

2 **SB 6034** - S AMD 044
3 By Senators Moyer and Wood

4 S/O BEYOND SCOPE - 3/7/95

5 On page 1, after line 4, insert the following:

6 "Sec. 1. RCW 43.72.010 and 1994 c 4 s 1 are each amended to read
7 as follows:

8 In this chapter, unless the context otherwise requires:

9 (1) "Certified health plan" or "plan" means a disability insurer
10 regulated under chapter 48.20 or 48.21 RCW, a health care service
11 contractor as defined in RCW 48.44.010, a health maintenance
12 organization as defined in RCW 48.46.020, or an entity certified in
13 accordance with RCW 48.43.020 through 48.43.120.

14 (2) "Chair" means the presiding officer of the Washington health
15 services commission.

16 (3) "Commission" or "health services commission" means the
17 Washington health services commission.

18 (4) "Community rate" means the rating method used to establish the
19 premium for the uniform benefits package adjusted to reflect
20 actuarially demonstrated differences in utilization or cost
21 attributable to geographic region and family size as determined by the
22 commission.

23 (5) "Continuous quality improvement and total quality management"
24 means a continuous process to improve health services while reducing
25 costs.

26 (6) (~~"Employee" means a resident who is in the employment of an
27 employer, as defined by chapter 50.04 RCW.~~

28 ~~(7))~~ "Enrollee" means any person who is a Washington resident
29 enrolled in a certified health plan.

30 ~~((8))~~ (7) "Enrollee point of service cost-sharing" means amounts
31 paid to certified health plans directly providing services, health care
32 providers, or health care facilities by enrollees for receipt of
33 specific uniform benefits package services, and may include copayments,
34 coinsurance, or deductibles, that together must be actuarially
35 equivalent across plans and within overall limits established by the
36 commission.

1 ~~((9))~~ (8) "Enrollee premium sharing" means that portion of the
2 premium that is paid by enrollees or their family members.

3 ~~((10))~~ (9) "Federal poverty level" means the federal poverty
4 guidelines determined annually by the United States department of
5 health and human services or successor agency.

6 ~~((11))~~ (10) "Health care facility" or "facility" means hospices
7 licensed under chapter 70.127 RCW, hospitals licensed under chapter
8 70.41 RCW, rural health care facilities as defined in RCW 70.175.020,
9 psychiatric hospitals licensed under chapter 71.12 RCW, nursing homes
10 licensed under chapter 18.51 RCW, community mental health centers
11 licensed under chapter 71.05 or 71.24 RCW, kidney disease treatment
12 centers licensed under chapter 70.41 RCW, ambulatory diagnostic,
13 treatment or surgical facilities licensed under chapter 70.41 RCW, drug
14 and alcohol treatment facilities licensed under chapter 70.96A RCW, and
15 home health agencies licensed under chapter 70.127 RCW, and includes
16 such facilities if owned and operated by a political subdivision or
17 instrumentality of the state and such other facilities as required by
18 federal law and implementing regulations, but does not include
19 Christian Science sanatoriums operated, listed, or certified by the
20 First Church of Christ Scientist, Boston, Massachusetts.

21 ~~((12))~~ (11) "Health care provider" or "provider" means:

22 (a) A person regulated under Title 18 RCW and chapter 70.127 RCW,
23 to practice health or health-related services or otherwise practicing
24 health care services in this state consistent with state law; or

25 (b) An employee or agent of a person described in (a) of this
26 subsection, acting in the course and scope of his or her employment.

27 ~~((13))~~ (12) "Health insurance purchasing cooperative" or
28 "cooperative" means a member-owned and governed nonprofit organization
29 certified in accordance with RCW 43.72.080 and 48.43.160.

30 ~~((14))~~ (13) "Long-term care" means institutional, residential,
31 outpatient, or community-based services that meet the individual needs
32 of persons of all ages who are limited in their functional capacities
33 or have disabilities and require assistance with performing two or more
34 activities of daily living for an extended or indefinite period of
35 time. These services include case management, protective supervision,
36 in-home care, nursing services, convalescent, custodial, chronic, and
37 terminally ill care.

38 ~~((15))~~ (14) "Major capital expenditure" means any project or
39 expenditure for capital construction, renovations, or acquisition,

1 including medical technological equipment, as defined by the
2 commission, costing more than one million dollars.

3 ~~((16))~~ (15) "Managed care" means an integrated system of
4 insurance, financing, and health services delivery functions that: (a)
5 Assumes financial risk for delivery of health services and uses a
6 defined network of providers; or (b) assumes financial risk for
7 delivery of health services and promotes the efficient delivery of
8 health services through provider assumption of some financial risk
9 including capitation, prospective payment, resource-based relative
10 value scales, fee schedules, or similar method of limiting payments to
11 health care providers.

12 ~~((17))~~ (16) "Maximum enrollee financial participation" means the
13 income-related total annual payments that may be required of an
14 enrollee per family who chooses one of the three lowest priced uniform
15 benefits packages offered by plans in a geographic region including
16 both premium sharing and enrollee point of service cost-sharing.

17 ~~((18))~~ (17) "Persons of color" means Asians/Pacific Islanders,
18 African, Hispanic, and Native Americans.

19 ~~((19))~~ (18) "Premium" means all sums charged, received, or
20 deposited by a certified health plan as consideration for a uniform
21 benefits package or the continuance of a uniform benefits package. Any
22 assessment, or any "membership," "policy," "contract," "service," or
23 similar fee or charge made by the certified health plan in
24 consideration for the uniform benefits package is deemed part of the
25 premium. "Premium" shall not include amounts paid as enrollee point of
26 service cost-sharing.

27 ~~((20) "Qualified employee" means an employee who is employed at
28 least thirty hours during a week or one hundred twenty hours during a
29 calendar month.~~

30 ~~(21) "Registered employer health plan" means a health plan
31 established by a private employer of more than seven thousand active
32 employees in this state solely for the benefit of such employees and
33 their dependents and that meets the requirements of RCW 43.72.120.
34 Nothing contained in this subsection shall be deemed to preclude the
35 plan from providing benefits to retirees of the employer.~~

36 ~~(22))~~ (19) "Supplemental benefits" means those appropriate and
37 effective health services that are not included in the uniform benefits
38 package or that expand the type or level of health services available
39 under the uniform benefits package and that are offered to all

1 residents in accordance with the provisions of RCW 43.72.160 and
2 43.72.170.

3 ~~((23))~~ (20) "Technology" means the drugs, devices, equipment, and
4 medical or surgical procedures used in the delivery of health services,
5 and the organizational or supportive systems within which such services
6 are provided. It also means sophisticated and complicated machinery
7 developed as a result of ongoing research in the basic biological and
8 physical sciences, clinical medicine, electronics, and computer
9 sciences, as well as specialized professionals, medical equipment,
10 procedures, and chemical formulations used for both diagnostic and
11 therapeutic purposes.

12 ~~((24))~~ (21) "Uniform benefits package" or "package" means those
13 appropriate and effective health services, defined by the commission
14 under RCW 43.72.130, that must be offered to all Washington residents
15 through certified health plans.

16 ~~((25))~~ (22) "Washington resident" or "resident" means a person
17 who intends to reside in the state permanently or indefinitely and who
18 did not move to Washington for the primary purpose of securing health
19 services under RCW 43.72.090 through 43.72.240, 43.72.300, 43.72.310,
20 43.72.800, and chapters 48.43 and 48.85 RCW. "Washington resident"
21 also includes people and their accompanying family members who are
22 residing in the state for the purpose of engaging in employment for at
23 least one month, who did not enter the state for the primary purpose of
24 obtaining health services. The confinement of a person in a nursing
25 home, hospital, or other medical institution in the state shall not by
26 itself be sufficient to qualify such person as a resident."

27 Renumber the remaining sections consecutively and correct internal
28 references accordingly.

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32 On page 1, line 2 of the title, after "employers;" insert "amending
33 RCW 43.72.010;"

34 EFFECT: Definitions of employer, employee, and registered employee

1 health plans are abolished.

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