
Health Care & Wellness Committee

HB 2564

Brief Description: Concerning the health plan certification process.

Sponsors: Representatives Stonier, Lekanoff, Parshley, Ramel and Macri.

Brief Summary of Bill

- Authorizes the Health Benefit Exchange to develop market factor criteria as additional criteria for carriers to meet as part of the health plan certification process.

Hearing Date: 1/28/26

Staff: Kim Weidenaar (786-7120).

Background:

Through Washington's Health Benefit Exchange (Exchange), individuals may compare and purchase qualified health plans (QHPs) and access premium subsidies and cost-sharing reductions. Qualified health plans are offered in the following actuarial value tiers:

- bronze—60 percent actuarial value;
- silver—70 percent actuarial value;
- gold—80 percent actuarial value; and
- platinum—90 percent actuarial value.

The Exchange annually certifies health plans and only those health plans certified by the Exchange may be offered as QHPs through the Exchange. Under federal law, a QHP must meet all federal requirements and any provisions imposed by the Exchange, or a state in connection with its Exchange, that are conditions of participation or certification. As part of the certification process, carriers must submit plans and supporting documentation as required to demonstrate

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compliance with each of the 19 certification criteria. Each criterion is reviewed and approved by the Office of the Insurance Commissioner (OIC), the Exchange, or both. The Exchange may certify a health plan as a QHP if the health plan meets all federal requirements for certification and the Exchange determines the plan is in the interests of qualifies individuals and employers in the state.

Summary of Bill:

Each year, after QHPs have been certified to be offered on the Exchange Market for the following plan year, the Exchange must review market conditions and identify access and affordability issues that impact the next plan year. Following the review, the Exchange may adopt market factor certification criteria for the next plan year to address market conditions that impact access to and affordability of health plans for individuals or employers who are eligible to purchase coverage on the Exchange. When developing the criteria, the Exchange may consider whether health plans available in each county are:

- meaningfully different with respect to a combination of or all of these measures: cost-sharing, covered benefits, premiums, provider networks, or quality;
- offered by more than one carrier;
- maximizing federal premium tax credits;
- efficiently utilizing state premium assistance and other state investments; and
- offered at each metal level required by the exchange.

Market factor certification criteria must be developed in consultation with the OIC and the Health Care Authority, and the Exchange shall consider comments from carriers, federally recognized Tribes, and other health care stakeholders.

For plan year 2028 and later, market factor certification criteria must be developed in accordance with the following timeline:

- By December 15 of the calendar year two years before the plan year in which the market factor certification criteria are to apply, the Exchange must identify preliminary criteria and provide those criteria to the OIC and the Governor.
- By January 15 of the calendar year before the plan year in which the market factor certification criteria are to apply, the OIC and the Governor may submit written objections to any of the preliminary criteria and the Exchange must submit a written response to those objections by January 31.
- By January 31 of the calendar year before the plan year in which the market factor certification criteria are to apply, the Exchange must publish the notice of the proposed market factor certification criteria on its website and must distribute notices electronically to any person requesting the notice. The notice must include: an explanation of the proposed market factor certification criteria; the time, date, and place for a public hearing; and the procedures and timelines for submitting written comments and supporting information.
- By March 1 of the calendar year before the plan year in which the market factor certification criteria are to apply, the Exchange shall provide written notice of the final

market factor certification criteria to carriers that offer plans on the Exchange and publish the criteria on its website.

- After March 1 of the calendar year before the plan year in which the market factor certification criteria are to apply, the Exchange may only modify the market factor certification criteria as necessary to respond to any applicable changes to state or federal laws or regulations. Any modification that impacts a carrier's preliminary health plan filings is only in effect if agreed to by the OIC.

For plan year 2027, market factor certification criteria shall be developed in accordance with procedures established by the Exchange.

The Exchange may require a carrier that is intending to offer health plans on the Exchange to submit information, including the carrier's proposed service areas, proposed plan offerings and rates, and how the carrier intends to meet the market factor certification criteria.

A carrier may request a waiver of the market factor certification criteria. In evaluating a request for a waiver, the exchange may:

- review information that demonstrates the carrier attempted to meet the market factor certification criteria, such as information that the carrier made a good faith effort to contract with providers to establish an adequate network; the cost of the potential provider network; impact on premiums, legal prohibitions, or other barriers that impact the carrier's ability to offer coverage in certain service areas; and any impact on other service areas;
- request that the carrier submit information about service areas and rates that would be in place with the market factor certification criteria and if the waiver was granted; and
- consider the totality of the proposed health plans and the impact of granting or not granting the waiver on the interests of Washington State residents.

The Exchange must conclude any waiver determinations from any carrier that has requested a waiver prior to the carrier submitting preliminary health plan filings for the upcoming plan year to the OIC.

Any information and data submitted by a carrier under this act is confidential and not subject to public disclosure.

Appropriation: None.

Fiscal Note: Requested on January 22, 2026.

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