
HOUSE BILL 2173

State of Washington

54th Legislature

1996 Regular Session

By Representatives Campbell, Hymes, Morris, Patterson, McMahan, Smith, Lambert, Conway, Carrell and Thompson

Read first time 01/08/96. Referred to Committee on Health Care.

1 AN ACT Relating to disclosure by health carriers; adding a new
2 section to chapter 48.43 RCW; and creating a new section.

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

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 48.43 RCW
5 to read as follows:

6 (1) Each health carrier that offers a health plan as defined in RCW
7 48.43.--- (section 4, chapter 265, Laws of 1995) to the public shall
8 provide disclosure forms in a manner prescribed by the insurance
9 commissioner. The disclosure forms shall include the following:

10 (a) A separate roster of plan primary care providers who are
11 regulated by chapter 18.130 RCW, including the provider's degree and
12 certification, practice specialty, the year first licensed to practice,
13 and, if different, the year initially licensed to practice in
14 Washington state;

15 (b) In concise and specific terms:

16 (i) The premium cost of the health plan coverage;

17 (ii) Copayment, coinsurance, or deductible requirements; and

18 (iii) The health plan benefits to which an enrollee is entitled.

19 The disclosure shall state where and in what manner an enrollee may

1 obtain services, including the procedures for selecting or changing
2 primary care providers and the locations of hospitals and outpatient
3 treatment centers that are under contract with the health carrier;

4 (c) Any limitations of the services, kinds of service, benefits,
5 and exclusions that apply to the plan. A description of limitations
6 shall include:

7 (i) Procedures for emergency room, nighttime, or weekend visits and
8 referrals to specialist providers;

9 (ii) Whether services received outside the plan are covered and in
10 what manner they are covered;

11 (iii) Procedures an enrollee must follow, if any, to obtain prior
12 authorization for services;

13 (iv) The circumstances under which prior authorization is required
14 for emergency medical care and a statement as to whether and where the
15 plan provides twenty-four-hour emergency services;

16 (v) The circumstances under which the plan may retroactively deny
17 coverage for emergency medical treatment and nonemergency medical
18 treatment that had prior authorization under the plan's written
19 policies;

20 (vi) A statement whether plan providers must comply with any
21 specified numbers, targeted averages, or maximum durations of patient
22 visits. If any of these are required of plan providers, the disclosure
23 shall state the specific requirements;

24 (vii) The procedures to be followed by an enrollee for consulting
25 a provider other than the primary care provider, and whether the
26 enrollee's provider, the plan's medical director, or a committee must
27 first authorize the referral;

28 (viii) The necessity of repeating prior authorization if the
29 specialist care is continuing; and

30 (ix) Whether a point of service option is available, and if so, how
31 it is structured;

32 (d) Grievance procedures for claim or treatment denials,
33 dissatisfaction with care, and access to care issues;

34 (e) A response to whether a plan provider is restricted to
35 prescribing drugs from a plan list or plan formulary and the extent to
36 which an enrollee will be reimbursed for costs of a drug that is not on
37 a plan list or plan formulary;

38 (f) A response to whether plan provider compensation programs
39 include any incentives or penalties that are intended to encourage plan

1 providers to withhold services or minimize or avoid referrals to
2 specialists. If these types of incentives or penalties are included,
3 the health carrier shall provide a concise description of them. The
4 health carrier may also include, in a separate section, a concise
5 explanation or justification for the use of these incentives or
6 penalties; and

7 (g) A statement that the disclosure form is a summary only and that
8 the plan evidence of coverage should be consulted to determine
9 governing contractual provisions.

10 (2) A health carrier shall not disseminate a completed disclosure
11 form until the form is submitted to the insurance commissioner. For
12 purposes of this section, a health carrier is not required to submit to
13 the insurance commissioner its separate roster of plan providers or any
14 roster updates.

15 (3) Upon request, a health carrier shall provide the information
16 required under subsection (1) of this section to all employers who are
17 considering participating in a health plan that is offered by the
18 health carrier or to an employer that is considering renewal of a plan
19 that is provided by the health carrier.

20 (4) An employer shall provide to its eligible employees the
21 disclosures required under subsection (1) of this section no later than
22 the initiation of any open enrollment period or at least ten days
23 before any employee enrollment deadline that is not associated with an
24 open enrollment period.

25 (5) An employer shall not execute a contract with a health carrier
26 until the employer receives the information required under subsection
27 (1) of this section.

28 NEW SECTION. **Sec. 2.** Nothing in this act provides any private
29 right or cause of action to, or on behalf of, any enrollee, prospective
30 enrollee, employer, or other person, whether a resident or nonresident
31 of this state. This act provides solely an administrative remedy to
32 the insurance commissioner for any violation of Title 48 RCW or any
33 related rule.

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