



PREPROPOSAL STATEMENT OF INQUIRY

CR-101 (October 2017) (Implements RCW 34.05.310)

Do NOT use for expedited rule making

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STATE OF WASHINGTON
FILED

DATE: May 21, 2024

TIME: 11:08 AM

WSR 24-11-126

Agency: Office of the Insurance Commissioner

Insurance Commissioner Matter R2024-02

Subject of possible rule making: Relating to health care benefit managers, including but not limited to implementation of E2SSB 5213 (Chapter 242, Laws of 2024).

Statutes authorizing the agency to adopt rules on this subject: RCW 48.200.900; RCW 48.02.060

Reasons why rules on this subject may be needed and what they might accomplish: E2SSB 5213 (Chapter 242, Laws of 2024) amends state law concerning the business practices of health care benefit managers (HCBMs) and pharmacy benefit managers (PBMs, which are a type of HCBM). The law's provisions address, among other issues, PBM reimbursement to pharmacies for dispensing prescription drugs; consumer access to mail order and retail pharmacies; consumer out-of-pocket costs for prescription drugs; HCBM registration and reporting; and oversight authority of the Office of the Insurance Commissioner (OIC) regarding HCBM registration and operations. Rulemaking is necessary to revise existing HCBM rules at Chapter 284-180 Washington Administrative Code (WAC) and to ensure that all affected entities understand their rights and obligations under the new law.

In addition, rulemaking related to HCBMs is necessary to ensure that OIC can effectively oversee HCBMs in light of recent health care industry developments. OIC may revise provisions of Chapter 284-180 WAC or Chapter 284-170 WAC to accomplish this.

Identify other federal and state agencies that regulate this subject and the process coordinating the rule with these agencies: The OIC is promulgating regulations that apply to the commercial health plans that it regulates. However, self-funded group health plans, which the U.S. Department of Labor regulates under the Employee Retirement Income Security Act of 1974 (29 U.S.C. Sec. 1001 et. seq.), may elect to participate in sections 5,7, and 8 of E2SSB 5213, under section 9(2) of E2SSB 5213.

Additionally, Chapter 48.200 RCW regulates HCBM contracts under plans offered through the Public Employee Benefits Board (PEBB) and the School Employees Benefits Board (SEBB). The Washington State Health Care Authority (HCA) administers the PEBB and SEBB programs. OIC will provide an opportunity for HCA to participate in this rulemaking.

Process for developing new rule (check all that apply):

- Negotiated rule making
- Pilot rule making
- Agency study
- Other (describe) Please submit comments by June 20, 2024.

Interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication by contacting:

Name: Rules Coordinator	(If necessary)
Address: 302 Sid Snyder Ave., SW, Olympia WA 98501	Name:
Phone: 360-725-7171	Address:
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Email: rulescoordinator@oic.wa.gov

Email:

Web site: www.insurance.wa.gov

Web site:

Other:

Other:

Additional comments:

Date: May 21, 2024

Signature:

Name: Mike Kreidler

A handwritten signature in black ink that reads "Mike Kreidler". The signature is written in a cursive style with a large, stylized "M" and "K".

Title: Insurance Commissioner