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**SUBSTITUTE SENATE BILL 6536**

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**State of Washington                      64th Legislature                      2016 Regular Session**

**By Senate Health Care (originally sponsored by Senator Becker)**

READ FIRST TIME 02/05/16.

1            AN ACT Relating to the filing and rating of group health benefit  
2 plans other than small group plans, all stand-alone dental plans, and  
3 stand-alone vision plans by disability insurers, health care service  
4 contractors, and health maintenance organizations; amending RCW  
5 48.43.733; and creating a new section.

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

7            NEW SECTION.    **Sec. 1.**    It is the intent of the legislature to  
8 enhance competition by having the office of the insurance  
9 commissioner establish uniformity in all aspects of the filing and  
10 regulatory review of group health benefit plans other than small  
11 group health benefit plans, as well as all stand-alone dental plans  
12 and stand-alone vision plans. Uniformity shall apply to the content  
13 and requirements for the forms as well as rating, loss ratio, and  
14 actuarial requirements. The legislature also intends that all rules  
15 and other administrative requirements adopted under RCW 48.43.733 not  
16 materially deviate from the rules in place for health care service  
17 contractors and health maintenance organizations on July 1, 2015.

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

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

7 (2) Filings of negotiated health benefit plan, stand-alone  
8 dental, and stand-alone vision contract forms for groups other than  
9 small groups, and applicable rate schedules, that are placed into  
10 effect at time of negotiation or that have a retroactive effective  
11 date are not required to be filed in accordance with subsection (1)  
12 of this section, but must be filed within thirty working days after  
13 the earlier of:

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

15 (b) The date renewal premiums are implemented.

16 (3) For purposes of this section, a negotiated contract form is a  
17 health benefit plan, stand-alone dental plan, or stand-alone vision  
18 plan where benefits, and other terms and conditions, including the  
19 applicable rate schedules are negotiated and agreed to by the carrier  
20 or limited health care service contractor and the policy or contract  
21 holder. The negotiated policy form and associated rate schedule must  
22 otherwise comply with state and federal laws governing the content  
23 and schedule of rates for the negotiated plans.

24 (4) Stand-alone dental and stand-alone vision plans offered by a  
25 disability insurer to out-of-state groups specified by RCW  
26 48.21.010(2) may be negotiated, but may not be offered in this state  
27 before the commissioner finds that the stand-alone dental or stand-  
28 alone vision plan otherwise (~~meet[s]~~) meets the standards set forth  
29 in RCW 48.21.010(2) (a) and (b).

30 (5) The commissioner may, subject to a carrier's or limited  
31 health care service contractor's right to demand and receive a  
32 hearing under chapters 48.04 and 34.05 RCW, disapprove filings  
33 submitted under this section, as permitted under RCW 48.18.110,  
34 48.44.020, and 48.46.060.

35 (6) The commissioner shall immediately commence rule making under  
36 chapter 34.05 RCW and adopt rules to standardize the rate and form  
37 filing, rating, loss ratio, and form content requirements under this  
38 section. In developing rules to implement this section, the  
39 commissioner must (~~use the already~~) establish absolute uniformity  
40 under a single regulatory scheme by amending the adopted standards in

1 place for health care service contractors and health maintenance  
2 organizations, as of July 1, 2015. The rules, Washington state health  
3 and disability system for electronic rate and form filing health and  
4 disability general form filing instructions, and system for  
5 electronic rate and form filing health and disability rate filing  
6 instructions may not impose additional requirements including rate  
7 and form filing, content, actuarial justification, loss ratio, or  
8 claims experience pooling beyond those in place for health care  
9 service contractors and health maintenance organizations, as of July  
10 1, 2015, unless otherwise required by state or federal statute. The  
11 rule making must be completed within the funding authorized in the  
12 omnibus budget bill passed in 2015.

13 (7) The requirements of this section apply to all group health  
14 benefit plans, stand-alone dental plans, and stand-alone vision plans  
15 issued or renewed on or after January 1, 2016.

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