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**HOUSE BILL 1589**

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**State of Washington**

**69th Legislature**

**2025 Regular Session**

**By** Representatives Bronoske, Macri, Shavers, Pollet, and Reed

Read first time 01/24/25. Referred to Committee on Health Care & Wellness.

1 AN ACT Relating to the relationships between health carriers and  
2 contracting providers; amending RCW 48.49.135; adding a new section  
3 to chapter 48.43 RCW; creating a new section; and providing an  
4 effective date.

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

6 **Sec. 1.** RCW 48.49.135 and 2022 c 263 s 18 are each amended to  
7 read as follows:

8 (1) When determining the adequacy of a proposed provider network  
9 or the ongoing adequacy of an in-force provider network, the  
10 commissioner must review the carrier's proposed provider network or  
11 in-force provider network to determine whether the network includes a  
12 sufficient number of contracted providers of emergency medicine,  
13 anesthesiology, pathology, radiology, neonatology, surgery,  
14 hospitalist, intensivist(~~(+)~~), and diagnostic services, including  
15 radiology and laboratory services at or for the carrier's contracted  
16 in-network hospitals or ambulatory surgical facilities to reasonably  
17 ensure enrollees have in-network access to covered benefits delivered  
18 at that facility.

19 (2)(a) When determining the adequacy of a proposed provider  
20 network or the ongoing adequacy of an in-force provider network, the  
21 commissioner may allow a carrier to submit an alternate access

1 delivery request. The commissioner shall define the circumstances  
2 under which a carrier may submit an alternate access delivery request  
3 and the requirements for submission and approval of such a request in  
4 rule. To submit an alternate access delivery request, a carrier  
5 shall:

6 (i) Ensure that enrollees will not bear any greater cost of  
7 receiving services under the alternate access delivery request than  
8 if the provider or facility was contracted with the carrier or make  
9 other arrangements acceptable to the commissioner;

10 (ii) Provide substantial evidence of good faith efforts on its  
11 part to contract with providers or facilities. If a carrier is  
12 submitting an alternate access delivery request for the same service  
13 and geographic area as a previously approved request, the carrier  
14 shall provide new or additional evidence of good faith efforts to  
15 contract associated with the current request;

16 (iii) Demonstrate that there is not an available provider or  
17 facility with which the carrier can contract to meet the  
18 commissioner's provider network standards; and

19 (iv) For services for which balance billing is prohibited under  
20 RCW 48.49.020, notify out-of-network providers or facilities that  
21 deliver the services referenced in the alternate access delivery  
22 request within five days of submitting the request to the  
23 commissioner. Any notification provided under this subsection shall  
24 include contact information for carrier staff who can provide  
25 detailed information to the affected provider or facility regarding  
26 the submitted alternate access delivery request.

27 (b) For services for which balance billing is prohibited under  
28 RCW 48.49.020, a carrier may not treat its payment of  
29 nonparticipating providers or facilities under this chapter or P.L.  
30 116-260 (enacted December 27, 2020) as a means to satisfy network  
31 access standards established by the commissioner unless all  
32 requirements of this subsection are met.

33 (i) If a carrier is unable to obtain a contract with a provider  
34 or facility delivering services addressed in an alternate access  
35 delivery request to meet network access requirements, the carrier may  
36 ask the commissioner to amend the alternate access delivery request  
37 if the carrier's communication to the commissioner occurs at least  
38 three months after the effective date of the alternate access  
39 delivery request and demonstrates substantial evidence of good faith  
40 efforts on its part to contract for delivery of services during that

1 three-month time period. If the carrier has demonstrated substantial  
2 evidence of good faith efforts on its part to contract, the  
3 commissioner shall allow a carrier to use the dispute resolution  
4 process provided in RCW 48.49.040 to determine the amount that will  
5 be paid to providers or facilities for services referenced in the  
6 alternate access delivery request. The commissioner may determine by  
7 rule the associated processes for use of the dispute resolution  
8 process under this subsection.

9 (ii) Once notification is provided by the carrier to a provider  
10 or facility under (a) of this subsection, a carrier is not  
11 responsible for reimbursing a provider's or facility's charges in  
12 excess of the amount charged by the provider or facility for the same  
13 or similar service at the time the notification was provided. The  
14 provider or facility shall accept this reimbursement as payment in  
15 full.

16 (3) When determining the adequacy of a carrier's proposed  
17 provider network or the ongoing adequacy of an in-force provider  
18 network, beginning January 1, 2023, the commissioner shall require  
19 that the carrier's proposed provider network or in-force provider  
20 network include a sufficient number of contracted behavioral health  
21 emergency services providers.

22 (4) When determining the ongoing adequacy of an in-force provider  
23 network, the commissioner shall determine whether providers included  
24 in a carrier's network are actually providing services to the  
25 carrier's enrollees. For purposes of implementing this subsection,  
26 the commissioner shall adopt, by rule, a uniform data request form  
27 and may adopt additional requirements consistent with this  
28 subsection. When adopting the form, the commissioner shall consider  
29 the model data request form developed by the Bowman family  
30 foundation's mental health treatment and research institute.

31 NEW SECTION. Sec. 2. A new section is added to chapter 48.43  
32 RCW to read as follows:

33 (1) Prior to entering into or renewing a contract with a health  
34 care provider, a health carrier shall offer the provider a meaningful  
35 opportunity to negotiate the terms of the contract. Any negotiations  
36 conducted under this subsection must be in good faith. The following  
37 conduct violates this subsection:

1 (a) Failure to furnish the provider with the name and contact  
2 information of a person the carrier has designated as the primary  
3 contact for contract negotiations;

4 (b) When a contract is being renewed, failure to furnish the  
5 provider, upon the provider's request, a copy of the new contract  
6 that clearly indicates the differences between the new contract and  
7 the previous contract;

8 (c) Refusal to negotiate with a group of providers with the same  
9 employer or the same federal tax identification number;

10 (d) Failure to furnish the provider, upon the provider's request,  
11 with a fee schedule in a manner that does not require access to a  
12 secure website or other portal, such as by mailing a hard copy to the  
13 provider or by emailing an electronic copy to the provider; or

14 (e) Any other conduct determined, in rules adopted by the  
15 commissioner, to violate this subsection.

16 (2) Provider contracts entered into or renewed on or after the  
17 effective date of this section may not include:

18 (a) An all-or-nothing clause; or

19 (b) A requirement that the provider accept a discounted rate  
20 under any other contract to which the provider is a party.

21 (3) A health carrier shall provide contract and payment policy  
22 updates in a manner that does not require access to a secure website  
23 or other portal, such as by mailing a hard copy to the provider or by  
24 emailing an electronic copy to the provider.

25 (4) This section applies to a health care benefit manager acting  
26 on behalf of the carrier.

27 (5) For purposes of this section:

28 (a) "All-or-nothing clause" means a provision in a provider  
29 contract that requires a provider to contract with multiple health  
30 plans or other insurance products offered by, or associated with, the  
31 health carrier.

32 (b) "Health care benefit manager" has the same meaning as  
33 provided in RCW 48.200.020.

34 (c) In addition to the definition in RCW 48.43.005, "health  
35 carrier" also includes a limited health care service contractor  
36 offering dental only coverage and a health carrier offering dental  
37 only coverage.

38 (6) Any trade secrets or other confidential information disclosed  
39 to the commissioner under this section are confidential and exempt  
40 from public disclosure under chapter 42.56 RCW.

1           (7) This section does not apply to negotiations between a health  
2 carrier and a provider who is an employee of the health carrier or a  
3 provider who is an employee of a hospital.

4           NEW SECTION.   **Sec. 3.** The insurance commissioner may adopt any  
5 rules necessary to implement this act.

6           NEW SECTION.   **Sec. 4.** Sections 1 and 2 of this act take effect  
7 January 1, 2027.

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