

HOUSE BILL REPORT

HB 1379

As Reported by House Committee On:
Health Care & Wellness

Title: An act relating to health carrier reporting on primary care spending.

Brief Description: Concerning health carrier reporting.

Sponsors: Representatives Lekanoff and Macri.

Brief History:

Committee Activity:

Health Care & Wellness: 1/28/25, 1/31/25 [DP].

Brief Summary of Bill

- Authorizes the Office of the Insurance Commissioner (Commissioner) to require health carriers to annually report primary care expenditures.
- Requires the Commissioner to consider a specific definition of primary care and data reporting requirements developed by the Health Care Authority when determining the form and content of health carrier primary care reporting requirements.

HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

Majority Report: Do pass. Signed by 19 members: Representatives Bronoske, Chair; Lekanoff, Vice Chair; Rule, Vice Chair; Schmick, Ranking Minority Member; Caldier, Assistant Ranking Minority Member; Marshall, Assistant Ranking Minority Member; Davis, Engell, Low, Macri, Manjarrez, Obras, Parshley, Shavers, Simmons, Stonier, Stuebe, Thai and Tharinger.

Staff: Emily Poole (786-7106).

Background:

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

The Health Care Authority and the Health Care Cost Transparency Board.

The Health Care Cost Transparency Board (Board), a board within the Health Care Authority (HCA), is responsible for the analysis of total health care expenditures in Washington, identifying trends in health care cost growth, and establishing a health care cost growth benchmark. As part of its work, the Board is tasked with developing a definition of primary care for purposes of calculating primary care expenditures as a proportion of total health care expenditures, as well as measuring and reporting on primary care expenditures in Washington and the progress towards increasing it to 12 percent of total health care expenditures.

The HCA uses a single definition of primary care in its contracts with managed care organizations and health carriers for Medicaid and employee benefits coverage, and as part of those contracts, collects a standard set of primary care data.

Office of the Insurance Commissioner.

The Office of the Insurance Commissioner (Commissioner) regulates commercial health insurance carriers and requires them to submit details about their plans and rates for the Commissioner to review.

The Commissioner is authorized to assess carriers' primary care expenditures when it reviews carriers' health plan forms or rate filings. When conducting the review, the Commissioner must consider any definition of primary care expenditures and any primary care expenditure targets established by the Board. The Commissioner may determine the form and content of carrier primary care expenditure reporting.

Summary of Bill:

The Commissioner may require health carriers to annually report primary care expenditures in previous calendar years, or anticipated expenditures for the upcoming calendar years.

In developing the form and content for reporting, the Commissioner is required to consider the definition of primary care expenditures and any primary care expenditure targets established by the Board. Additionally, the Commissioner is required to consider primary care expenditure reporting systems implemented by the HCA for medical assistance and employee benefits coverage programs.

Primary care expenditure reports submitted by carriers are public information.

Appropriation: None.

Fiscal Note: Requested on January 21, 2025.

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

Staff Summary of Public Testimony:

(In support) This bill allows the HCA to coordinate with the Commissioner and streamline data collection processes. The HCA has been using a consistent definition of primary care, which allows the state to track volumes and changes in primary care spending. The Commissioner has the authority to review commercial health plans, but technical changes are needed to ensure that the Commissioner is aligned with the HCA. This bill will allow the Commissioner to require carriers to annually export primary care expenditures. The Commissioner recognizes how important access to primary care is, and it will be helpful to have a consistent measurement of what insurers are spending. The bill will also ensure that this spending information is public.

(Opposed) None.

Persons Testifying: Representative Debra Lekanoff, prime sponsor; and Nico Janssen, Office of the Insurance Commissioner.

Persons Signed In To Testify But Not Testifying: None.