

WSR 21-17-128
EXPEDITED RULES
OFFICE OF THE
INSURANCE COMMISSIONER

[Insurance Commissioner Matter R 2021-21—Filed August 17, 2021, 2:29 p.m.]

Title of Rule and Other Identifying Information: Technical amendment to WAC 284-43-8130 Association health plan compliance with statutory or regulatory changes.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: The existing language in WAC 284-43-8130 includes an outdated reference to a WAC section that was recodified, so that reference needs to be replaced with the updated WAC section number.

Reasons Supporting Proposal: The updated section number has already been indicated within brackets, directly following the outdated reference, in the existing text of WAC 284-43-8130. Rule making is needed to remove the outdated reference and officially replace it with the updated number.

Statutory Authority for Adoption: RCW 48.02.060.

Rule is not necessitated by federal law, federal or state court decision.

Name of Proponent: Office of the insurance commissioner, governmental.

Name of Agency Personnel Responsible for Drafting: Shari Maier, P.O. Box 40255, Olympia, WA 98504-0255, 360-725-7173; Implementation: Molly Nollette, P.O. Box 40255, Olympia, WA 98504-0255, 360-725-7117; and Enforcement: Melanie Anderson and Charles Malone, P.O. Box 40255, Olympia, WA 98504-0255, 360-725-7214 and 360-725-7050.

This notice meets the following criteria to use the expedited adoption process for these rules:

Corrects typographical errors, make address or name changes, or clarify language of a rule without changing its effect.

Explanation of the Reason the Agency Believes the Expedited Rule-Making Process is Appropriate: This rule making only involves updating a reference to another WAC section, which is a clarification of the rule that will not change its effect.

NOTICE

THIS RULE IS BEING PROPOSED UNDER AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU OBJECT TO THIS USE OF THE EXPEDITED RULE-MAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING AND THEY MUST BE SENT TO Shari Maier, Office of the Insurance Commissioner, 302 Sid Snyder Avenue S.W., Olympia, WA 98501, phone 360-725-7173, fax 360-586-3109, email rulescoordinator@oic.wa.gov, AND RECEIVED BY October 18, 2021.

August 17, 2021
Mike Kreidler
Insurance Commissioner

OTS-3249.1

AMENDATORY SECTION (Amending WSR 19-22-032, filed 10/30/19, effective 11/30/19)

WAC 284-43-8130 Association health plan compliance with statutory or regulatory changes. (1) Issuers must file a group health plan, other than a small group health plan, rate and form filing as provided in RCW 48.43.733. An issuer offering plans through an association or member-governed group must implement all new applicable federal or state health plan market requirements when they become effective. Replacement requirements for this section apply based on whether the purchaser is classified as an individual, small group, or large group purchaser. These requirements also apply to employer member groups of less than two or to individual member purchasers.

(2) An issuer providing plans of the type referenced in subsection (1) of this section must discontinue a noncompliant plan, and offer replacement plans effective on the renewal date of the master group contract for large groups, and on the group's anniversary renewal date for nongrandfathered small group and individual plans.

(3) If the association is a large group as defined in WAC ~~((284-43-0330(1) [284-43-8140(1)]))~~ 284-43-8140(1), the same renewal date must apply to all employer members and individual employer members, and the replacement coverage must take effect on the same date for each participant. The purchaser's anniversary date must not be used in lieu of this uniform renewal date for purposes of discontinuation and replacement of noncompliant coverage.

(4) If the association is not a large group as defined in WAC ~~((284-43-0330(1) [284-43-8140(1)]))~~ 284-43-8140(1), and the master group contract and an employer member's contract do not have the same renewal date, an issuer must provide notice of the discontinuation and replacement of the plan to the affected employer member or plan sponsor, and each enrollee in the affected employer member plan, not fewer than ninety days prior to the employer member's anniversary renewal date.

(5) If an issuer does not have a replacement plan approved by the commissioner to offer in place of a discontinued plan, the issuer must assist each enrollee in identifying a replacement option offered by another issuer.

(6) For purposes of this section, "purchaser" means the group or individual whose eligibility for the plan is based in whole or in part on membership in the association or member-governed group.

(7) For purposes of this section, the "anniversary renewal date" means the initial or first date on which a purchasing group's health benefit plan coverage became effective with the issuer, regardless of whether the issuer is subject to other agreements, contracts or trust documents that establish requirements related to the purchaser's coverage in addition to the health benefit plan.

(8) An issuer must not adjust the master contract renewal or anniversary date to delay or prevent application of any federal or state health plan market requirement.

[Statutory Authority: RCW 48.02.060 and 48.43.733. WSR 19-22-032, amended and recodified as § 284-43-8130, filed 10/30/19, effective 11/30/19. Statutory Authority: RCW 48.02.060. WSR 16-14-106 (Matter No. R 2016-11), § 284-43-0310, filed 7/6/16, effective 8/6/16. WSR 16-01-081, recodified as § 284-43-0310, filed 12/14/15, effective 12/14/15. Statutory Authority: RCW 48.02.060, 48.43.700, 48.43.715,

48.44.050, 48.46.200, and 45 C.F.R. 150.101(2). WSR 14-01-039 (Matter No. R 2013-13), § 284-170-955, filed 12/11/13, effective 1/11/14.]