

2 **ESHB 1046** - S AMD TO S AMD (S-3275.3/95) 399
3 By Senator Quigley

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5 On page 9, after line 19 of the amendment, insert the following:

6 "(3) No health plan delivered, issued for delivery, or renewed by
7 a health carrier on and after January 1, 1996, shall offer an
8 individual policy community-rated premium that is higher than the
9 lesser value of actual experience or one hundred ten percent of the
10 health plan's comparable small group policy community-rated premium.
11 If actual experience for the individual policy exceeds one hundred ten
12 percent of the small group premium, the carrier must freeze the
13 individual premium at the one hundred ten percent value and may apply
14 to the high-risk pool under chapter 48.41 RCW for funding to pay for
15 its excess costs in the individual market.

16 NEW SECTION. **Sec. 9.** A new section is added to chapter 48.41 RCW
17 to read as follows:

18 (1) The board shall develop and implement procedures by which the
19 pool shall fund any health plan's costs that result from actual claims
20 experience for individual policies exceeding one hundred ten percent of
21 their small group premiums.

22 (2) The board shall make any recommendations necessary to the
23 legislature for changes to the pool, its membership, or operation to
24 facilitate compliance with this section."

25 Renumber the remaining sections consecutively and correct internal
26 references accordingly.

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30 On page 11, beginning on line 24 of the amendment, after
31 "individuals." strike all material through "small group premium rate."
32 on line 27

1 EFFECT: Premiums for health insurance sold to individuals may not
2 exceed 110% of premiums for comparable insurance sold to employers of
3 less than 50 employees. If actual costs for these individual policies
4 exceeds 110% of small employer policies, the state's high risk pool
5 must reimburse carriers for their excess costs.

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9 On page 33, line 23 of the title amendment, after "48.43 RCW;"
10 insert "adding a new section to chapter 48.41 RCW;"

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