant to conduct analyses and
24 make preparations for the transition from a single health benefit
25 exchange to multiple private health benefit exchanges. Research must
26 include, but is not limited to:

27 (a) Seeking clarity on how advance premium tax credits and
28 cost-sharing subsidies would be accessed through multiple
29 organizations;

30 (b) Conducting a cost-benefit analysis and assessment of the
31 impacts on consumers and the insurance market; and

32 (c) Suggested statutory changes required in order to implement the
33 new private health benefit exchanges.

34 (3) The current exchange may continue to operate after
35 implementation of the private health benefit exchanges. However, the
36 current exchange shall receive no special treatment or aid that would

1 create an unlevel playing field or advantage over the private health
2 benefit exchanges.

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