
SUBSTITUTE SENATE BILL 5023

State of Washington

64th Legislature

2015 Regular Session

By Senate Health Care (originally sponsored by Senators Parlette and Keiser)

READ FIRST TIME 02/02/15.

1 AN ACT Relating to the filing of group health benefit plans other
2 than small group plans, stand-alone dental plans, and stand-alone
3 vision plans by disability insurers, health care service contractors,
4 and health maintenance organizations; amending RCW 48.18.100 and
5 48.19.010; adding a new section to chapter 48.43 RCW; and creating a
6 new section.

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

8 NEW SECTION. **Sec. 1.** It is the intent of the legislature to
9 enhance competition and create regulatory uniformity in the filing
10 requirements for group health benefit plans other than small group
11 plans, as well as stand-alone dental plan and stand-alone vision plan
12 rates and forms in order to increase competition among carriers and
13 provide a more competitive market for these products.

14 **Sec. 2.** RCW 48.18.100 and 2008 c 217 s 12 are each amended to
15 read as follows:

16 (1) No insurance policy form or application form where written
17 application is required and is to be attached to the policy, or
18 printed life or disability rider or endorsement form may be issued,
19 delivered, or used unless it has been filed with and approved by the
20 commissioner. This section does not apply to:

1 (a) Surety bond forms;
2 (b) Forms filed under RCW 48.18.103;
3 (c) Forms exempted from filing requirements by the commissioner
4 under RCW 48.18.103;
5 (d) Manuscript policies, riders, or endorsements of unique
6 character designed for and used with relation to insurance upon a
7 particular subject; ((~~or~~))
8 (e) Contracts of insurance procured under the provisions of
9 chapter 48.15 RCW; or
10 (f) Forms filed under the requirements of section 3 of this act.
11 (2) Every such filing containing a certification, in a form
12 approved by the commissioner, by either the chief executive officer
13 of the insurer or by an actuary who is a member of the American
14 academy of actuaries, attesting that the filing complies with Title
15 48 RCW and Title 284 of the Washington Administrative Code, may be
16 used by the insurer immediately after filing with the commissioner.
17 The commissioner may order an insurer to cease using a certified form
18 upon the grounds set forth in RCW 48.18.110. This subsection does not
19 apply to certain types of policy forms designated by the commissioner
20 by rule.
21 (3) Except as provided in RCW 48.18.103 and section 3 of this
22 act, every filing that does not contain a certification pursuant to
23 subsection (2) of this section must be made not less than thirty days
24 in advance of issuance, delivery, or use. At the expiration of the
25 thirty days, the filed form shall be deemed approved unless prior
26 thereto it has been affirmatively approved or disapproved by order of
27 the commissioner. The commissioner may extend by not more than an
28 additional fifteen days the period within which he or she may
29 affirmatively approve or disapprove any form, by giving notice of the
30 extension before expiration of the initial thirty-day period. At the
31 expiration of the period that has been extended, and in the absence
32 of prior affirmative approval or disapproval, the form shall be
33 deemed approved. The commissioner may withdraw any approval at any
34 time for cause. By approval of any form for immediate use, the
35 commissioner may waive any unexpired portion of the initial thirty-
36 day waiting period.
37 (4) The commissioner's order disapproving any form or withdrawing
38 a previous approval must state the grounds for disapproval.
39 (5) No form may knowingly be issued or delivered as to which the
40 commissioner's approval does not then exist.

1 (6) The commissioner may, by rule, exempt from the requirements
2 of this section any class or type of insurance policy forms if filing
3 and approval is not desirable or necessary for the protection of the
4 public.

5 (7) Every member or subscriber to a rating organization must
6 adhere to the form filings made on its behalf by the organization.
7 Deviations from the organization are permitted only when filed with
8 the commissioner in accordance with this chapter.

9 (8) Medical malpractice insurance form filings are subject to the
10 provisions of this section.

11 (9) Variable contract forms; disability insurance policy forms;
12 individual life insurance policy forms; life insurance policy
13 illustration forms; industrial life insurance contract, individual
14 medicare supplement insurance policy, and long-term care insurance
15 policy forms, which are amended solely to comply with the changes in
16 nomenclature required by RCW 48.18A.035, 48.20.013, 48.20.042,
17 48.20.072, 48.23.380, 48.23A.040, 48.23A.070, 48.25.140, 48.66.120,
18 and 48.76.090 are exempt from this section.

19 NEW SECTION. **Sec. 3.** A new section is added to chapter 48.43
20 RCW to read as follows:

21 (1) All rates and forms of group health benefit plans other than
22 small group plans and all stand-alone dental and stand-alone vision
23 plans offered by a health carrier or limited health care service
24 contractor as defined in RCW 48.44.035 and modification of a contract
25 form or rate must be filed before the contract form is offered for
26 sale to the public and before the rate schedule is used.

27 (2) Filings of negotiated contract forms for groups other than
28 small groups, and applicable rate schedules, that are placed into
29 effect at time of negotiation or that have a retroactive effective
30 date are not required to be filed in accordance with subsection (1)
31 of this section, but must be filed within thirty working days after
32 the earlier of:

33 (a) The date group contract negotiations are completed; or

34 (b) The date renewal premiums are implemented.

35 (3) For purposes of this section, a negotiated contract form is a
36 health benefit plan, stand-alone dental plan, or stand-alone vision
37 plan where benefits, and other terms and conditions, including the
38 applicable rate schedules are negotiated and agreed to by the carrier
39 or limited health care service contractor and the policy or contract

1 holder. The negotiated policy form and associated rate schedule must
2 otherwise comply with state and federal laws governing the content
3 and schedule of rates for the negotiated plans.

4 (4) Stand-alone dental and stand-alone vision plans offered by a
5 disability insurer to out-of-state groups specified by RCW
6 48.21.010(2) may be negotiated, but may not be offered in this state
7 before the commissioner finds that the stand-alone dental or stand-
8 alone vision plan otherwise meet the standards set forth in RCW
9 48.21.010(2) (a) and (b).

10 (5) The commissioner may, subject to a carrier's or limited
11 health care service contractor's right to demand and receive a
12 hearing under chapters 48.04 and 34.05 RCW, disapprove filings
13 submitted under this section, as permitted under RCW 48.18.110,
14 48.44.020, and 48.46.060.

15 (6) The commissioner shall adopt rules to standardize the rate
16 and form filing requirements under this section. In developing rules
17 to implement this section, the commissioner must use the already
18 adopted standards in place for health care service contractors and
19 health maintenance organizations.

20 (7) The requirements of this section apply to all group health
21 benefit plans, stand-alone dental plans, and stand-alone vision plans
22 issued or renewed on or after January 1, 2016.

23 **Sec. 4.** RCW 48.19.010 and 1987 c 185 s 24 are each amended to
24 read as follows:

25 (1) Except as is otherwise expressly provided the provisions of
26 this chapter apply to all insurances upon subjects located, resident
27 or to be performed in this state except:

28 (a) Life insurance;

29 (b) Disability insurance;

30 (c) Reinsurance except as to joint reinsurance as provided in RCW
31 48.19.360;

32 (d) Insurance against loss of or damage to aircraft, their hulls,
33 accessories, and equipment, or against liability, other than workers'
34 compensation and employers' liability, arising out of the ownership,
35 maintenance or use of aircraft;

36 (e) Insurance of vessels or craft, their cargoes, marine
37 builders' risks, marine protection and indemnity; and such other
38 risks commonly insured under marine, as distinguished from inland

1 marine, insurance contracts as may be defined by ruling of the
2 commissioner for the purposes of this provision;

3 (f) Title insurance.

4 (2) Except, that every insurer shall, as to disability insurance,
5 before using file with the commissioner its manual of classification,
6 manual of rules and rates, and any modifications thereof except as
7 provided under section 3 of this act or rate filing requirements
8 established by a specific statute or federal law.

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