

SENATE BILL REPORT

SHB 2500

As Reported By Senate Committee On:
Health & Long-Term Care, February 22, 2006

Title: An act relating to health carrier information.

Brief Description: Requiring health carriers to report certain information.

Sponsors: House Committee on Health Care (originally sponsored by Representatives Green, Morrell, Cody, Schual-Berke, Clibborn and Conway; by request of Insurance Commissioner).

Brief History: Passed House: 2/08/06, 98-0.

Committee Activity: Health & Long-Term Care: 2/16/06, 2/22/06 [DPA].

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass as amended.

Signed by Senators Keiser, Chair; Thibaudeau, Vice Chair; Deccio, Ranking Minority Member; Benson, Brandland, Franklin, Johnson, Kastama, Kline, Parlette and Poulsen.

Staff: Jonathan Seib (786-7427)

Background: All health carriers must file with the Insurance Commissioner an annual financial statement. There is concern that the information required in the financial statement is incomplete and not presented in a format easily understood by the public, making it difficult for consumers to understand how their premium dollars are spent and to compare the administrative efficiency of various carriers.

Summary of Amended Bill: Each carrier offering a health benefit plan must annually submit to the Insurance Commissioner certain enumerated financial and enrollment information derived from the carrier's annual statement. The information, to be submitted electronically, must be presented in five categories: total, individual contracts, small group contracts, large group contracts, and government contracts. The commissioner will make the information available to the public in a format that allows comparisons among carriers through a searchable public web site. The commissioner is directed to work with disability insurers to use, as much as possible, information from the annual statement forms already filed.

Amended Bill Compared to Original Bill: The amendment adds an intent section, and directs the commission to work with disability insurers to use, as much as possible, information from the annual statement forms already filed.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This is Insurance Commissioner request legislation. It will help consumers in the sense that they will be able to look at easily understandable, integrated information about health carriers. Currently, there is a lot of information provided to the Commissioner by the carriers, but it is very difficult for consumers to access. This will allow the Insurance Commissioner to present information to consumers in a more usable way. The Commissioner is working with disability carriers on an amendment that will allow them to comply with the law with as little administrative burden as possible.

Testimony Against: None.

Who Testified: PRO: Bill Daley, Washington Citizen Action; Mary Clogston, Office of the Insurance Commissioner; Mel Soreson, Americas Health Insurance Plans, American Council of Life Insurance.