

**SHB 1714 - H AMD 1045**

By Representative Cody

ADOPTED 02/10/2010

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** (1) The insurance commissioner shall  
4 prepare and submit a report to the legislature related to the  
5 performance of the small group health plan market and the association  
6 health plan market. To the extent that the data needed to complete the  
7 report are not readily available, the commissioner may require carriers  
8 to submit aggregated data for the small group health plans and  
9 association health plans underwritten or administered by the carrier,  
10 for each calendar year 2005 through 2008. Data submitted shall not  
11 identify specific small group plans or association health plans, and  
12 the report shall not identify specific small group or association  
13 health plans or present data in a manner that allows identification of  
14 specific plans. Carriers who underwrite or administer an association  
15 health plan that covers fewer than ten thousand lives in any year  
16 reported may, at their own expense, contract with a third party to  
17 aggregate and report the information required under this section with  
18 that of other carriers who qualify for this option. The data must be  
19 reported separately for the carrier's small group health plan block of  
20 business and association health plan block of business, and must  
21 include the following information:

22 (a) The number of persons residing in Washington state who receive  
23 health benefit coverage through each block of business, including the  
24 number of persons enrolled in the plans on the first day and last day  
25 of each year, the number of persons enrolled in the plans during each  
26 year, and the number of persons who terminated enrollment in the plans  
27 during each year;

28 (b) The calendar year-end enrollment of each block of business, by  
29 age group using five-year increments beginning with age twenty and

1 ending with age sixty-five, and the average age of persons covered in  
2 each block of business;

3 (c) The calendar year-end enrollment of each block of business by  
4 employer size for each year, reporting by groups of two to five, six to  
5 ten, eleven to twenty-five, twenty-six to fifty, fifty-one to one  
6 hundred, and more than one hundred;

7 (d) The annual calendar year earned premium and incurred claims for  
8 each block of business;

9 (e) For the association health plan block of business, the number  
10 of association health plans that limit eligibility for health plan  
11 coverage to employer groups of a minimum size, or that limit  
12 eligibility for health plan coverage to a subset of the industries that  
13 the association sponsoring the health plan was established to serve,  
14 and the percentage of health plan enrollees for whom each of the  
15 following elements is used in setting health plan rates:

16 (i) Claims experience;

17 (ii) Employer group size; or

18 (iii) Health status factors.

19 (2) In fulfilling the requirements of subsection (1) of this  
20 section the commissioner may adopt rules necessary to implement the  
21 data submission administrative process under this section, including  
22 the format, timing of data reporting, data standards, instructions,  
23 definitions, and data sources.

24 (3) For the purposes of this subsection, the terms "association  
25 health plan" and "association plan" shall include all member-governed  
26 group health plans and multiple employer welfare arrangements and any  
27 other arrangement to which two or more public or private employers, of  
28 which at least two are small employers, contribute to provide health  
29 care for their employees.

30 (4) Data, information, and documents provided by a carrier pursuant  
31 to this section are exempt from public inspection and copying under RCW  
32 48.02.120 and chapters 42.17 and 42.56 RCW.

33 (5) The report shall be submitted to the legislature no later than  
34 July 1, 2011.

35 (6) This section expires June 30, 2011.

36 **Sec. 2.** RCW 42.56.400 and 2009 c 104 s 23 are each amended to read  
37 as follows:

1 The following information relating to insurance and financial  
2 institutions is exempt from disclosure under this chapter:

3 (1) Records maintained by the board of industrial insurance appeals  
4 that are related to appeals of crime victims' compensation claims filed  
5 with the board under RCW 7.68.110;

6 (2) Information obtained and exempted or withheld from public  
7 inspection by the health care authority under RCW 41.05.026, whether  
8 retained by the authority, transferred to another state purchased  
9 health care program by the authority, or transferred by the authority  
10 to a technical review committee created to facilitate the development,  
11 acquisition, or implementation of state purchased health care under  
12 chapter 41.05 RCW;

13 (3) The names and individual identification data of either all  
14 owners or all insureds, or both, received by the insurance commissioner  
15 under chapter 48.102 RCW;

16 (4) Information provided under RCW 48.30A.045 through 48.30A.060;

17 (5) Information provided under RCW 48.05.510 through 48.05.535,  
18 48.43.200 through 48.43.225, 48.44.530 through 48.44.555, and 48.46.600  
19 through 48.46.625;

20 (6) Examination reports and information obtained by the department  
21 of financial institutions from banks under RCW 30.04.075, from savings  
22 banks under RCW 32.04.220, from savings and loan associations under RCW  
23 33.04.110, from credit unions under RCW 31.12.565, from check cashers  
24 and sellers under RCW 31.45.030(3), and from securities brokers and  
25 investment advisers under RCW 21.20.100, all of which is confidential  
26 and privileged information;

27 (7) Information provided to the insurance commissioner under RCW  
28 48.110.040(3);

29 (8) Documents, materials, or information obtained by the insurance  
30 commissioner under RCW 48.02.065, all of which are confidential and  
31 privileged;

32 (9) Confidential proprietary and trade secret information provided  
33 to the commissioner under RCW 48.31C.020 through 48.31C.050 and  
34 48.31C.070;

35 (10) Data filed under RCW 48.140.020, 48.140.030, 48.140.050, and  
36 7.70.140 that, alone or in combination with any other data, may reveal  
37 the identity of a claimant, health care provider, health care facility,

1 insuring entity, or self-insurer involved in a particular claim or a  
2 collection of claims. For the purposes of this subsection:

3 (a) "Claimant" has the same meaning as in RCW 48.140.010(2).

4 (b) "Health care facility" has the same meaning as in RCW  
5 48.140.010(6).

6 (c) "Health care provider" has the same meaning as in RCW  
7 48.140.010(7).

8 (d) "Insuring entity" has the same meaning as in RCW 48.140.010(8).

9 (e) "Self-insurer" has the same meaning as in RCW 48.140.010(11);

10 (11) Documents, materials, or information obtained by the insurance  
11 commissioner under RCW 48.135.060;

12 (12) Documents, materials, or information obtained by the insurance  
13 commissioner under RCW 48.37.060;

14 (13) Confidential and privileged documents obtained or produced by  
15 the insurance commissioner and identified in RCW 48.37.080;

16 (14) Documents, materials, or information obtained by the insurance  
17 commissioner under RCW 48.37.140;

18 (15) Documents, materials, or information obtained by the insurance  
19 commissioner under RCW 48.17.595; (~~and~~)

20 (16) Documents, materials, or information obtained by the insurance  
21 commissioner under RCW 48.102.051(1) and 48.102.140 (3) and (7)(a)(ii);  
22 and

23 (17) Data, information, and documents provided by a carrier  
24 pursuant to section 1 of this act."

25 Correct the title.

EFFECT: The report will include the annual calendar year earned premium and incurred claims for both the small group and association health plan blocks of business administered by the carrier. Carriers are provided flexibility in providing or contracting for the provision of the information required in the report. Multiple employer welfare arrangements are included in the reporting requirements. Information submitted to the Insurance Commissioner by carriers is exempt from public disclosure. The definitions of "incurred claims" and "loss ratio" are deleted as these terms are already defined in statute. There will be a one-time report submitted to the Insurance Commissioner by July 1, 2011, rather than ongoing annual reports. The study period is changed from 2000-2008 to 2005-2008. The Insurance Commissioner is

authorized to adopt rules to complete the reporting requirement.

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