
SENATE BILL 6519

State of Washington 63rd Legislature 2014 Regular Session

By Senators Litzow, Hobbs, Keiser, and McAuliffe

Read first time 01/31/14. Referred to Committee on Health Care .

1 AN ACT Relating to the reporting of public school employees'
2 insurance benefits; amending RCW 48.02.210, 41.05.655, and 42.56.400;
3 reenacting and amending RCW 42.56.400; providing an effective date; and
4 providing an expiration date.

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

6 **Sec. 1.** RCW 48.02.210 and 2012 2nd sp.s. c 3 s 5 are each amended
7 to read as follows:

8 (1) For purposes of this section, "benefit provider" has the same
9 meaning as provided in RCW 28A.400.270.

10 (2)(a) By December 1, 2013, and December 1st of each year
11 thereafter, the commissioner shall submit a report to the governor, the
12 health care authority, and the legislature on school district health
13 insurance benefits. The report shall be available to the public on the
14 commissioner's web site. The confidentiality of personally
15 identifiable district employee data shall be safeguarded consistent
16 with the provisions of RCW 42.56.400(21).

17 (b) The report shall include a summary of each school district's
18 health insurance benefit plans and each district's aggregated financial
19 data and other information as required in RCW 28A.400.275.

1 (3) The commissioner shall collect data from school districts or
2 their benefit providers to fulfill the requirements of this section.
3 The commissioner may adopt rules necessary to implement the data
4 submission requirements under this section and RCW 28A.400.275,
5 including, but not limited to, the format, timing of data reporting,
6 data elements, data standards, instructions, definitions, and data
7 sources.

8 (4) In fulfilling the duties under chapter 3, Laws of 2012 2nd sp.
9 sess., the commissioner shall consult with school district
10 representatives to ensure that the data and reports from benefit
11 providers will give individual school districts sufficient information
12 to enhance districts' ability to understand, manage, and seek
13 competitive alternatives for health insurance coverage for their
14 employees.

15 (5) If the commissioner determines that a school district has not
16 substantially complied with the reporting requirements of RCW
17 28A.400.275, and the failure is due to the action or inaction of the
18 school district, the commissioner will inform the superintendent of
19 public instruction of the noncompliance.

20 (6) The office of the insurance commissioner shall share all data,
21 information, and documents collected pursuant to this section with the
22 health care authority.

23 (7) Data, information, and documents, other than those described in
24 subsection (2) of this section, that are provided by a school district
25 or an entity providing coverage pursuant to this section are exempt
26 from public inspection and copying under chapter 3, Laws of 2012 2nd
27 sp. sess. and chapters 42.17A and 42.56 RCW.

28 ~~((7))~~ (8) If a school district or benefit provider does not
29 comply with the data reporting requirements of this section or RCW
30 28A.400.275, and the failure is due to the actions of an entity
31 providing coverage authorized under this title ~~((48—RCW))~~, the
32 commissioner may take enforcement actions under this chapter.

33 ~~((8))~~ (9) The commissioner may enter into one or more personal
34 services contracts with third-party contractors to provide services
35 necessary to accomplish the commissioner's responsibilities under
36 chapter 3, Laws of 2012 2nd sp. sess.

1 **Sec. 2.** RCW 41.05.655 and 2012 2nd sp.s. c 3 s 6 are each amended
2 to read as follows:

3 By June 1, 2015, the health care authority must report to the
4 governor, legislature, and joint legislative audit and review committee
5 the following duties and analyses, based on two years of reports and
6 other data, information, and documents collected by the office of the
7 insurance commissioner, on school district health benefits submitted to
8 it by the office of the insurance commissioner under this section or
9 RCW 48.02.210:

10 (1) The director shall establish a specific target to realize the
11 goal of greater equity between premium costs for full family coverage
12 and employee only coverage for the same health benefit plan. In
13 developing this target, the director shall consider the appropriateness
14 of the three-to-one ratio of employee premium costs between full family
15 coverage and employee only coverage, and consider alternatives based on
16 the data and information received from the office of the insurance
17 commissioner.

18 (2) The director shall also study and report the advantages and
19 disadvantages to the state, local school districts, and district
20 employees:

21 (a) Whether better progress on the legislative goals could be
22 achieved through consolidation of school district health insurance
23 purchasing through a single consolidated school employee health
24 benefits purchasing plan;

25 (b) Whether better progress on the legislative goals could be
26 achieved by consolidating K-12 health insurance purchasing through the
27 public employees' benefits board program, and whether consolidation
28 into the public employees' benefits board program would be preferable
29 to the creation of a consolidated school employee health benefits
30 purchasing plan; and

31 (c) Whether certificated or classified employees, as separate
32 groups, would be better served by purchasing health insurance through
33 a single consolidated school employee health benefits purchasing plan
34 or through participation in the public employees' benefits board
35 program(~~;~~~~and~~

36 ~~(d))~~).

37 (3) Analyses shall include implications of taking any of the
38 actions described in subsection (2)(a) through (c) of this

1 ((~~subsection~~)) section to include, at a minimum, the following: The
2 costs for the state and school employees, impacts for existing
3 purchasing programs, a proposed timeline for the implementation of any
4 recommended actions.

5 (4) Data, information, and documents that are provided to the
6 authority by a school district, an entity providing coverage, the
7 office of the insurance commissioner, or the joint legislative audit
8 and review committee, pursuant to this section or RCW 48.02.210 are
9 exempt from public inspection and copying under chapters 42.17A and
10 42.56 RCW.

11 **Sec. 3.** RCW 42.56.400 and 2013 c 277 s 5 and 2013 c 65 s 5 are
12 each reenacted and amended to read as follows:

13 The following information relating to insurance and financial
14 institutions is exempt from disclosure under this chapter:

15 (1) Records maintained by the board of industrial insurance appeals
16 that are related to appeals of crime victims' compensation claims filed
17 with the board under RCW 7.68.110;

18 (2) Information obtained and exempted or withheld from public
19 inspection by the health care authority under RCW 41.05.026, whether
20 retained by the authority, transferred to another state purchased
21 health care program by the authority, or transferred by the authority
22 to a technical review committee created to facilitate the development,
23 acquisition, or implementation of state purchased health care under
24 chapter 41.05 RCW;

25 (3) The names and individual identification data of either all
26 owners or all insureds, or both, received by the insurance commissioner
27 under chapter 48.102 RCW;

28 (4) Information provided under RCW 48.30A.045 through 48.30A.060;

29 (5) Information provided under RCW 48.05.510 through 48.05.535,
30 48.43.200 through 48.43.225, 48.44.530 through 48.44.555, and 48.46.600
31 through 48.46.625;

32 (6) Examination reports and information obtained by the department
33 of financial institutions from banks under RCW 30.04.075, from savings
34 banks under RCW 32.04.220, from savings and loan associations under RCW
35 33.04.110, from credit unions under RCW 31.12.565, from check cashers
36 and sellers under RCW 31.45.030(3), and from securities brokers and

1 investment advisers under RCW 21.20.100, all of which is confidential
2 and privileged information;

3 (7) Information provided to the insurance commissioner under RCW
4 48.110.040(3);

5 (8) Documents, materials, or information obtained by the insurance
6 commissioner under RCW 48.02.065, all of which are confidential and
7 privileged;

8 (9) Confidential proprietary and trade secret information provided
9 to the commissioner under RCW 48.31C.020 through 48.31C.050 and
10 48.31C.070;

11 (10) Data filed under RCW 48.140.020, 48.140.030, 48.140.050, and
12 7.70.140 that, alone or in combination with any other data, may reveal
13 the identity of a claimant, health care provider, health care facility,
14 insuring entity, or self-insurer involved in a particular claim or a
15 collection of claims. For the purposes of this subsection:

16 (a) "Claimant" has the same meaning as in RCW 48.140.010(2).
17 (b) "Health care facility" has the same meaning as in RCW
18 48.140.010(6).
19 (c) "Health care provider" has the same meaning as in RCW
20 48.140.010(7).
21 (d) "Insuring entity" has the same meaning as in RCW 48.140.010(8).
22 (e) "Self-insurer" has the same meaning as in RCW 48.140.010(11);

23 (11) Documents, materials, or information obtained by the insurance
24 commissioner under RCW 48.135.060;

25 (12) Documents, materials, or information obtained by the insurance
26 commissioner under RCW 48.37.060;

27 (13) Confidential and privileged documents obtained or produced by
28 the insurance commissioner and identified in RCW 48.37.080;

29 (14) Documents, materials, or information obtained by the insurance
30 commissioner under RCW 48.37.140;

31 (15) Documents, materials, or information obtained by the insurance
32 commissioner under RCW 48.17.595;

33 (16) Documents, materials, or information obtained by the insurance
34 commissioner under RCW 48.102.051(1) and 48.102.140 (3) and (7)(a)(ii);

35 (17) Documents, materials, or information obtained by the insurance
36 commissioner in the commissioner's capacity as receiver under RCW
37 48.31.025 and 48.99.017, which are records under the jurisdiction and
38 control of the receivership court. The commissioner is not required to

1 search for, log, produce, or otherwise comply with the public records
2 act for any records that the commissioner obtains under chapters 48.31
3 and 48.99 RCW in the commissioner's capacity as a receiver, except as
4 directed by the receivership court;

5 (18) Documents, materials, or information obtained by the insurance
6 commissioner under RCW 48.13.151;

7 (19) Data, information, and documents provided by a carrier
8 pursuant to section 1, chapter 172, Laws of 2010;

9 (20) Information in a filing of usage-based insurance about the
10 usage-based component of the rate pursuant to RCW 48.19.040(5)(b);

11 (21) Data, information, and documents, other than those described
12 in RCW 48.02.210(2), that are submitted to the office of the insurance
13 commissioner by an entity providing health care coverage pursuant to
14 RCW 28A.400.275, 41.05.655, and 48.02.210; (~~and~~)

15 (22) Data, information, and documents obtained by the insurance
16 commissioner under RCW 48.29.017; and

17 (23) Information not subject to public inspection or public
18 disclosure under RCW 48.43.730(5).

19 **Sec. 4.** RCW 42.56.400 and 2013 c 65 s 5 are each amended to read
20 as follows:

21 The following information relating to insurance and financial
22 institutions is exempt from disclosure under this chapter:

23 (1) Records maintained by the board of industrial insurance appeals
24 that are related to appeals of crime victims' compensation claims filed
25 with the board under RCW 7.68.110;

26 (2) Information obtained and exempted or withheld from public
27 inspection by the health care authority under RCW 41.05.026, whether
28 retained by the authority, transferred to another state purchased
29 health care program by the authority, or transferred by the authority
30 to a technical review committee created to facilitate the development,
31 acquisition, or implementation of state purchased health care under
32 chapter 41.05 RCW;

33 (3) The names and individual identification data of either all
34 owners or all insureds, or both, received by the insurance commissioner
35 under chapter 48.102 RCW;

36 (4) Information provided under RCW 48.30A.045 through 48.30A.060;

1 (5) Information provided under RCW 48.05.510 through 48.05.535,
2 48.43.200 through 48.43.225, 48.44.530 through 48.44.555, and 48.46.600
3 through 48.46.625;

4 (6) Examination reports and information obtained by the department
5 of financial institutions from banks under RCW 30.04.075, from savings
6 banks under RCW 32.04.220, from savings and loan associations under RCW
7 33.04.110, from credit unions under RCW 31.12.565, from check cashers
8 and sellers under RCW 31.45.030(3), and from securities brokers and
9 investment advisers under RCW 21.20.100, all of which is confidential
10 and privileged information;

11 (7) Information provided to the insurance commissioner under RCW
12 48.110.040(3);

13 (8) Documents, materials, or information obtained by the insurance
14 commissioner under RCW 48.02.065, all of which are confidential and
15 privileged;

16 (9) Confidential proprietary and trade secret information provided
17 to the commissioner under RCW 48.31C.020 through 48.31C.050 and
18 48.31C.070;

19 (10) Data filed under RCW 48.140.020, 48.140.030, 48.140.050, and
20 7.70.140 that, alone or in combination with any other data, may reveal
21 the identity of a claimant, health care provider, health care facility,
22 insuring entity, or self-insurer involved in a particular claim or a
23 collection of claims. For the purposes of this subsection:

24 (a) "Claimant" has the same meaning as in RCW 48.140.010(2).

25 (b) "Health care facility" has the same meaning as in RCW
26 48.140.010(6).

27 (c) "Health care provider" has the same meaning as in RCW
28 48.140.010(7).

29 (d) "Insuring entity" has the same meaning as in RCW 48.140.010(8).

30 (e) "Self-insurer" has the same meaning as in RCW 48.140.010(11);

31 (11) Documents, materials, or information obtained by the insurance
32 commissioner under RCW 48.135.060;

33 (12) Documents, materials, or information obtained by the insurance
34 commissioner under RCW 48.37.060;

35 (13) Confidential and privileged documents obtained or produced by
36 the insurance commissioner and identified in RCW 48.37.080;

37 (14) Documents, materials, or information obtained by the insurance
38 commissioner under RCW 48.37.140;

1 (15) Documents, materials, or information obtained by the insurance
2 commissioner under RCW 48.17.595;

3 (16) Documents, materials, or information obtained by the insurance
4 commissioner under RCW 48.102.051(1) and 48.102.140 (3) and (7)(a)(ii);

5 (17) Documents, materials, or information obtained by the insurance
6 commissioner in the commissioner's capacity as receiver under RCW
7 48.31.025 and 48.99.017, which are records under the jurisdiction and
8 control of the receivership court. The commissioner is not required to
9 search for, log, produce, or otherwise comply with the public records
10 act for any records that the commissioner obtains under chapters 48.31
11 and 48.99 RCW in the commissioner's capacity as a receiver, except as
12 directed by the receivership court;

13 (18) Documents, materials, or information obtained by the insurance
14 commissioner under RCW 48.13.151;

15 (19) Data, information, and documents provided by a carrier
16 pursuant to section 1, chapter 172, Laws of 2010;

17 (20) Information in a filing of usage-based insurance about the
18 usage-based component of the rate pursuant to RCW 48.19.040(5)(b);

19 (21) Data, information, and documents, other than those described
20 in RCW 48.02.210(2), that are submitted to the office of the insurance
21 commissioner by an entity providing health care coverage pursuant to
22 RCW 28A.400.275, 41.05.655, and 48.02.210; and

23 (22) Data, information, and documents obtained by the insurance
24 commissioner under RCW 48.29.017.

25 NEW SECTION. **Sec. 5.** Section 3 of this act expires July 1, 2017.

26 NEW SECTION. **Sec. 6.** Section 4 of this act takes effect July 1,
27 2017.

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