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HOUSE BILL 1017

State of Washington 66th Legislature 2019 Regular Session

By Representatives Caldier, Cody, Jinkins, Macri, Kloba, and Appleton Prefiled 12/05/18. Read first time 01/14/19. Referred to Committee on Health Care & Wellness.

- 1 AN ACT Relating to the salaries of nonprofit health carriers; and 2 adding a new section to chapter 48.43 RCW.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 48.43 5 RCW to read as follows:
 - (1) (a) Beginning January 1, 2020, any health carrier that is a nonprofit organization and has a paid board of directors shall convene a panel of enrollees. The panel must include at least ten enrollees of health plans offered by the carrier who are chosen at random and willing to serve one-year terms. If an enrollee voluntarily resigns from the panel, the carrier must replace the enrollee with another randomly selected, willing enrollee. No enrollee may serve more than two full terms on the panel.
- 14 (b) The health carrier must annually provide its methodology for 15 randomly choosing enrollees to the commissioner.
- 16 (c) The health carrier must post the names and contact 17 information for panel members on its web site.
- 18 (2) Beginning in calendar year 2020, the panel convened under 19 subsection (1) of this section shall, by majority vote:
- 20 (a) Set the compensation and benefit levels of the carrier's 21 board of directors; and

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(b) Approve the compensation and benefit levels of the carrier's employees with the top five highest levels of compensation and benefits.

- (3) Beginning January 1, 2020, any health carrier that is a nonprofit organization shall prominently disclose in its annual report the salary and benefit levels of the carrier's employees with the top five highest levels of compensation and benefits and how the employees' compensation and benefits differ from the previous year.
- (4) For purposes of this section, "health carrier," in addition to the definition in RCW 48.43.005, also includes health care service contractors, limited health care service contractors, or disability insurers, offering dental only or vision only plans.

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