
Health Care & Wellness Committee

SSB 6536

Brief Description: Addressing the filing and rating of group health benefit plans other than small group plans, all stand-alone dental plans, and stand-alone vision plans by disability insurers, health care service contractors, and health maintenance organizations.

Sponsors: Senate Committee on Health Care (originally sponsored by Senator Becker).

Brief Summary of Substitute Bill

- Requires the Insurance Commissioner to immediately commence rulemaking to standardize the rate and form filing, rating, loss ratio, and form content requirements for large group plans, stand-alone dental plans, and stand-alone vision plans.
- Prohibits the rules from imposing additional requirements than those in place for health care service contractors and health maintenance organizations.

Hearing Date: 2/24/16

Staff: Jim Morishima (786-7191).

Background:

For plans issued or renewed on or after January 1, 2016, all rates and forms of group plans other than small group plans (i.e., large group plans) and all stand-alone dental and stand-alone vision plans offered by a health carrier or a limited service health service contractor must be filed with the Insurance Commissioner before the contract form is offered for sale to the public and before the rate schedule is used. Negotiated contract forms, and their applicable rate schedules, that are placed in effect at the time of negotiation or that have a retroactive effective date must be filed within 30 days of the earlier of: (a) the date contract negotiations are completed; or (b) the date renewal premiums are implemented.

The Insurance Commissioner (Commissioner) must adopt rules to standardize the rate and form filing requirements. When adopting the rules, the Insurance Commissioner may use the already

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adopted standards in place for health care service contractors and health maintenance organizations.

Summary of Bill:

The Commissioner must immediately commence rulemaking to standardize the rate and form filing, rating, loss ratio, and form content requirements for large group plans, stand-alone dental plans, and stand-alone vision plans. The Commissioner must establish absolute uniformity under a single regulatory scheme by amending the adopted standards in place for health care service contractors and health maintenance organizations as of July 1, 2015. The rules and filing instructions may not impose additional requirements, including rate and form filing, content, actuarial justification, loss ratio, or claims experience pooling beyond those in place for health care service contractors and health maintenance organizations as of July 1, 2015, unless required by state or federal statute. The rulemaking must be completed within the funding authorized in the omnibus budget bill passed on 2015.

The requirements regarding negotiated contract forms apply to health benefit plans, stand-alone dental plans, and stand-alone vision plans.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.