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ENGROSSED SUBSTITUTE HOUSE BILL 2361

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State of Washington

68th Legislature

2024 Regular Session

By House Health Care & Wellness (originally sponsored by Representatives Riccelli, Macri, Nance, Reed, Simmons, and Ormsby)

READ FIRST TIME 01/31/24.

1 AN ACT Relating to phasing in the requirement that only  
2 standardized health plans may be offered on the health benefit  
3 exchange; amending RCW 43.71.095; adding a new section to chapter  
4 43.71 RCW; and providing an expiration date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 43.71.095 and 2021 c 246 s 7 are each amended to  
7 read as follows:

8 (1) The exchange, in consultation with the commissioner, the  
9 authority, an independent actuary, and other stakeholders, must  
10 establish up to three standardized health plans for each of the  
11 bronze, silver, and gold levels.

12 (a) The standardized health plans must be designed to reduce  
13 deductibles, make more services available before the deductible,  
14 provide predictable cost sharing, maximize subsidies, limit adverse  
15 premium impacts, reduce barriers to maintaining and improving health,  
16 and encourage choice based on value, while limiting increases in  
17 health plan premium rates.

18 (b) The exchange may update the standardized health plans  
19 annually.

20 (c) The exchange must provide a notice and public comment period  
21 before finalizing each year's standardized health plans.

1 (d) The exchange must provide written notice of the standardized  
2 health plans to licensed health carriers by January 31st before the  
3 year in which the health plans are to be offered on the exchange. The  
4 exchange may make modifications to the standardized plans after  
5 January 31st to comply with changes to state or federal law or  
6 regulations.

7 (2) (a) Beginning January 1, 2021, any health carrier offering a  
8 qualified health plan on the exchange must offer the silver and gold  
9 standardized health plans established under this section on the  
10 exchange in each county where the carrier offers a qualified health  
11 plan. If a health carrier offers a bronze health plan on the  
12 exchange, it must offer the bronze standardized health plans  
13 established under this section on the exchange in each county where  
14 the carrier offers a qualified health plan.

15 (b) (i) ~~Until December 31, ((2022, a health carrier offering a~~  
16 ~~standardized health plan under this section may also offer~~  
17 ~~nonstandardized health plans on the exchange. Beginning January 1,~~  
18 ~~2023,)) 2025, a health carrier offering a standardized health plan~~  
19 ~~under this section may also offer up to two nonstandardized gold~~  
20 ~~health plans, two nonstandardized bronze health plans, one~~  
21 ~~nonstandardized silver health plan, one nonstandardized platinum~~  
22 ~~health plan, and one nonstandardized catastrophic health plan in each~~  
23 ~~county where the carrier offers a qualified health plan.~~

24 (ii) ~~((The exchange, in consultation with the office of the~~  
25 ~~insurance commissioner, shall analyze the impact to exchange~~  
26 ~~consumers of offering only standard plans beginning in 2025 and~~  
27 ~~submit a report to the appropriate committees of the legislature by~~  
28 ~~December 1, 2023. The report must include an analysis of how plan~~  
29 ~~choice and affordability will be impacted for exchange consumers~~  
30 ~~across the state, including an analysis of offering a bronze~~  
31 ~~standardized high deductible health plan compatible with a health~~  
32 ~~savings account, and a gold standardized health plan closer in~~  
33 ~~actuarial value to the silver standardized health plan.)) Beginning  
34 January 1, 2026:~~

35 (A) A health carrier offering a standardized health plan under  
36 this section may also offer one nonstandardized gold health plan, one  
37 nonstandardized bronze health plan, one nonstandardized platinum  
38 health plan, and one nonstandardized catastrophic health plan in each  
39 county where the carrier offers a qualified health plan; and

1 (B) Nonstandardized silver plans may not be offered on the  
2 exchange.

3 (iii) The actuarial value of nonstandardized silver health plans  
4 offered on the exchange may not be less than the actuarial value of  
5 the standardized silver health plan with the lowest actuarial value.

6 (c) A health carrier offering a standardized health plan on the  
7 exchange under this section must continue to meet all requirements  
8 for qualified health plan certification under RCW 43.71.065  
9 including, but not limited to, requirements relating to rate review  
10 and network adequacy.

11 (3) The exchange must annually review whether standardized health  
12 plans continue to maximize federal funding, ensure plan choice for  
13 individuals with health conditions, and respond to market conditions  
14 using the consultation process under subsection (1) of this section.

15 NEW SECTION. Sec. 2. A new section is added to chapter 43.71  
16 RCW to read as follows:

17 (1) The exchange shall evaluate the effects on exchange consumers  
18 and health carriers of prohibiting nonstandardized silver plans on  
19 the exchange and reexamine whether moving toward a standardized  
20 market could provide a better customer experience with minimal market  
21 disruption. If the exchange finds that moving toward a standardized  
22 market remains advisable, it shall recommend a plan to the  
23 legislature on how to standardize the exchange market using a phased  
24 approach. The plan must include any additional authority the exchange  
25 requires to develop standardized plans at other actuarial value  
26 levels. The exchange shall report its findings and recommendations to  
27 the appropriate committees of the legislature no later than December  
28 1, 2028.

29 (2) This section expires January 1, 2029.

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