

RCW 48.43.059 Payments made by a second-party payment process—

Definition. (1) For the purposes of this section, "second-party payment process" means a process in which: (a) An individual has an account under his or her name maintained with a financial institution and is either managed by the financial institution or an entity that, with the express agreement with the individual, has established the account on behalf of the individual with a financial institution; (b) the account is funded with funds from the individual or his or her family members or in a manner otherwise consistent with federal law including, but not limited to, federal guidance implementing the federal patient protection and affordable care act; and (c) the account is under the control of the covered person, such that the covered person may authorize payments from the account.

(2) All issuers must accept any payments made by a second-party payment process; however, no issuer need accept payment by a second-party payment process if the second-party payer is controlled by or receives funding from any entity where such entity may be reimbursed by an issuer for providing health care services or if the account under the control of the covered person is funded by any such entity, except those third-party entities from whom federal law requires such issuer to accept payment.

(3) Payments made under subsection (2) of this section may be made with any legal tender denominated in United States dollars.
[2015 c 284 s 2.]

Recognition—Intent—2015 c 284: "(1) The legislature recognizes that under regulations implementing the federal patient protection and affordable care act, issuers offering individual market qualified health plans are required to accept third-party premium and cost-sharing payments from the Ryan White HIV/AIDS program under Title XXVI of the public health service act, Indian tribes, tribal organizations or urban Indian organizations, and state and federal government programs. However, federal regulators have stated that they have serious concerns about payments made on a third-party basis by hospitals, health care providers, and other commercial entities using their own funds because of the potential that such payments could cause distortions in the insurance market.

(2) The legislature intends to clarify that an entity that makes premium payments from accounts that are owned and controlled by the covered person do not constitute a third party for the purposes of acceptance of premium payments by an issuer. The legislature does not intend to impact third-party payment programs required under federal law, including, but not limited to, federal guidance implementing the federal patient protection and affordable care act." [2015 c 284 s 1.]