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SENATE BILL 6016

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State of Washington                      63rd Legislature                      2014 Regular Session

By Senators Rivers, Keiser, Cleveland, Tom, Kline, and McAuliffe

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

1            AN ACT Relating to ensuring continuity of care for enrollees of the  
2 Washington health benefit exchange during grace periods; and adding a  
3 new chapter to Title 48 RCW.

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

5            NEW SECTION.    **Sec. 1.** This chapter may be known and cited as the  
6 health benefit exchange grace period act.

7            NEW SECTION.    **Sec. 2.** The legislature finds and declares that:

8            (1) The federal patient protection and affordable care act provides  
9 that for enrollees who receive an advance premium tax credit, if they  
10 fail to pay their premiums, they may remain eligible for services for  
11 ninety days;

12            (2) This ninety-day grace period described in (a) of this  
13 subsection is defined at 45 C.F.R. Sec. 156.270(d);

14            (3) For the first month of the grace period, the federal patient  
15 protection and affordable care act requires that qualified health plan  
16 issuers pay physicians and other health care providers for services  
17 rendered to enrollees;

1 (4) For the second and third months of the grace period, the  
2 qualified health plan issuer may pend claim or claims for services  
3 rendered;

4 (5) If the enrollee fails to pay his or her outstanding premium  
5 before the end of the grace period, the qualified health plan issuer  
6 may deny the claim or claims for services rendered to the enrollee  
7 during the second and third months of the grace period;

8 (6) If a qualified health plan issuer denies the claim or claims  
9 for services rendered, this will create a financial burden on  
10 physicians and other health care providers as well as a disincentive  
11 for participating in the health care exchange in our state; and

12 (7) When a patient enters into the second and third month of the  
13 grace period, the federal patient protection and affordable care act  
14 requires that qualified health plan issuers notify the enrollee's  
15 physician or physicians and other health care provider or providers,  
16 but this notification requirement is vague and does not indicate when  
17 such notification must be made.

18 NEW SECTION. **Sec. 3.** The definitions in this section apply  
19 throughout this chapter unless the context clearly requires otherwise.

20 (1) "Enrollee" means a qualified individual or qualified employee  
21 enrolled in a qualified health plan or other health insurance plan. An  
22 enrollee is generally a person eligible for services covered by a  
23 specific health insurance plan in the exchange.

24 (2) "Grace period" means a period that applies to recipients of  
25 advance payments of the premium tax credit allowed for certain  
26 individuals to purchase health insurance coverage on the exchange. The  
27 grace period provides three consecutive months of eligibility for  
28 health care services to an enrollee when that enrollee has paid at  
29 least one full month's premium during the benefit year. The grace  
30 period begins when the enrollee fails to pay the premium for a  
31 particular month.

32 (3) "Qualified health plan" means a health insurance plan that has  
33 in effect a certification that the qualified health plan meets  
34 applicable state or federal standards required for participation in a  
35 health insurance exchange. These may include minimum standards for  
36 essential health benefits, deductibles, copayments, out-of-pocket  
37 maximum amounts, and other requirements.

1 (4) "Qualified health plan issuer" means a health insurance issuer  
2 that offers a qualified health plan in accordance with a certification  
3 from an exchange.

4 NEW SECTION. **Sec. 4.** To ensure continuity of care, and to ensure  
5 adherence to terms of the contract between qualified health plan issuer  
6 and a physician or other health care provider, a claim or claims for  
7 services provided to an enrollee during the grace period must be paid  
8 by the qualified health plan issuer.

9 NEW SECTION. **Sec. 5.** (1)(a) When a physician or other health care  
10 provider or a representative of the physician or other health care  
11 provider requests information from a qualified health plan issuer  
12 regarding an enrollee's eligibility, an enrollee's coverage or health  
13 plan benefits, or the status of a claim or claims for services provided  
14 to an enrollee, or reports a claim in a remittance advice, and the  
15 request or service is for a date within the second or third month of a  
16 grace period, the qualified health plan issuer shall clearly identify  
17 that the applicable enrollee is in the grace period and provide  
18 additional information as required by this title.

19 (b) The qualified health plan issuer must provide this notice  
20 within seventy-two hours through the same medium through which the  
21 physician, provider, or representative sought information from the  
22 qualified health plan issuer concerning the enrollees' eligibility,  
23 coverage, or health plan benefits, or related claims status, or  
24 normally receives claim remittance advice information.

25 (c) The information provided about the enrollee's grace period  
26 status is binding on the qualified health plan pursuant to this  
27 chapter.

28 (d) The exchange shall provide specific technical guidance  
29 governing these notice requirements within sixty days of the effective  
30 date of this section.

31 (2) The notice to the physician or other health care provider must  
32 include, but not be limited to, the following:

- 33 (a) Purpose of the notice;
- 34 (b) The enrollee's full legal name and any unique numbers  
35 identifying the enrollee;
- 36 (c) Name of the qualified health plan;

- 1 (d) The qualified health plan's unique health plan identifier;
- 2 (e) The name of the qualified health plan issuer; and
- 3 (f) The specific date upon which the grace period for the enrollee
- 4 began, and the specific date upon which the grace period will expire.

5 NEW SECTION. **Sec. 6.** The provisions of this chapter cannot be  
6 waived by contract, and any contractual arrangements in conflict with  
7 the provisions of this chapter or that purport to waive any  
8 requirements of this chapter are null and void.

9 NEW SECTION. **Sec. 7.** Any physician or other health care provider  
10 may request an appropriate court of jurisdiction to issue an injunction  
11 to enforce any provision of this chapter.

12 NEW SECTION. **Sec. 8.** If any provision of this act or its  
13 application to any person or circumstance is held invalid, the  
14 remainder of the act or the application of the provision to other  
15 persons or circumstances is not affected.

16 NEW SECTION. **Sec. 9.** Sections 1 through 8 of this act constitute  
17 a new chapter in Title 48 RCW.

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