

SSB 6536 - H AMD 887

By Representative Cody

ADOPTED 03/02/2016

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

3 "NEW SECTION. **Sec. 1.** It is the intent of the legislature to
4 enhance competition among all health carriers and limited health care
5 service contractors by having the office of the insurance
6 commissioner establish regulatory uniformity for the rate and form
7 filing process and the rate and form filing content and regulatory
8 review standards for group health benefit plans other than small
9 group health benefit plans, as well as all stand-alone dental plans
10 and all stand-alone vision plans.

11 **Sec. 2.** RCW 48.43.733 and 2015 c 19 s 3 are each amended to read
12 as follows:

13 (1) All rates and forms of group health benefit plans other than
14 small group plans, and all stand-alone dental and all stand-alone
15 vision plans offered by a health carrier or limited health care
16 service contractor as defined in RCW 48.44.035 and modification of a
17 contract form or rate must be filed before the contract form is
18 offered for sale to the public and before the rate schedule is used.

19 (2) Filings of negotiated health benefit plans, stand-alone
20 dental, and stand-alone vision contract forms for groups other than
21 small groups, and applicable rate schedules, that are placed into
22 effect at time of negotiation or that have a retroactive effective
23 date are not required to be filed in accordance with subsection (1)
24 of this section, but must be filed within thirty working days after
25 the earlier of:

26 (a) The date group contract negotiations are completed; or

27 (b) The date renewal premiums are implemented.

28 (3) For purposes of this section, a negotiated contract form is a
29 health benefit plan, stand-alone dental plan, or stand-alone vision
30 plan where benefits, and other terms and conditions, including the
31 applicable rate schedules are negotiated and agreed to by the carrier

1 or limited health care service contractor and the policy or contract
2 holder. The negotiated policy form and associated rate schedule must
3 otherwise comply with state and federal laws governing the content
4 and schedule of rates for the negotiated plans.

5 (4) Stand-alone dental and stand-alone vision plans offered by a
6 disability insurer to out-of-state groups specified by RCW
7 48.21.010(2) may be negotiated, but may not be offered in this state
8 before the commissioner finds that the stand-alone dental or stand-
9 alone vision plan otherwise ~~((meet[s]))~~ meets the standards set forth
10 in RCW 48.21.010(2) (a) and (b).

11 (5) The commissioner may, subject to a carrier's or limited
12 health care service contractor's right to demand and receive a
13 hearing under chapters 48.04 and 34.05 RCW, disapprove filings
14 submitted under this section, as permitted under RCW 48.18.110,
15 48.44.020, and 48.46.060.

16 (6) The commissioner shall ~~((adopt))~~ amend existing rules to
17 standardize the rate and form filing ~~((requirements))~~ process as well
18 as regulatory review standards for the rates and forms of the plans
19 submitted under this section. ~~((In developing rules to implement this~~
20 ~~section,))~~ The commissioner ~~((must use the already adopted standards~~
21 ~~in place for))~~ may amend the rules previously adopted under RCW
22 48.43.733 and shall amend any additional rating requirements
23 established by existing rule, that are not applied to health care
24 service contractors and health maintenance organizations.

25 (7) The requirements of this section apply to all group health
26 benefit plans other than small group plans, all stand-alone dental
27 plans, and all stand-alone vision plans issued or renewed on or after
28 ~~((January 1, 2016))~~ the effective date of this act.

29 NEW SECTION. Sec. 3. This act is necessary for the immediate
30 preservation of the public peace, health, or safety, or support of
31 the state government and its existing public institutions, and takes
32 effect immediately."

33 Correct the title.

EFFECT: Removes language: (1) Requiring the Insurance
Commissioner (Commissioner) to immediately commence rule making to
standardize the rate and form filing, rating, loss ratio, and form
content requirements for group plans (other than small group plans),
stand-alone dental plans, and stand-alone vision plans; (2) requiring
the Commissioner to establish absolute uniformity under a single

regulatory scheme by amending the adopted standards in place for health care service contractors and health maintenance organizations as of July 1, 2015; (3) prohibiting the rules and filing instructions from imposing additional requirements, including rate and form filing, content, actuarial justification, loss ratio, or claims experience pooling beyond those in place for health care service contractors and health maintenance organizations as of July 1, 2015, unless required by state or federal statute; and (4) requiring the rule making to be completed within the funding authorized in the omnibus budget bill passed in 2015.

Requires the Commissioner to amend existing rules to standardize the rate and form filing process as well as regulatory review standards for the rates and forms of group plans (other than small group plans), all stand-alone dental plans, and all stand-alone vision plans. Allows the Commissioner to amend rules previously adopted under RCW 48.43.733 and requires the Commissioner to amend any additional rating requirements established by existing rule that are not applied to health care service contractors or health maintenance organizations. Applies the new requirements to plans issued or renewed on or after the effective date of the act.

Applies the requirements regarding negotiated contract forms to "negotiated health benefit plans, stand-alone dental, and stand-alone vision contract forms for groups other than small groups" (instead of to "negotiated health benefit plan, stand-alone dental, stand-alone vision contract forms for groups other than small groups").

Inserts an emergency clause giving the act an immediate effective date.

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