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SENATE BILL 6856

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State of Washington

61st Legislature

2010 Regular Session

By Senators Marr, Delvin, Jacobsen, and Zarelli

1 AN ACT Relating to maintaining hospital privileges; and reenacting  
2 and amending RCW 48.44.020.

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

4 **Sec. 1.** RCW 48.44.020 and 2008 c 303 s 2 and 2008 c 217 s 51 are  
5 each reenacted and amended to read as follows:

6 (1) Any health care service contractor may enter into contracts  
7 with or for the benefit of persons or groups of persons which require  
8 prepayment for health care services by or for such persons in  
9 consideration of such health care service contractor providing one or  
10 more health care services to such persons and such activity shall not  
11 be subject to the laws relating to insurance if the health care  
12 services are rendered by the health care service contractor or by a  
13 participating provider.

14 (2) The commissioner may on examination, subject to the right of  
15 the health care service contractor to demand and receive a hearing  
16 under chapters 48.04 and 34.05 RCW, disapprove any individual or group  
17 contract form for any of the following grounds:

18 (a) If it contains or incorporates by reference any inconsistent,

1 ambiguous or misleading clauses, or exceptions and conditions which  
2 unreasonably or deceptively affect the risk purported to be assumed in  
3 the general coverage of the contract; or

4 (b) If it has any title, heading, or other indication of its  
5 provisions which is misleading; or

6 (c) If purchase of health care services thereunder is being  
7 solicited by deceptive advertising; or

8 (d) If it contains unreasonable restrictions on the treatment of  
9 patients; or

10 (e) If it violates any provision of this chapter; or

11 (f) If it fails to conform to minimum provisions or standards  
12 required by regulation made by the commissioner pursuant to chapter  
13 34.05 RCW; or

14 (g) If any contract for health care services with any state agency,  
15 division, subdivision, board, or commission or with any political  
16 subdivision, municipal corporation, or quasi-municipal corporation  
17 fails to comply with state law.

18 (3) In addition to the grounds listed in subsection (2) of this  
19 section, the commissioner may disapprove any contract if the benefits  
20 provided therein are unreasonable in relation to the amount charged for  
21 the contract. Rates, or any modification of rates effective on or  
22 after July 1, 2008, for individual health benefit plans may not be used  
23 until sixty days after they are filed with the commissioner. If the  
24 commissioner does not disapprove a rate filing within sixty days after  
25 the health care service contractor has filed the documents required in  
26 RCW 48.44.017(2) and any rules adopted pursuant thereto, the filing  
27 shall be deemed approved.

28 (4)(a) Every contract between a health care service contractor and  
29 a participating provider of health care services shall be in writing  
30 and shall state that in the event the health care service contractor  
31 fails to pay for health care services as provided in the contract, the  
32 enrolled participant shall not be liable to the provider for sums owed  
33 by the health care service contractor. Every such contract shall  
34 provide that this requirement shall survive termination of the  
35 contract.

36 (b) No participating provider, insurance producer, trustee, or  
37 assignee may maintain any action against an enrolled participant to  
38 collect sums owed by the health care service contractor.

1       (5) Contracts between health care service contractors and  
2 participating providers, and any document incorporated by reference  
3 into such contracts including, but not limited to, credentialing  
4 guidelines and policy guidelines, must not require participating  
5 providers to maintain active staff privileges at a hospital when the  
6 participating provider's hospitalized patients are solely admitted to,  
7 and cared for by, hospitalists or other hospital-based health care  
8 providers.

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