

*HB 3666: Rep Nancy Nathanson Bill Carrier
Going Green - Paperless health insurance transactions*

Today I'm bringing a good news bill that will reduce costs for health insurers, and that translates into savings that get factored into insurance premiums. This bill encourages administrative and operational efficiency. It's green in two ways: it calls for electronic transactions instead of paper transactions; and it's green because it saves money. Insurers that use electronic transactions and other non-paper communications will see administrative cost savings. So how would insurers encourage this? Through offering discounts. This bill enables them to allow discounted rates.

This bill permits electronic administration of small employer group or individual health insurance, and authorizes the Department of Consumer and Business Services to approve rates discounts for use of electronic transactions. Those kinds of transactions would include activities such as applications, premium quotes, enrollment, benefit booklets, billing and remittance, claims processing reports, and notices. I want to emphasize it permits this – it doesn't mandate it. The insurer can take advantage of this, and it's an incentive to increase efficiency, but the carrier chooses. And it's voluntary for the purchaser, as well – if someone doesn't have easy access to email, or just prefers paper copies, they can choose to do it that way.

The committee adopted amendments, which had been reviewed by DCBS, to clarify that use of electronic transactions is voluntary by the purchaser, and simplify how a carrier would file with DCBS to offer a discount.

The Dept of Consumer and Business Services indicated to the House Health Care Committee that they had no concerns with the bill passed by the committee.

Efficiency. Cost constainment. We need more of this! Please join me in supporting HB 3666.