
SENATE BILL 6416

State of Washington

65th Legislature

2018 Regular Session

By Senators Kuderer, Conway, Frockt, Hasegawa, and Rolfes

Read first time 01/17/18. Referred to Committee on Health & Long Term Care.

1 AN ACT Relating to requiring the insurance commissioner to review
2 a health carrier's surplus levels as part of its rate filing review
3 process; adding a new section to chapter 48.43 RCW; and creating a
4 new section.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that at a time of
7 increasing uncertainty in the health insurance market, Washington
8 patients are facing higher health care costs. The office of the
9 insurance commissioner must be provided the necessary tools to assist
10 in reducing health insurance premiums and out-of-pocket costs. The
11 legislature further finds that by allowing the insurance commissioner
12 to review health insurance carrier's surplus levels, the insurance
13 commissioner will be better able to judge the reasonableness of a
14 health carrier's rate filing.

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

17 (1) For individual and small group rate filings with an effective
18 date on or after January 1, 2019, submitted by a nonprofit health
19 carrier for either the individual or small group markets, the

1 commissioner must review the carrier's surplus levels as an element
2 in determining the reasonableness of the proposed rate.

3 (2) In reviewing the surplus, the commissioner must take into
4 consideration the capital facility needs for carriers maintaining and
5 operating hospital and clinical facilities.

6 (3) Except as provided in subsection (1) of this section, this
7 section does not affect the rate review authority granted to the
8 commissioner by chapter 48.19, 48.44, or 48.46 RCW.

9 NEW SECTION. **Sec. 3.** If any provision of this act or its
10 application to any person or circumstance is held invalid, the
11 remainder of the act or the application of the provision to other
12 persons or circumstances is not affected.

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