

WSR 21-11-064
PERMANENT RULES
OFFICE OF THE
INSURANCE COMMISSIONER

[Filed May 14, 2021, 1:12 p.m., effective June 14, 2021]

Effective Date of Rule: Thirty-one days after filing.

Purpose: WSR 20-24-070 created WAC 284-30-595 to provide guidance for companies to use and apply implementation credits from the passing of SHB 1075 (2019). Due [to] solely using the word "insurer" in WAC 284-30-595, health care service contractors and health maintenance organizations were unintentionally excluded. This rule making specifically defines health carriers as a permissible entity within WAC 284-30-595.

Citation of Rules Affected by this Order: Amending WAC 284-30-595.

Statutory Authority for Adoption: RCW 48.02.060, 48.44.050, and 48.46.200.

Adopted under notice filed as WSR 21-08-068 on April 6, 2021.

A final cost-benefit analysis is available by contacting David Forte, 302 Sid Snyder Avenue S.W., Olympia, WA 98504, phone 360-725-7042, fax 360-586-3109, TTY 360-586-0241, email rulescoordinator@oic.wa.gov.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 1, Repealed 0.

Number of Sections Adopted at the Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's own Initiative: New 0, Amended 1, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 0, Repealed 0.

Number of Sections Adopted using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 1, Repealed 0.

Date Adopted: May 14, 2021.

Mike Kreidler
Insurance Commissioner

OTS-2986.1

AMENDATORY SECTION (Amending WSR 20-24-070, filed 11/24/20, effective 12/25/20)

WAC 284-30-595 Unfair practices regarding documented expenses for implementation credits. Under RCW 48.30.140 and 48.30.150, an insurer or health carrier may issue payment to offset a documented expense that is incurred by a group policyholder (~~while transferring from one policy to another policy~~) in changing coverages from one insurer or health carrier to another provided that the insurer or health carrier maintains evidence of the documented expense for three years from the date of the expense. An insurer or health carrier will de-

scribe in the policy or in any such filing with the commissioner that the payment made to the group policyholder will not exceed the amount of the documented expenses.

(1) The failure to maintain and document an expense incurred by a group policyholder constitutes an unfair trade practice and is a violation of this chapter.

(2) Upon the commissioner's request, the insurer or health carrier must provide proof of a documented expense in the form of paper or electronic copy.

(3) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Health carrier" has the same meaning as in RCW 48.43.005.

(b) "Insurer" has the same meaning as in RCW 48.01.050.

[Statutory Authority: RCW 48.02.060 and 48.43.715. WSR 20-24-070, § 284-30-595, filed 11/24/20, effective 12/25/20.]