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## Health Care & Wellness Committee

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### SB 5066

**Brief Description:** Concerning health care benefit managers.

**Sponsors:** Senators Short, Rolfes, Cleveland and Conway.

<p style="text-align: center;"><b>Brief Summary of Bill</b></p> <ul style="list-style-type: none"><li>• Requires a health care benefit manager (HCBM) to file every benefit management contract and contract amendment between the HCBM and a health carrier with the Office of the Insurance Commissioner.</li></ul>
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**Hearing Date:** 3/14/23

**Staff:** Ingrid Lewis (786-7293).

**Background:**

A health care benefit manager (HCBM) is a person or entity that provides services to or acts on behalf of a health carrier or employee benefits program. Health care benefit managers directly or indirectly impact the determination or use of benefits for or patient access to health care services, drugs, and supplies.

Health care benefit managers include, but are not limited, to specialized benefit types such as pharmacy, radiology, laboratory, and mental health.

An HCBM must register with the Office of the Insurance Commissioner (OIC) and must renew its registration annually. Registered HCBMs must pay licensing and renewal fees in an amount established by the OIC in rule. The fees must be set at an amount that ensures the registration, renewal, and oversight activities of the OIC are self-supporting.

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An HCBM may not provide services to a health carrier or an employee benefits program without a written agreement describing the rights and responsibilities of the parties. An HCBM must file with the OIC every benefit management contract and contract amendment between the HCBM and a provider, pharmacy, pharmacy services administration organization, or other HCBM, within 30 days following the effective date of the contract or contract amendment.

If an HCBM violates any laws or regulations pertaining to the HCBM, the OIC is permitted to take enforcement actions which include placing the HCBM on probation; suspending, revoking, or refusing a registration; issuing a cease and desist order; levying a fine up to \$5,000 per violation; and requiring corrective action.

**Summary of Bill:**

A health care benefit manager (HCBM) must file every benefit management contract and contract amendment between the HCBM and a health carrier with the Office of the Insurance Commissioner (OIC) within 30 days of the effective date of the contract or amendment. Contracts and contract amendments that were executed and in effect prior to the effective date of the act must be filed with the OIC no later than 60 days following the effective date of the act.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill contains an emergency clause and takes effect immediately.