
HOUSE BILL 1775

State of Washington

63rd Legislature

2013 Regular Session

By Representative Schmick

Read first time 02/08/13. Referred to Committee on Business & Financial Services.

1 AN ACT Relating to due process in the filing and approval of
2 insurance rates, forms, and agreements and insurance regulatory
3 policies and procedures; and adding a new section to chapter 48.02 RCW.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 48.02 RCW
6 to read as follows:

7 (1) An agency practice, policy, or procedure used when
8 administering, interpreting, enforcing, or implementing any law is not
9 effective before and unless all of the following have been met:

10 (a) The insurance commissioner has communicated the practice,
11 policy, or procedure in writing to those affected at least thirty days
12 in advance of its use or implementation along with identification of
13 the statute conferring authority for that practice, policy, or
14 procedure;

15 (b) The commissioner publishes on the agency web site the practice,
16 policy, or procedure upon use or implementation along with prior
17 versions of that practice, policy, or procedure and enforcement actions
18 based upon that practice, policy, or procedure;

1 (c) Agency enforcement and application of a practice, policy, or
2 procedure applies equally to all similar products, services, and
3 licensees except as explicitly required otherwise by a law identified
4 by the commissioner; and

5 (d) The commissioner applies any new practice, policy, or procedure
6 prospectively only except as explicitly required otherwise by a law
7 identified by the commissioner.

8 (2) The commissioner may not impose a fine or suspend or revoke a
9 license for a violation of law relating to the filing, use, or approval
10 of a rate, form, or agreement by a carrier if the commissioner had
11 previously approved, waived a requirement for, or waived enforcement
12 against any carrier for a substantially similar rate, form, or
13 agreement in similar circumstances.

14 (3) The commissioner may not prohibit or take action against any
15 person for the negotiation of a provider or facility agreement in
16 advance of filing the agreement. The commissioner may not prohibit the
17 execution or use of a health care provider or facility agreement that
18 varies from the carrier's filed and approved agreements solely with
19 respect to terms and conditions:

20 (a) For which the commissioner has no statutory authority to
21 disapprove; or

22 (b) Required by another state or federal government agency with
23 jurisdiction over the agreement.

24 (4) In any action by the commissioner against any person for a
25 violation of law relating to the use of a rate, form, or agreement, the
26 determination of whether a material difference exists between the
27 approved and used rate, form, or agreement must be made in accordance
28 with state common law governing material modification of agreements.

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