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**SUBSTITUTE HOUSE BILL 1505**

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**State of Washington**

**69th Legislature**

**2025 Regular Session**

**By** House Consumer Protection & Business (originally sponsored by Representatives Walen, Berry, Lekanoff, Reed, Ormsby, Tharinger, Macri, Hill, and Scott; by request of Insurance Commissioner)

READ FIRST TIME 02/18/25.

1 AN ACT Relating to correcting obsolete or erroneous references in  
2 statutes administered by the insurance commissioner, by repealing  
3 defunct statutes and reports, aligning policy with federal law and  
4 current interpretations, making timeline adjustments, protecting  
5 patient data, and making technical corrections; amending RCW  
6 42.56.400, 48.14.070, 48.19.460, 48.19.501, 48.19.540, 48.37.050,  
7 48.38.010, 48.38.012, 48.43.0128, 48.43.135, 48.43.743, 48.135.030,  
8 48.140.040, 48.140.050, 48.150.100, and 48.160.020; repealing RCW  
9 48.02.230, 48.02.240, 48.19.500, 48.43.049, 48.43.650, 48.140.070,  
10 and 48.160.005; and providing an effective date.

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

12 **Sec. 1.** RCW 42.56.400 and 2023 c 149 s 12 are each amended to  
13 read as follows:

14 The following information relating to insurance and financial  
15 institutions is exempt from disclosure under this chapter:

16 (1) Records maintained by the board of industrial insurance  
17 appeals that are related to appeals of crime victims' compensation  
18 claims filed with the board under RCW 7.68.110;

19 (2) Information obtained and exempted or withheld from public  
20 inspection by the health care authority under RCW 41.05.026, whether  
21 retained by the authority, transferred to another state purchased

1 health care program by the authority, or transferred by the authority  
2 to a technical review committee created to facilitate the  
3 development, acquisition, or implementation of state purchased health  
4 care under chapter 41.05 RCW;

5 (3) The names and individual identification data of either all  
6 owners or all insureds, or both, received by the insurance  
7 commissioner under chapter 48.102 RCW;

8 (4) Information provided under RCW 48.30A.045 through 48.30A.060;

9 (5) Information provided under RCW 48.05.510 through 48.05.535,  
10 48.43.200 through 48.43.225, 48.44.530 through 48.44.555, and  
11 48.46.600 through 48.46.625;

12 (6) Examination reports and information obtained by the  
13 department of financial institutions from banks under RCW 30A.04.075,  
14 from savings banks under RCW 32.04.220, from savings and loan  
15 associations under RCW 33.04.110, from credit unions under RCW  
16 31.12.565, from check cashers and sellers under RCW 31.45.030(3), and  
17 from securities brokers and investment advisers under RCW 21.20.100,  
18 information that could reasonably be expected to reveal the identity  
19 of a whistleblower under RCW 21.40.090, and information received  
20 under RCW 43.320.190, all of which are confidential and privileged  
21 information;

22 (7) Information provided to the insurance commissioner under RCW  
23 48.110.040(3);

24 (8) Documents, materials, or information obtained by the  
25 insurance commissioner under RCW 48.02.065, all of which are  
26 confidential and privileged;

27 (9) Documents, materials, or information obtained or provided by  
28 the insurance commissioner under RCW 48.31B.015(2) (l) and (m),  
29 48.31B.025, 48.31B.030, 48.31B.035, and 48.31B.036, all of which are  
30 confidential and privileged;

31 (10) Data filed under RCW 48.140.020, 48.140.030, 48.140.050, and  
32 7.70.140 that, alone or in combination with any other data, may  
33 reveal the identity of a claimant, health care provider, health care  
34 facility, insuring entity, or self-insurer involved in a particular  
35 claim or a collection of claims. For the purposes of this subsection:

36 (a) "Claimant" has the same meaning as in RCW 48.140.010(2).

37 (b) "Health care facility" has the same meaning as in RCW  
38 48.140.010(6).

39 (c) "Health care provider" has the same meaning as in RCW  
40 48.140.010(7).

1 (d) "Insuring entity" has the same meaning as in RCW  
2 48.140.010(8).

3 (e) "Self-insurer" has the same meaning as in RCW 48.140.010(11);

4 (11) Documents, materials, or information obtained by the  
5 insurance commissioner under RCW 48.135.060;

6 (12) Documents, materials, or information obtained by the  
7 insurance commissioner under RCW 48.37.060;

8 (13) Confidential and privileged documents obtained or produced  
9 by the insurance commissioner and identified in RCW 48.37.080;

10 (14) Documents, materials, or information obtained by the  
11 insurance commissioner under RCW 48.37.140;

12 (15) Documents, materials, or information obtained by the  
13 insurance commissioner under RCW 48.17.595;

14 (16) Documents, materials, or information obtained by the  
15 insurance commissioner under RCW 48.102.051(1) and 48.102.140 (3) and  
16 (7) (a) (ii);

17 (17) Documents, materials, or information obtained by the  
18 insurance commissioner in the commissioner's capacity as receiver  
19 under RCW 48.31.025 and 48.99.017, which are records under the  
20 jurisdiction and control of the receivership court. The commissioner  
21 is not required to search for, log, produce, or otherwise comply with  
22 the public records act for any records that the commissioner obtains  
23 under chapters 48.31 and 48.99 RCW in the commissioner's capacity as  
24 a receiver, except as directed by the receivership court;

25 (18) Documents, materials, or information obtained by the  
26 insurance commissioner under RCW 48.13.151;

27 (19) Data, information, and documents provided by a carrier  
28 pursuant to section 1, chapter 172, Laws of 2010;

29 (20) Information in a filing of usage-based insurance about the  
30 usage-based component of the rate pursuant to RCW 48.19.040(5) (b);

31 (21) Data, information, and documents that are submitted to the  
32 office of the insurance commissioner by an entity providing health  
33 care coverage pursuant to RCW 28A.400.275;

34 (22) Data, information, and documents obtained by the insurance  
35 commissioner under RCW 48.29.017;

36 (23) Information not subject to public inspection or public  
37 disclosure under RCW 48.43.730(5);

38 (24) Documents, materials, or information obtained by the  
39 insurance commissioner under chapter 48.05A RCW;

1 (25) Documents, materials, or information obtained by the  
2 insurance commissioner under RCW 48.74.025, 48.74.028, 48.74.100(6),  
3 48.74.110(2) (b) and (c), and 48.74.120 to the extent such documents,  
4 materials, or information independently qualify for exemption from  
5 disclosure as documents, materials, or information in possession of  
6 the commissioner pursuant to a financial conduct examination and  
7 exempt from disclosure under RCW 48.02.065;

8 (26) Nonpublic personal health information obtained by, disclosed  
9 to, or in the custody of the insurance commissioner, as provided in  
10 RCW 48.02.068;

11 ~~((Data, information, and documents obtained by the insurance  
12 commissioner under RCW 48.02.230;~~

13 ~~(28))~~ Documents, materials, or other information, including the  
14 corporate annual disclosure obtained by the insurance commissioner  
15 under RCW 48.195.020;

16 ~~((29))~~ (28) Findings and orders disapproving acquisition of a  
17 trust institution under RCW 30B.53.100(3);

18 ~~((30))~~ (29) All claims data, including health care and  
19 financial related data received under RCW 41.05.890, received and  
20 held by the health care authority; ~~(and~~

21 ~~(31))~~ (30) Documents, materials, or information obtained by the  
22 insurance commissioner under RCW 48.150.100; and

23 (31) Contracts not subject to public disclosure under RCW  
24 48.200.040 and 48.43.731.

25 **Sec. 2.** RCW 48.14.070 and 2009 c 549 s 7056 are each amended to  
26 read as follows:

27 In event any person has paid to the commissioner any tax, license  
28 fee or other charge in error or in excess of that which he or she is  
29 lawfully obligated to pay, the commissioner shall upon written  
30 request ~~((made to him or her))~~ make a refund thereof. A person may  
31 only request a refund of taxes within six years ~~((from the date the  
32 taxes were paid))~~ of the end of the calendar year for which the taxes  
33 are owed. A person may only request a refund of fees or charges other  
34 than taxes within ~~((thirteen))~~ 13 months of the date the fees or  
35 charges were paid. Refunds may be made either by crediting the amount  
36 toward payment of charges due or to become due from such person, or  
37 by making a cash refund. ~~((To facilitate such cash refunds the  
38 commissioner may establish a revolving fund out of funds appropriated  
39 by the legislature for his use.))~~

1       **Sec. 3.** RCW 48.19.460 and 2007 c 258 s 1 are each amended to  
2 read as follows:

3       Any schedule of rates or rating plan for personal automobile  
4 liability and physical damage insurance submitted to or filed with  
5 the commissioner shall provide for an appropriate reduction in  
6 premium charges except for underinsured motorist coverage for those  
7 insureds who are (~~fifty-five~~) 55 years of age and older, for a two-  
8 year period after successfully completing a motor vehicle accident  
9 prevention course meeting the criteria of the department of licensing  
10 with a minimum of eight hours, or additional hours as determined by  
11 rule of the department of licensing. The classroom course may be  
12 conducted by a public or private agency approved by the department.  
13 An eight-hour course meeting the criteria of the department of  
14 licensing may be offered via an alternative delivery method of  
15 instruction, which may include internet, video, or other technology-  
16 based delivery methods. An agency seeking approval from the  
17 department to offer an alternative delivery method course of  
18 instruction is not required to conduct classroom courses under this  
19 section. The department of licensing may adopt rules to ensure that  
20 insureds who seek certification for taking a course offered via an  
21 alternative delivery method have completed the course.

22       **Sec. 4.** RCW 48.19.501 and 1989 c 11 s 21 are each amended to  
23 read as follows:

24       Due consideration in making rates for motor vehicle insurance  
25 shall be given to(~~+~~

26       ~~(1) Any anticipated change in losses that may be attributable to~~  
27 ~~the use of properly installed and maintained anti-theft devices in~~  
28 ~~the insured private passenger automobile. An exhibit detailing these~~  
29 ~~losses and any credits or discounts resulting from any such changes~~  
30 ~~shall be included in each filing pertaining to private passenger~~  
31 ~~automobile (or motor vehicle) insurance.~~

32       ~~(2) Any anticipated change in losses that may be attributable to~~  
33 ~~the use of lights and lighting devices that have been proven~~  
34 ~~effective in increasing the visibility of motor vehicles during~~  
35 ~~daytime or in poor visibility conditions and to the use of rear stop~~  
36 ~~lights that have been proven effective in reducing rear-end~~  
37 ~~collisions. An exhibit detailing these losses and any credits or~~  
38 ~~discounts resulting from any such changes shall be included in each~~

1 ~~filing pertaining to private passenger automobile (or motor vehicle)~~  
2 ~~insurance.~~

3 ~~(3) Any~~) any anticipated change in losses per vehicle covered  
4 that may be attributable to the fact that the insured has more  
5 vehicles covered under the policy than there are insured drivers in  
6 the same household. An exhibit detailing these changes and any  
7 credits or discounts resulting from any such changes shall be  
8 included in each filing pertaining to private passenger automobile  
9 (or motor vehicle) insurance.

10 **Sec. 5.** RCW 48.19.540 and 2019 c 455 s 4 are each amended to  
11 read as follows:

12 (1) In making rates for the insurance coverage for dwelling  
13 units, insurers shall consider the benefits of fire alarms and smoke  
14 detection devices in their rate making. If the insurer determines a  
15 separate rate factor is valid, then an exhibit supporting these  
16 changes and any credits or discounts resulting from any such changes  
17 must be included in the initial filing supporting such change. An  
18 insurer need not file any exhibits or offer any related discounts if:

19 (a) No changes are made to the credits or discounts already in  
20 effect prior to July 28, 2019;

21 (b) It determines that there is no material anticipated change in  
22 losses due to the use of such equipment; or

23 (c) Any potential credit or discount is not actuarially  
24 supported.

25 (2) ~~((The commissioner shall report to the appropriate committees~~  
26 ~~of the legislature on any credits or discounts provided on insurance~~  
27 ~~premiums for fire alarms and smoke detection devices installed in~~  
28 ~~dwelling units. By December 31, 2020, and in compliance with RCW~~  
29 ~~43.01.036, the commissioner must submit a report to the appropriate~~  
30 ~~committees of the legislature that details the use of discounts prior~~  
31 ~~to and after July 28, 2019, and the type of fire alarm or smoke~~  
32 ~~detection device qualifying for a credit or discount.~~

33 ~~(3))~~) For the purposes of this section:

34 (a) "Dwelling unit" means a residential dwelling of any type,  
35 including a single-family residence, apartment, condominium, or  
36 cooperative unit.

37 (b) "Smoke detection device" or "smoke detection devices" means  
38 an assembly incorporating in one unit a device which detects visible  
39 or invisible particles of combustion, the control equipment, and the

1 alarm-sounding device, operated from a power supply either in the  
2 unit or obtained at the point of installation.

3 (c) "Fire alarm" or "fire alarms" means any mechanical,  
4 electrical(~~(+,+)~~), or radio-controlled device that is designed to  
5 emit a sound or transmit a signal or message when activated or any  
6 such device that emits a sound and transmits a signal or message when  
7 activated because of smoke, heat(~~(+,+)~~), or fire.

8 ~~((4))~~ (3) This section applies to rate filings for coverage for  
9 dwelling units filed on or after January 1, 2020.

10 **Sec. 6.** RCW 48.37.050 and 2007 c 82 s 7 are each amended to read  
11 as follows:

12 (1) Market conduct actions shall be taken as a result of market  
13 analysis and shall focus on the general business practices and  
14 compliance activities of insurers, rather than identifying obviously  
15 infrequent or unintentional random errors that do not cause  
16 significant consumer harm.

17 (2) (a) The commissioner is authorized to determine the frequency  
18 and timing of such market conduct actions. The timing shall depend  
19 upon the specific market conduct action to be initiated, unless  
20 extraordinary circumstances indicating a risk to consumers require  
21 immediate action.

22 (b) If the commissioner has information that more than one  
23 insurer is engaged in common practices that may violate statutes or  
24 rules, the commissioner may schedule and coordinate multiple  
25 examinations simultaneously.

26 (3) The insurer shall be given reasonable opportunity to resolve  
27 matters that arise as a result of a market analysis to the  
28 satisfaction of the commissioner before any additional market conduct  
29 actions are taken against the insurer.

30 (4) The commissioner shall adopt by rule, under chapter 34.05  
31 RCW, procedures and documents that are substantially similar to the  
32 NAIC work products defined or referenced in this chapter. Market  
33 analysis, market conduct actions, and market conduct examinations  
34 shall be performed in accordance with the rule.

35 ~~((5) At the beginning of the next legislative session after the  
36 adoption of the rules adopted under the authority of this section,  
37 the commissioner shall report to the appropriate policy committees of  
38 the legislature what rules were adopted; what statutory policies  
39 these rules were intended to implement; and such other matters as are~~

1 ~~indicated for the legislature's understanding of the role played by~~  
2 ~~the NAIC in regulation of the insurance industry of Washington.))~~

3 **Sec. 7.** RCW 48.38.010 and 2012 c 211 s 5 are each amended to  
4 read as follows:

5 The commissioner may grant a certificate of exemption to any  
6 insurer or educational, religious, charitable, or scientific  
7 institution conducting a charitable gift annuity business that:

8 (1) (~~Which is~~) Is organized and operated exclusively as, or for  
9 the purpose of aiding, an educational, religious, charitable, or  
10 scientific institution which is organized as a nonprofit organization  
11 without profit to any person, firm, partnership, association,  
12 corporation, or other entity;

13 (2) (~~Which possesses~~) Possesses a current tax exempt status  
14 under the laws of the United States;

15 (3) (~~Which serves~~) Serves such purpose by issuing charitable  
16 gift annuity contracts only for the benefit of such educational,  
17 religious, charitable, or scientific institution;

18 (4) (~~Which appoints~~) Appoints the insurance commissioner as its  
19 true and lawful attorney upon whom may be served lawful process in  
20 any action, suit, or proceeding in any court, which appointment is  
21 irrevocable, binds the insurer or institution or any successor in  
22 interest, remains in effect as long as there is in force in this  
23 state any contract made or issued by the insurer or institution, or  
24 any obligation arising therefrom, and must be processed in accordance  
25 with RCW 48.05.200;

26 (5) (~~Which is~~) Is fully and legally organized and qualified to  
27 do business and has been actively doing business under the laws of  
28 the state of its domicile for a period of at least three years prior  
29 to its application for a certificate of exemption;

30 (6) (~~Which has~~) Has and maintains minimum (~~unrestricted~~) net  
31 assets without donor restrictions of (~~five hundred thousand~~  
32 ~~dollars~~) \$500,000. "~~(Unrestricted net)~~ Net assets without donor  
33 restrictions" means the excess of total assets over total liabilities  
34 that are neither permanently restricted nor temporarily restricted by  
35 donor-imposed stipulations;

36 (7) (~~Which files~~) Files with the insurance commissioner its  
37 application for a certificate of exemption showing:

38 (a) Its name, location, and organization date;

39 (b) The kinds of charitable annuities it proposes to offer;



1 (c) A statement of the financial condition, management, and  
2 affairs of the organization and any affiliate thereof, as that term  
3 is defined in RCW 48.31B.005, on a form satisfactory to, or furnished  
4 by the insurance commissioner;

5 (d) Other documents, stipulations, or information as the  
6 insurance commissioner may reasonably require to evidence compliance  
7 with the provisions of this chapter;

8 (8) (~~Which subjects~~) Subjects itself and any affiliate thereof,  
9 as that term is defined in RCW 48.31B.005, to periodic examinations  
10 conducted under chapter 48.03 RCW as may be deemed necessary by the  
11 insurance commissioner;

12 (9) (~~Which files~~) Files with the insurance commissioner for the  
13 commissioner's advance approval a copy of any policy or contract form  
14 to be offered or issued to residents of this state. The grounds for  
15 disapproval of the policy or contract form are set forth in RCW  
16 48.18.110; and

17 (10) (~~Which:~~) (a) Files with the insurance commissioner  
18 annually, within (~~sixty~~) 60 days of the end of its fiscal year a  
19 report of its current financial condition, management, and affairs,  
20 on a form and in a manner prescribed by the commissioner, as well as  
21 such other financial material as may be requested, including the  
22 annual statement or other such financial materials as may be  
23 requested relating to any affiliate, as that term is defined in RCW  
24 48.31B.005;

25 (b) Attaches to the report of its current financial condition the  
26 statement of a qualified actuary setting forth the actuary's opinion  
27 relating to annuity reserves and other actuarial items for the fiscal  
28 year covered by the report. "Qualified actuary" as used in this  
29 subsection means a member in good standing of the American academy of  
30 actuaries or a person who has otherwise demonstrated actuarial  
31 competence to the satisfaction of the insurance regulatory official  
32 of the domiciliary state; and

33 (c) (~~On or before March 1st of each year~~) Within 60 days of the  
34 end of the fiscal year, pays an annual filing fee of (~~twenty-five~~  
35 ~~dollars~~) \$25 plus (~~five dollars~~) \$5 for each charitable gift  
36 annuity contract written for residents of this state during (~~its~~)  
37 the preceding fiscal year (~~ending on or before December 31st of the~~  
38 ~~previous calendar year~~)).

1       **Sec. 8.** RCW 48.38.012 and 1998 c 284 s 7 are each amended to  
2 read as follows:

3       After June 30, 1998, an insurer or institution which does not  
4 have the minimum (~~unrestricted~~) net assets without donor  
5 restrictions required by RCW 48.38.010(6) may not issue any new  
6 charitable gift annuities until the insurer or institution has and  
7 maintains the minimum (~~unrestricted~~) net assets without donor  
8 restrictions required by RCW 48.38.010(6).

9       **Sec. 9.** RCW 48.43.0128 and 2021 c 280 s 3 are each amended to  
10 read as follows:

11       (1) A health carrier offering a nongrandfathered health plan or a  
12 plan deemed by the commissioner to have a short-term limited purpose  
13 or duration, or to be a student-only plan that is guaranteed  
14 renewable while the covered person is enrolled as a regular, full-  
15 time undergraduate student at an accredited higher education  
16 institution may not:

17       (a) In its benefit design or implementation of its benefit  
18 design, discriminate against individuals because of their age,  
19 expected length of life, present or predicted disability, degree of  
20 medical dependency, quality of life, or other health conditions; and

21       (b) With respect to the health plan or plan deemed by the  
22 commissioner to have a short-term limited purpose or duration, or to  
23 be a student-only plan that is guaranteed renewable while the covered  
24 person is enrolled as a regular, full-time undergraduate student at  
25 an accredited higher education institution, discriminate on the basis  
26 of race, color, national origin, disability, age, sex, gender  
27 identity, or sexual orientation.

28       (2) Nothing in this section may be construed to prevent a carrier  
29 from appropriately utilizing reasonable medical management  
30 techniques.

31       (3) For health plans issued or renewed on or after January 1,  
32 2022:

33       (a) A health carrier may not deny or limit coverage for gender-  
34 affirming treatment when that treatment is prescribed to an  
35 individual because of, related to, or consistent with a person's  
36 gender expression or identity, as defined in RCW 49.60.040, is  
37 medically necessary, and is prescribed in accordance with accepted  
38 standards of care.

1 (b) A health carrier may not apply categorical cosmetic or  
2 blanket exclusions to gender-affirming treatment. When prescribed as  
3 medically necessary gender-affirming treatment, a health carrier may  
4 not exclude as cosmetic services facial feminization surgeries and  
5 other facial gender-affirming treatment, such as tracheal shaves,  
6 hair electrolysis, and other care such as mastectomies, breast  
7 reductions, breast implants, or any combination of gender-affirming  
8 procedures, including revisions to prior treatment.

9 (c) A health carrier may not issue an adverse benefit  
10 determination denying or limiting access to gender-affirming  
11 services, unless a health care provider with experience prescribing  
12 or delivering gender-affirming treatment has reviewed and confirmed  
13 the appropriateness of the adverse benefit determination.

14 (d) Health carriers must comply with all network access rules and  
15 requirements established by the commissioner.

16 (4) For the purposes of this section, "gender-affirming  
17 treatment" means a service or product that a health care provider, as  
18 defined in RCW 70.02.010, prescribes to an individual to treat any  
19 condition related to the individual's gender identity and is  
20 prescribed in accordance with generally accepted standards of care.  
21 Gender-affirming treatment must be covered in a manner compliant with  
22 the federal mental health parity and addiction equity act of 2008 and  
23 the federal affordable care act. Gender-affirming treatment can be  
24 prescribed to two spirit, transgender, nonbinary, intersex, and other  
25 gender diverse individuals.

26 (5) Nothing in this section may be construed to mandate coverage  
27 of a service that is not medically necessary.

28 (6) By December 1, 2022, the commissioner, in consultation with  
29 the health care authority and the department of health, must issue a  
30 report on geographic access to gender-affirming treatment across the  
31 state. The report must include the number of gender-affirming  
32 providers offering care in each county, the carriers and medicaid  
33 managed care organizations those providers have active contracts  
34 with, and the types of services provided by each provider in each  
35 region. The commissioner must update the report (~~biannually~~)  
36 biennially and post the report on its website.

37 (7) The commissioner shall adopt any rules necessary to implement  
38 subsections (3), (4), and (5) of this section.

39 (8) Unless preempted by federal law, the commissioner shall adopt  
40 any rules necessary to implement subsections (1) and (2) of this

1 section, consistent with federal rules and guidance in effect on  
2 January 1, 2017, implementing the patient protection and affordable  
3 care act.

4 **Sec. 10.** RCW 48.43.135 and 2023 c 245 s 1 are each amended to  
5 read as follows:

6 (1) For nongrandfathered group health plans other than small  
7 group health plans issued or renewed on or after January 1, 2024, and  
8 for health plans issued or renewed on or after January 1, 2026, a  
9 health carrier shall include coverage for hearing instruments,  
10 including bone conduction hearing devices. This section does not  
11 include coverage of over-the-counter hearing instruments.

12 (2) Coverage shall also include the initial assessment, fitting,  
13 adjustment, auditory training, and ear molds as necessary to maintain  
14 optimal fit. Coverage of the services in this subsection shall  
15 include services for enrollees who intend to obtain or have already  
16 obtained any hearing instrument, including an over-the-counter  
17 hearing instrument.

18 (3) ((A)) (a) Until the date specified in (b) of this subsection,  
19 a health carrier shall provide coverage for hearing instruments as  
20 provided in subsection (1) of this section at no less than \$3,000 per  
21 ear with hearing loss every 36 months.

22 (b) For health plans issued or renewed on or after January 1,  
23 2026, a health carrier shall provide coverage for hearing instruments  
24 as provided in subsection (1) of this section every 36 months per ear  
25 with hearing loss and may not establish any lifetime or annual limit  
26 on the dollar amount of coverage for services described in subsection  
27 (1) or (2) of this section for any individual, whether provided in-  
28 network or out-of-network.

29 (c) A health carrier may require prior authorization or adopt  
30 other appropriate utilization controls in approving coverage for  
31 medically necessary hearing instruments.

32 (4) The services and hearing instruments covered under this  
33 section are not subject to the enrollee's deductible unless the  
34 health plan is offered as a qualifying health plan for a health  
35 savings account. For such a qualifying health plan, the carrier may  
36 apply a deductible to coverage of the services covered under this  
37 section only at the minimum level necessary to preserve the  
38 enrollee's ability to claim tax exempt contributions and withdrawals

1 from the enrollee's health savings account under internal revenue  
2 service laws and regulations.

3 (5) Coverage for a minor under 18 years of age shall be available  
4 under this section only after the minor has received medical  
5 clearance within the preceding six months from:

6 (a) An otolaryngologist for an initial evaluation of hearing  
7 loss; or

8 (b) A licensed physician, which indicates there has not been a  
9 substantial change in clinical status since the initial evaluation by  
10 an otolaryngologist.

11 (6) For the purposes of this section:

12 (a) "Hearing instrument" has the same meaning as defined in RCW  
13 18.35.010.

14 (b) "Over-the-counter hearing instrument" has the same meaning as  
15 "over-the-counter hearing aid" in 21 C.F.R. Sec. 800.30 as of  
16 December 28, 2022.

17 **Sec. 11.** RCW 48.43.743 and 2015 c 9 s 2 are each amended to read  
18 as follows:

19 (1) Each health carrier offering a dental only plan in Washington  
20 shall submit to the commissioner on or before April 1st of each year  
21 as part of the additional data statement, or as a supplemental data  
22 statement (~~the following information~~), Washington specific data for  
23 the preceding year that is derived from the carrier's annual  
24 statement, including the exhibit of premiums, enrollments, and  
25 utilization for the company at an aggregate level and the additional  
26 data to the annual statement:

27 (a) The total number of dental members;

28 (b) The total amount of dental revenue;

29 (c) The total amount of dental payments;

30 (d) The dental loss ratio that is computed by dividing the total  
31 amount of dental payments by the total amount of dental revenues;

32 (e) The average amount of premiums per member per month; and

33 (f) The percentage change in the average premium per member per  
34 month, measured from the previous year.

35 (2) A carrier shall electronically submit the information  
36 described in subsection (1) of this section in a format and according  
37 to instructions prescribed by the commissioner.

38 (3) The commissioner shall make the information reported under  
39 this section available to the public (~~in a format that allows~~

1 ~~comparison among carriers through a searchable))~~ on the  
2 commissioner's public website on the internet.

3 (4) For the purposes of licensed disability insurers and health  
4 care service contractors, the commissioner shall work collaboratively  
5 with insurers to develop an additional or supplemental data statement  
6 that utilizes to the maximum extent possible information from the  
7 annual statement forms that are currently filed by these entities.

8 (5) For purposes of this section, "health carrier," in addition  
9 to the definition in RCW 48.43.005, also includes health care service  
10 contractors, limited health care service contractors, and disability  
11 insurers offering dental only coverage.

12 (6) Nothing in this section is intended to establish a minimum  
13 dental loss ratio.

14 **Sec. 12.** RCW 48.135.030 and 2006 c 284 s 4 are each amended to  
15 read as follows:

16 The annual cost of operating the fraud program is funded from the  
17 insurance commissioner's (~~regulatory~~) fraud account under RCW  
18 48.02.190 subject to appropriation by the legislature.

19 **Sec. 13.** RCW 48.140.040 and 2006 c 8 s 204 are each amended to  
20 read as follows:

21 ~~((The commissioner must prepare aggregate statistical summaries  
22 of closed claims based on data submitted under RCW 48.140.020.~~

23 ~~(1) At a minimum, the commissioner must summarize data by  
24 calendar year and calendar/incident year. The commissioner may also  
25 decide to display data in other ways if the commissioner:~~

26 ~~(a) Protects information as required under RCW 48.140.060(2); and~~

27 ~~(b) Exempts from disclosure data described in RCW 42.56.400(11).~~

28 ~~(2) The summaries must be available by April 30th of each year,  
29 unless the commissioner notifies legislative committees by March 15th  
30 that data are not available and informs the committees when the  
31 summaries will be completed.~~

32 ~~(3))~~ Information included in an individual closed claim report  
33 submitted by an insuring entity, self-insurer, provider, or facility  
34 under this chapter is confidential and exempt from public disclosure,  
35 and the commissioner must not make these data available to the  
36 public.

1       **Sec. 14.** RCW 48.140.050 and 2006 c 8 s 205 are each amended to  
2 read as follows:

3       (~~Beginning in 2010, the~~) The commissioner must prepare an  
4 annual report that summarizes and analyzes the medical malpractice  
5 closed claim (~~(reports for medical malpractice)~~) data filed under RCW  
6 48.140.020 and 7.70.140 and the annual financial (~~(reports)~~) data  
7 filed (~~(by authorized insurers)~~) with the national association of  
8 insurance commissioners by insuring entities writing medical  
9 malpractice insurance in this state. The commissioner must complete  
10 the report by (~~(June 30th, unless the commissioner notifies~~  
11 ~~legislative committees by June 1st that data are not available and~~  
12 ~~informs the committees when the summaries will be completed)~~)  
13 September 1st.

14       (1) The report must include:

15       (a) An analysis of reported closed claims from prior years for  
16 which data are collected. The analysis must show:

17       (i) Trends in the frequency and severity of claim payments;

18       (ii) A comparison of economic and noneconomic damages;

19       (iii) A distribution of allocated loss adjustment expenses and  
20 other legal expenses;

21       (iv) The types of medical malpractice for which claims have been  
22 paid; and

23       (v) Any other information the commissioner finds relevant to  
24 trends in medical malpractice closed claims if the commissioner:

25       (A) Protects information as required under RCW 48.140.060(2); and

26       (B) Exempts from disclosure data described in RCW  
27 42.56.400(~~(11)~~) (10);

28       (b) An analysis of the medical malpractice insurance market in  
29 Washington state, including:

30       (i) An analysis of the financial (~~(reports)~~) data of the  
31 authorized insurers with a combined market share of at least  
32 (~~(ninety)~~) 90 percent of direct written medical malpractice premium  
33 in Washington state for the prior calendar year;

34       (ii) A loss ratio analysis of medical malpractice insurance  
35 written in Washington state; and

36       (iii) A profitability analysis of the authorized insurers with a  
37 combined market share of at least (~~(ninety)~~) 90 percent of direct  
38 written medical malpractice premium in Washington state for the prior  
39 calendar year;

1 (c) A comparison of loss ratios and the profitability of medical  
2 malpractice insurance in Washington state to other states based on  
3 financial (~~reports~~) data filed with the national association of  
4 insurance commissioners and any other source of information the  
5 commissioner deems relevant; and

6 (d) A summary of the rate filings for medical malpractice that  
7 have been approved by the commissioner for the prior calendar year,  
8 including an analysis of the trend of direct incurred losses as  
9 compared to prior years.

10 (2) The commissioner must post reports required by this section  
11 on the internet no later than (~~thirty~~) 30 days after they are due.

12 (3) The commissioner may adopt rules that require insuring  
13 entities and self-insurers required to report under RCW 48.140.020  
14 and subsection (1)(a) of this section to report data related to:

15 (a) The frequency and severity of closed claims for the reporting  
16 period; and

17 (b) Any other closed claim information that helps the  
18 commissioner monitor losses and claim development patterns in the  
19 Washington state medical malpractice insurance market.

20 **Sec. 15.** RCW 48.150.100 and 2007 c 267 s 12 are each amended to  
21 read as follows:

22 (1) Direct practices must submit annual statements, beginning on  
23 October 1, 2007, to the office of (~~the~~) the insurance  
24 commissioner specifying the number of providers in each practice,  
25 total number of patients being served, the average direct fee being  
26 charged, providers' names, and the business address for each direct  
27 practice. The form and content for the annual statement must be  
28 developed in a manner prescribed by the commissioner. The annual  
29 statements and the data reported in them are confidential and exempt  
30 from public disclosure, and from the requirements of chapter 42.56  
31 RCW.

32 (2) A health care provider may not act as, or hold himself or  
33 herself out to be, a direct practice in this state, nor may a direct  
34 agreement be entered into with a direct patient in this state, unless  
35 the provider submits the annual statement in subsection (1) of this  
36 section to the commissioner.

37 (3) The commissioner shall report annually to the legislature on  
38 direct practices including, but not limited to, participation trends,  
39 complaints received, voluntary data reported by the direct practices,



1 and any necessary modifications to this chapter. The commissioner's  
2 report and the data in it shall be in aggregate form that does not  
3 permit the identification of individual direct practices. The initial  
4 report shall be due December 1, 2009.

5 **Sec. 16.** RCW 48.160.020 and 2009 c 334 s 3 are each amended to  
6 read as follows:

7 (1) This chapter applies only to guaranteed asset protection  
8 waivers for financing of motor vehicles as defined in this chapter.  
9 Any person or entity must register with the commissioner before  
10 marketing, offering for sale or selling a guaranteed asset protection  
11 waiver, and before acting as an obligor for a guaranteed asset  
12 protection waiver, in this state. However, a retail seller of motor  
13 vehicles that assigns more than (~~eighty-five~~) 85 percent of  
14 guaranteed asset protection waiver agreements within (~~thirty~~) 30  
15 days of such agreements' effective date, or an insurer authorized to  
16 transact such insurance business in this state, are not required to  
17 register pursuant to this section. Failure of any retail seller of  
18 motor vehicles to assign (~~one hundred~~) 100 percent of guaranteed  
19 asset protection waiver agreements within (~~forty-five~~) 45 days of  
20 such agreements' effective date will result in that retail seller  
21 being required to comply with the registration requirements of this  
22 chapter.

23 (2) No person may market, offer for sale, or sell a guaranteed  
24 asset protection waiver, or act as an obligor on a guaranteed asset  
25 protection waiver in this state without a registration as provided in  
26 this chapter, except as set forth in subsection (1) of this section.

27 (3) The application for registration must include the following:

28 (a) The applicant's name, address, and telephone number;

29 (b) The identities of the applicant's executive officers or other  
30 officers directly responsible for the waiver business;

31 (c) An application fee of (~~two hundred fifty dollars~~) \$250,  
32 which shall be deposited into the (~~guaranteed asset protection~~  
33 ~~waiver account~~) general fund;

34 (d) A copy filed by the applicant with the commissioner of the  
35 waivers the applicant intends to offer in this state;

36 (e) A list of all unregistered marketers of guaranteed asset  
37 protection waivers on which the applicant will be the obligor;

38 (f) Such additional information as the commissioner may  
39 reasonably require.

1 (4) Once registered, the applicant shall keep the information  
2 required for registration current by reporting changes within  
3 (~~thirty~~) 30 days after the end of the month in which the change  
4 occurs.

5 NEW SECTION. **Sec. 17.** The following acts or parts of acts are  
6 each repealed:

7 (1) RCW 48.02.230 (Health insurance market stability program—  
8 Confidentiality—Definitions—Reports—Commissioner's  
9 responsibilities) and 2017 3rd sp.s. c 30 s 1;

10 (2) RCW 48.02.240 (Natural disaster and resiliency work group)  
11 and 2019 c 388 s 2;

12 (3) RCW 48.19.500 (Motor vehicle insurance—Seat belts, etc) and  
13 1989 c 11 s 20 & 1987 c 310 s 1;

14 (4) RCW 48.43.049 (Health carrier data—Information from annual  
15 statement—Format prescribed by commissioner—Public availability) and  
16 2006 c 104 s 2;

17 (5) RCW 48.43.650 (Fixed payment insurance products—  
18 Commissioner's annual report) and 2007 c 296 s 6;

19 (6) RCW 48.140.070 (Model statistical reporting standards—Report  
20 to legislature) and 2006 c 8 s 207; and

21 (7) RCW 48.160.005 (Guaranteed asset protection waiver account)  
22 and 2009 c 334 s 10.

23 NEW SECTION. **Sec. 18.** Section 7 of this act takes effect  
24 January 1, 2026.

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