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## Health Care & Wellness Committee

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### HB 1766

**Brief Description:** Prohibiting certain contracting practices by a health carrier acting as a third-party administrator for self-insured coverage offered to public employees.

**Sponsors:** Representatives Macri, Thai, Scott, Parshley, Salahuddin, Ormsby, Pollet and Reed.

<p style="text-align: center;"><b>Brief Summary of Bill</b></p> <ul style="list-style-type: none"><li>• Prohibits a health carrier acting as the third-party administrator for the Uniform Medical Plan from requiring state-owned or operated hospital systems to participate in a commercial plan offered or administered by the health carrier.</li></ul>
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**Hearing Date:** 2/12/25

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

**Background:**

The Uniform Medical Plan (UMP) is the self-funded health insurance plan offered to public employees and school employees by the state. The UMP contracts with health care providers to provide covered services to its enrollees. The UMP contracts with a health insurer that acts as a third-party administrator to administer plan benefits.

**Summary of Bill:**

A health carrier acting as a third-party administrator for a self-funded plan offered to public employees or school employees may not require a hospital system owned or operated by the state to participate in any commercial health plan or product offered or administered by the health carrier as a condition for negotiations or participation in the self-funded plan.

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*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.*

**Appropriation:** None.

**Fiscal Note:** Requested on February 5, 2025.

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