

SHB 2942 - H AMD 819

By Representative Curtis

ADOPTED AS AMENDED 02/13/2006

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 48.30 RCW
4 to read as follows:

5 (1) Whenever a health carrier's market share of persons covered by
6 all health plans within a local market meets or exceeds forty percent
7 as determined by the commissioner, the carrier may not directly, or
8 indirectly through a subcontracted network, terminate a provider
9 contract except for reasonable cause within that local market.

10 (2) Whenever a health carrier's market share of persons covered by
11 all health plans within a local market meets or exceeds forty percent
12 as determined by the commissioner, the carrier and any subcontracted
13 network of the carrier shall offer a provider contract to any provider
14 within the local market who meets the carrier's customary and
15 reasonable credentialing standards and agrees to comply with the terms
16 and conditions of the provider contract including provisions related to
17 quality assurance and utilization review.

18 (3) Beginning January 1, 2007, and every two years following, after
19 reasonable consideration of the information available from regularly
20 filed reports by carriers doing business in this state, the
21 commissioner shall publish a report identifying the carrier and the
22 local market within the state where the carrier's practices must
23 conform to the requirements of this section for the two years following
24 such identification. In making the determination, the commissioner
25 shall consider the carrier's local market share of persons covered
26 under all health plans providing direct or indirect reimbursement of
27 health care service.

28 (4) For the purposes of this section, "local market" means that
29 geographic area within the state where the particular carrier controls
30 forty percent or more of the market share of persons covered by all

1 health plans such as a particular county or a particular metropolitan
2 area as determined by the commissioner. In defining the local market,
3 the commissioner may consider the network reports filed with the
4 commissioner by carriers and standards used by the United States
5 department of justice antitrust division.

6 (5) For purposes of this section, "health plan" includes a health
7 plan as defined in RCW 48.43.005 and medical coverage programs
8 administered by the health care authority that are underwritten by a
9 health carrier.

10 (6) Nothing in this section may be deemed to require the
11 commissioner to rely upon any particular source of information in
12 making a finding required by this section.

13 (7) Nothing in this section shall diminish or impair any other
14 statutory provision prohibiting discrimination against any class of
15 providers.

16 (8) The provisions of this section do not apply to staff model
17 health maintenance organizations.

18 NEW SECTION. **Sec. 2.** A new section is added to chapter 48.30 RCW
19 to read as follows:

20 A carrier may impose a reasonable fee to the health care provider
21 to cover the cost of the credentialing and application of a licensed,
22 participating health care provider, and all fees must apply equally to
23 all health professions.

24 NEW SECTION. **Sec. 3.** The insurance commissioner may adopt rules
25 to implement this act."

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