
Health Care Committee

HB 1716

Brief Description: Modifying certain health insurance loss ratios.

Sponsors: Representatives Cody, Campbell, Schual-Berke, Moeller, Edwards and Morrell.

Brief Summary of Bill

- Requires Insurance Commissioner approval of rates for individual health insurance policies.
- Increases the individual health benefit plan loss ratio from seventy four percent to seventy seven percent.

Hearing Date: 2/18/03

Staff: Dave Knutson (786-7146).

Background:

Currently, health carriers who offer individual health insurance plans are required to file their schedule of rates with the Insurance Commissioner for information purposes only. Health carriers file documentation of their actual loss ratio for individual health benefit plans. If the actual loss ratio for the previous year is less than 74 percent minus the premium tax rate, the health carrier must remit the difference, plus interest, to the Washington State Health Insurance Pool.

Summary of Bill:

Health carriers who offer individual health insurance plans are required to file their schedule of rates with the Insurance Commissioner and seek the Commissioner's approval. The loss ratio used to calculate remittances to the Washington State Health Insurance Pool is increased from 74 to 77 percent.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date: The bill takes effect ninety days after adjournment of session in which bill is passed.