

1 **SHB 1046 - H AMD FAILED 2/10/95 059**

2 By Representative Patterson

3 On page 7, line 1, strike "RCW 43.72.080 and 1993 c 492 s
4 425;"

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EFFECT: Deletes Health insurance purchasing cooperatives--
Designation of regions by commission--Information systems--
Minimum standards and rules repealer. If adopted, the effect
would be to maintain in law all of the Washington Health
Services Act, except for Health insurance purchasing
cooperatives--Designation of regions by commission--
Information systems--Minimum standards and rules.

**RCW 43.72.080 Health insurance purchasing cooperatives--Designation of regions by commission--
Information systems--Minimum standards and rules.** (1) The commission shall designate four geographic regions
within the state in which health insurance purchasing cooperatives may operate, based upon population, assuming
that each cooperative must serve no less than one hundred fifty thousand persons; geographic factors; market
conditions; and other factors deemed appropriate by the commission. The commission shall designate one health
insurance purchasing cooperative per region.

(2) In coordination with the commission and consistent with the provisions of chapter 70.170 RCW, the
department of health shall establish an information clearinghouse for the collection and dissemination of information
necessary for the efficient operation of cooperatives, including the establishment of a risk profile information system
related to certified health plan enrollees that would permit the equitable distribution of losses among plans in
accordance with RCW 43.72.040(7).

(3) Every health insurance purchasing cooperative shall:

(a) Admit all individuals, employers, or other groups wishing to participate in the cooperative;

(b) Make available for purchase by cooperative members every health care program offered by every
certified health plan operating within the cooperative's region;

(c) Be operated as a member-governed and owned, nonprofit cooperative in which no certified health plan,
health maintenance organization, health care service contractor, independent practice association, independent
physician organization, or any individual with a pecuniary interest in any such organization, shall have any
pecuniary interest in or management control of the cooperative;

(d) Provide for centralized enrollment and premium collection and distribution among certified health plans;
and

(e) Serve as an ombudsman for its members to resolve inquiries, complaints, or other concerns with
certified health plans.

(4) Every health insurance purchasing cooperative shall assist members in selecting certified health plans
and for this purpose may devise a rating system or similar system to judge the quality and cost-effectiveness of

certified health plans consistent with guidelines established by the commission. For this purpose, each cooperative and directors, officers, and other employees of the cooperative are immune from liability in any civil action or suit arising from the publication of any report, brochure, or guide, or dissemination of information related to the services, quality, price, or cost-effectiveness of certified plans unless actual malice, fraud, or bad faith is shown. Such immunity is in addition to any common law or statutory privilege or immunity enjoyed by such person, and nothing in this section is intended to abrogate or modify in any way such common law or statutory privilege or immunity.

(5) Every health insurance purchasing cooperative shall bear the full cost of its operations, including the costs of participating in the information clearinghouse, through assessments upon its members. Such assessments shall be billed and accounted for separately from premiums collected and distributed for the purchase of the uniform benefits package or any other supplemental insurance or health services program.

(6) No health insurance purchasing cooperative may bear any financial risk for the delivery of uniform benefits package services, or for any other supplemental insurance or health services program.

(7) No health insurance purchasing cooperative may directly broker, sell, contract for, or provide any insurance or health services program. However, nothing contained in this section shall be deemed to prohibit the use or employment of insurance agents or brokers by the cooperative for other purposes or to prohibit the facilitation of the sale and purchase by members of supplemental insurance or health services programs.

(8) The commission may adopt rules necessary for the implementation of this section including rules governing charter and bylaw provisions of cooperatives and may adopt rules prohibiting or permitting other activities by cooperatives.

(9) The commission shall consider ways in which cooperatives can develop, encourage, and provide incentives for employee wellness programs. [1993 c 492 ú 425.]

NOTES:

Certification: Chapter 48.43 RCW.