
HOUSE BILL 2522

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61st Legislature

2010 Regular Session

By Representatives Driscoll, Williams, Cody, Morrell, Ormsby, and Moeller; by request of Insurance Commissioner

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1 AN ACT Relating to emergency health care services; and reenacting
2 and amending RCW 48.43.005.

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

4 **Sec. 1.** RCW 48.43.005 and 2008 c 145 s 20 and 2008 c 144 s 1 are
5 each reenacted and amended to read as follows:

6 Unless otherwise specifically provided, the definitions in this
7 section apply throughout this chapter.

8 (1) "Adjusted community rate" means the rating method used to
9 establish the premium for health plans adjusted to reflect actuarially
10 demonstrated differences in utilization or cost attributable to
11 geographic region, age, family size, and use of wellness activities.

12 (2) "Basic health plan" means the plan described under chapter
13 70.47 RCW, as revised from time to time.

14 (3) "Basic health plan model plan" means a health plan as required
15 in RCW 70.47.060(2)(e).

16 (4) "Basic health plan services" means that schedule of covered
17 health services, including the description of how those benefits are to
18 be administered, that are required to be delivered to an enrollee under
19 the basic health plan, as revised from time to time.

1 (5) "Catastrophic health plan" means:

2 (a) In the case of a contract, agreement, or policy covering a
3 single enrollee, a health benefit plan requiring a calendar year
4 deductible of, at a minimum, one thousand seven hundred fifty dollars
5 and an annual out-of-pocket expense required to be paid under the plan
6 (other than for premiums) for covered benefits of at least three
7 thousand five hundred dollars, both amounts to be adjusted annually by
8 the insurance commissioner; and

9 (b) In the case of a contract, agreement, or policy covering more
10 than one enrollee, a health benefit plan requiring a calendar year
11 deductible of, at a minimum, three thousand five hundred dollars and an
12 annual out-of-pocket expense required to be paid under the plan (other
13 than for premiums) for covered benefits of at least six thousand
14 dollars, both amounts to be adjusted annually by the insurance
15 commissioner; or

16 (c) Any health benefit plan that provides benefits for hospital
17 inpatient and outpatient services, professional and prescription drugs
18 provided in conjunction with such hospital inpatient and outpatient
19 services, and excludes or substantially limits outpatient physician
20 services and those services usually provided in an office setting.

21 In July 2008, and in each July thereafter, the insurance
22 commissioner shall adjust the minimum deductible and out-of-pocket
23 expense required for a plan to qualify as a catastrophic plan to
24 reflect the percentage change in the consumer price index for medical
25 care for a preceding twelve months, as determined by the United States
26 department of labor. The adjusted amount shall apply on the following
27 January 1st.

28 (6) "Certification" means a determination by a review organization
29 that an admission, extension of stay, or other health care service or
30 procedure has been reviewed and, based on the information provided,
31 meets the clinical requirements for medical necessity, appropriateness,
32 level of care, or effectiveness under the auspices of the applicable
33 health benefit plan.

34 (7) "Concurrent review" means utilization review conducted during
35 a patient's hospital stay or course of treatment.

36 (8) "Covered person" or "enrollee" means a person covered by a
37 health plan including an enrollee, subscriber, policyholder,

1 beneficiary of a group plan, or individual covered by any other health
2 plan.

3 (9) "Dependent" means, at a minimum, the enrollee's legal spouse
4 and unmarried dependent children who qualify for coverage under the
5 enrollee's health benefit plan.

6 (10) (~~("Employee" has the same meaning given to the term, as of
7 January 1, 2008, under section 3(6) of the federal employee retirement
8 income security act of 1974.~~

9 ~~(11))~~ "Emergency medical condition" means the emergent and acute
10 onset of a symptom or symptoms, including severe pain, that would lead
11 a prudent layperson acting reasonably to believe that a health
12 condition exists that requires immediate medical attention, if failure
13 to provide medical attention would result in serious impairment to
14 bodily functions or serious dysfunction of a bodily organ or part, or
15 would place the person's health in serious jeopardy.

16 ~~((12))~~ (11) "Emergency services" means otherwise covered health
17 care services medically necessary to evaluate and treat an emergency
18 medical condition, provided in a hospital (~~(emergency department)~~).

19 (12) "Employee" has the same meaning given to the term, as of
20 January 1, 2008, under section 3(6) of the federal employee retirement
21 income security act of 1974.

22 (13) "Enrollee point-of-service cost-sharing" means amounts paid to
23 health carriers directly providing services, health care providers, or
24 health care facilities by enrollees and may include copayments,
25 coinsurance, or deductibles.

26 (14) "Grievance" means a written complaint submitted by or on
27 behalf of a covered person regarding: (a) Denial of payment for
28 medical services or nonprovision of medical services included in the
29 covered person's health benefit plan, or (b) service delivery issues
30 other than denial of payment for medical services or nonprovision of
31 medical services, including dissatisfaction with medical care, waiting
32 time for medical services, provider or staff attitude or demeanor, or
33 dissatisfaction with service provided by the health carrier.

34 (15) "Health care facility" or "facility" means hospices licensed
35 under chapter 70.127 RCW, hospitals licensed under chapter 70.41 RCW,
36 rural health care facilities as defined in RCW 70.175.020, psychiatric
37 hospitals licensed under chapter 71.12 RCW, nursing homes licensed
38 under chapter 18.51 RCW, community mental health centers licensed under

1 chapter 71.05 or 71.24 RCW, kidney disease treatment centers licensed
2 under chapter 70.41 RCW, ambulatory diagnostic, treatment, or surgical
3 facilities licensed under chapter 70.41 RCW, drug and alcohol treatment
4 facilities licensed under chapter 70.96A RCW, and home health agencies
5 licensed under chapter 70.127 RCW, and includes such facilities if
6 owned and operated by a political subdivision or instrumentality of the
7 state and such other facilities as required by federal law and
8 implementing regulations.

9 (16) "Health care provider" or "provider" means:

10 (a) A person regulated under Title 18 or chapter 70.127 RCW, to
11 practice health or health-related services or otherwise practicing
12 health care services in this state consistent with state law; or

13 (b) An employee or agent of a person described in (a) of this
14 subsection, acting in the course and scope of his or her employment.

15 (17) "Health care service" means that service offered or provided
16 by health care facilities and health care providers relating to the
17 prevention, cure, or treatment of illness, injury, or disease.

18 (18) "Health carrier" or "carrier" means a disability insurer
19 regulated under chapter 48.20 or 48.21 RCW, a health care service
20 contractor as defined in RCW 48.44.010, or a health maintenance
21 organization as defined in RCW 48.46.020.

22 (19) "Health plan" or "health benefit plan" means any policy,
23 contract, or agreement offered by a health carrier to provide, arrange,
24 reimburse, or pay for health care services except the following:

25 (a) Long-term care insurance governed by chapter 48.84 or 48.83
26 RCW;

27 (b) Medicare supplemental health insurance governed by chapter
28 48.66 RCW;

29 (c) Coverage supplemental to the coverage provided under chapter
30 55, Title 10, United States Code;

31 (d) Limited health care services offered by limited health care
32 service contractors in accordance with RCW 48.44.035;

33 (e) Disability income;

34 (f) Coverage incidental to a property/casualty liability insurance
35 policy such as automobile personal injury protection coverage and
36 homeowner guest medical;

37 (g) Workers' compensation coverage;

38 (h) Accident only coverage;

1 (i) Specified disease or illness-triggered fixed payment insurance,
2 hospital confinement fixed payment insurance, or other fixed payment
3 insurance offered as an independent, noncoordinated benefit;

4 (j) Employer-sponsored self-funded health plans;

5 (k) Dental only and vision only coverage; and

6 (l) Plans deemed by the insurance commissioner to have a short-term
7 limited purpose or duration, or to be a student-only plan that is
8 guaranteed renewable while the covered person is enrolled as a regular
9 full-time undergraduate or graduate student at an accredited higher
10 education institution, after a written request for such classification
11 by the carrier and subsequent written approval by the insurance
12 commissioner.

13 (20) "Material modification" means a change in the actuarial value
14 of the health plan as modified of more than five percent but less than
15 fifteen percent.

16 (21) "Preexisting condition" means any medical condition, illness,
17 or injury that existed any time prior to the effective date of
18 coverage.

19 (22) "Premium" means all sums charged, received, or deposited by a
20 health carrier as consideration for a health plan or the continuance of
21 a health plan. Any assessment or any "membership," "policy,"
22 "contract," "service," or similar fee or charge made by a health
23 carrier in consideration for a health plan is deemed part of the
24 premium. "Premium" shall not include amounts paid as enrollee point-
25 of-service cost-sharing.

26 (23) "Review organization" means a disability insurer regulated
27 under chapter 48.20 or 48.21 RCW, health care service contractor as
28 defined in RCW 48.44.010, or health maintenance organization as defined
29 in RCW 48.46.020, and entities affiliated with, under contract with, or
30 acting on behalf of a health carrier to perform a utilization review.

31 (24) "Small employer" or "small group" means any person, firm,
32 corporation, partnership, association, political subdivision, sole
33 proprietor, or self-employed individual that is actively engaged in
34 business that employed an average of at least two but no more than
35 fifty employees, during the previous calendar year and employed at
36 least two employees on the first day of the plan year, is not formed
37 primarily for purposes of buying health insurance, and in which a bona
38 fide employer-employee relationship exists. In determining the number

1 of employees, companies that are affiliated companies, or that are
2 eligible to file a combined tax return for purposes of taxation by this
3 state, shall be considered an employer. Subsequent to the issuance of
4 a health plan to a small employer and for the purpose of determining
5 eligibility, the size of a small employer shall be determined annually.
6 Except as otherwise specifically provided, a small employer shall
7 continue to be considered a small employer until the plan anniversary
8 following the date the small employer no longer meets the requirements
9 of this definition. A self-employed individual or sole proprietor who
10 is covered as a group of one on the day prior to June 10, 2004, shall
11 also be considered a "small employer" to the extent that individual or
12 group of one is entitled to have his or her coverage renewed as
13 provided in RCW 48.43.035(6).

14 (25) "Utilization review" means the prospective, concurrent, or
15 retrospective assessment of the necessity and appropriateness of the
16 allocation of health care resources and services of a provider or
17 facility, given or proposed to be given to an enrollee or group of
18 enrollees.

19 (26) "Wellness activity" means an explicit program of an activity
20 consistent with department of health guidelines, such as, smoking
21 cessation, injury and accident prevention, reduction of alcohol misuse,
22 appropriate weight reduction, exercise, automobile and motorcycle
23 safety, blood cholesterol reduction, and nutrition education for the
24 purpose of improving enrollee health status and reducing health service
25 costs.

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