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HOUSE BILL 1441

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State of Washington

63rd Legislature

2013 Regular Session

By Representatives Van De Wege, Morrell, Jenkins, and Cody; by request of Insurance Commissioner

1 AN ACT Relating to long-term care insurance; and amending RCW  
2 48.83.090 and 48.83.170.

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

4 **Sec. 1.** RCW 48.83.090 and 2008 c 145 s 10 are each amended to read  
5 as follows:

6 All long-term care denials must be made within (~~sixty~~) thirty  
7 days after receipt of a written request made by a policyholder or  
8 certificate holder, or his or her representative. All denials of long-  
9 term care claims by the issuer must provide a written explanation of  
10 the reasons for the denial and make available to the policyholder or  
11 certificate holder all information directly related to the denial.

12 **Sec. 2.** RCW 48.83.170 and 2008 c 145 s 18 are each amended to read  
13 as follows:

14 (1) The commissioner must adopt rules that include standards for  
15 full and fair disclosure setting forth the manner, content, and  
16 required disclosures for the sale of long-term care insurance policies,  
17 terms of renewability, initial and subsequent conditions of  
18 eligibility, nonduplication of coverage provisions, coverage of

1 dependents, preexisting conditions, termination of insurance,  
2 continuation or conversion, probationary periods, limitations,  
3 exceptions, reductions, elimination periods, requirements for  
4 replacement, recurrent conditions, and definitions of terms. The  
5 commissioner must adopt rules establishing loss ratio standards for  
6 long-term care insurance policies. The commissioner must adopt rules  
7 to promote premium adequacy and to protect policyholders in the event  
8 of proposed substantial rate increases, and to establish minimum  
9 standards for producer education, marketing practices, producer  
10 compensation, producer testing, penalties, and reporting practices for  
11 long-term care insurance.

12 (2) The commissioner (~~shall~~) must adopt rules establishing  
13 standards protecting patient privacy rights, rights to receive  
14 confidential health care services, and standards for an issuer's timely  
15 review of a claim denial upon request of a covered person.

16 (3) The commissioner must adopt by rule prompt payment requirements  
17 for long-term care insurance. The rules must include a definition of  
18 a "claim" and a definition of "clean claim." In adopting the rules the  
19 commissioner must consider the prompt payment requirements in long-term  
20 care insurance model acts developed by the national association of  
21 insurance commissioners.

22 (4) The commissioner may adopt reasonable rules to effectuate any  
23 provision of this chapter in accordance with the requirements of  
24 chapter 34.05 RCW.

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