
SUBSTITUTE SENATE BILL 5579

State of Washington

69th Legislature

2025 Regular Session

By Senate Health & Long-Term Care (originally sponsored by Senators Cleveland, Muzzall, and Valdez)

READ FIRST TIME 02/21/25.

1 AN ACT Relating to prohibiting health carriers, facilities, and
2 providers from making any public statements of any potential or
3 planned contract terminations unless it satisfies a legal obligation;
4 adding a new section to chapter 48.43 RCW; creating a new section;
5 and prescribing penalties.

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

7 NEW SECTION. **Sec. 1.** The legislature finds that public
8 communications and notices to health plan members by carriers, health
9 care providers, or health care facilities during contract
10 negotiations have created concerns for enrollees, patients, and
11 affected communities. Therefore, the legislature intends to provide
12 consistent policies for communication with enrollees and affected
13 communities regarding potential contract terminations.

14 NEW SECTION. **Sec. 2.** A new section is added to chapter 48.43
15 RCW to read as follows:

16 (1) In the case of a provider contract that is expiring by its
17 own terms or for which one party has given notice to the other party
18 of an intended termination without cause in accordance with the terms
19 of the provider contract, neither the health care provider, the
20 health care facility, nor the carrier may make or cause to be made

1 public statements, including by directly communicating with impacted
2 health plan enrollees and patients, regarding such expiration or
3 termination until 45 days prior to the termination date, unless: (a)
4 The disclosure is required to satisfy a specific legal obligation; or
5 (b) the expiration or termination has already been disclosed publicly
6 because of a legal obligation.

7 (2) Nothing in this section requires a carrier, health care
8 facility, or health care provider to provide notice of a potential
9 termination to enrollees, unless required to do so as a regulatory or
10 legal requirement.

11 (3) Public statements or communication with health plan enrollees
12 or patients by a carrier, health care facility, or health care
13 provider may not occur prior to the date the carrier, health care
14 facility, or health care provider has given written notice of the
15 termination to the other party, unless agreed upon by both parties.

16 (4)(a) The commissioner, in consultation with health carriers,
17 health care providers, health care facilities, and consumers, must
18 develop standard template language for notices sent to health plan
19 enrollees by health carriers, health care providers, or health care
20 facilities pursuant to this section.

21 (b) Templates developed pursuant to this section must include, at
22 a minimum:

23 (i) A reference to the specific facility or facilities by name
24 that would be affected by the potential contract termination and an
25 indication of whether the potential termination would apply to
26 hospital-based providers;

27 (ii) Direction to enrollees related to appointments that are
28 scheduled past the date of the potential contract termination date;
29 and

30 (iii) Information concerning the enrollee's continuity of care
31 rights pursuant to the federal no surprises act, 42 U.S.C. Sec.
32 300gg-111.

33 (c) All notices must be reviewed and approved by the commissioner
34 before being used in any manner.

35 (5)(a) The commissioner is authorized to enforce the provisions
36 of this act that are applicable to or regulate the conduct of
37 carriers issuing or renewing health plans or grandfathered health
38 plans to residents of Washington state on or after January 1, 2026.
39 In addition to the enforcement actions authorized under RCW
40 48.02.080, the commissioner may impose a civil monetary penalty in an

1 amount not to exceed \$100 for each day for each individual with
2 respect to which a failure to comply with these provisions occurs.

3 (b) If the commissioner has cause to believe that any health care
4 provider or health care facility has engaged in a pattern of
5 unresolved violations of this section, the commissioner may submit
6 information to the department of health or the appropriate
7 disciplining authority for action. Prior to submitting information to
8 the department of health or the appropriate disciplining authority,
9 the commissioner may provide the health care provider or health care
10 facility with an opportunity to cure the alleged violations or
11 explain why the actions in question did not violate this section.

12 (c) If any health care provider or health care facility has
13 engaged in a pattern of unresolved violations of this section, the
14 department of health or the appropriate disciplining authority may
15 levy a fine or cost recovery upon the health care provider or health
16 care facility in an amount not to exceed the applicable statutory
17 amount per violation and take other action as permitted under the
18 authority of the department of health or disciplining authority. Upon
19 completion of its review of any potential violation submitted by the
20 commissioner or initiated directly by an enrollee, the department of
21 health or the disciplining authority shall notify the commissioner of
22 the results of the review, including whether the violation was
23 substantiated and any enforcement action taken as a result of a
24 finding of a substantiated violation.

25 (6) For the purposes of this section, "provider contract" means a
26 written contract between a carrier and a health care provider or
27 health care facility, as they are defined in RCW 48.43.005, for any
28 health care services rendered to an enrollee.

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