

# HOUSE BILL REPORT

## SSB 6536

---

**As Passed House - Amended:**  
March 2, 2016

**Title:** An act relating to 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.

**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 History:**

**Committee Activity:**

Health Care & Wellness: 2/24/16, 2/26/16 [DP].

**Floor Activity:**

Passed House - Amended: 3/2/16, 97-0.

**Brief Summary of Substitute Bill  
(As Amended by House)**

- Requires the Insurance Commissioner to standardize the rate and form filing requirements for large group plans, stand-alone dental plans, and stand-alone vision plans.

---

### HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

**Majority Report:** Do pass. Signed by 14 members: Representatives Cody, Chair; Riccelli, Vice Chair; Schmick, Ranking Minority Member; Harris, Assistant Ranking Minority Member; Caldier, Clibborn, DeBolt, Jinkins, Johnson, Moeller, Robinson, Short, Tharinger and Van De Wege.

**Staff:** Jim Morishima (786-7191).

**Background:**

---

*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

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 (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 Commissioner must adopt rules to standardize the rate and form filing requirements. When adopting the rules, the Commissioner may use the already adopted standards in place for health care service contractors and health maintenance organizations.

**Summary of Bill:**

The Commissioner must amend existing rules to standardize the rate and form filing process as well as regulatory review standards for the rates and forms of large group plans, stand-alone dental plans, and stand-alone vision plans. The Commissioner may amend the previously adopted rules on the subject and must amend any additional rating requirements established by existing rule that are not applied to health care service contractors and health maintenance organizations.

The requirements regarding negotiated contract forms apply to filings of negotiated health benefit plans, stand-alone dental, and stand-alone vision contract forms for groups other than small groups.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill contains an emergency clause and takes effect immediately.

**Staff Summary of Public Testimony:**

(In support) This bill comes in the wake of similar legislation last year, the purpose of which was to standardize the structure for the Office of the Insurance Commissioner filings in the group market place. The way last year's bill was implemented left a number of inequities among carriers offering the same products in the same market. It is only fair that competitors in the same market space should have a level playing field.

(Opposed) None.

(Other) The remaining piece that needs to be made uniform involves rates. Actuarial process is the topic of this bill.

**Persons Testifying:** (In support) Sydney Smith Zvara, Association of Washington Health Plans; and Mel Sorenson, Cigna and America's Health Insurance Plans.

(Other) Lonnie Johns Brown, Office of the Insurance Commissioner.

**Persons Signed In To Testify But Not Testifying:** None.