Office of the Insurance
Commissioner State of Washington
PO Box 40255 Olympia, WA 98504-0255

Re: Complaint Regarding Unilateral and Improper Contract Changes by Premera

Dear Commissioner Kuderer,

I am writing to file a formal complaint regarding Premera and its unilateral modification of material contract provisions governing reimbursement without proper notice, consent, or amendment, in violation of Washington law and the terms of our existing provider agreement.

My practice is a contracted health care provider with Premera under a current provider agreement. Under the terms of that agreement, changes to reimbursement, payment methodology, or other material provisions require advance written notice and, in some cases, mutual agreement or an executed amendment.

On November 4, 2025 Premera implemented a payment policy on Physical Medicine and Rehabilitation Services (CP.PP.099.v3.8). This payment policy changed the reimbursement rule for a 45-minute visit from AMA rule to the Medicare rule, resulting in a significant reduction in reimbursement.

I received a general email on December 4, 2025 announcing this change. I received no formal notice. This reimbursement reduction is retroactive to November 4, 2025. At no time did Premera provide advance written notice consistent with statutory requirements or the provider agreement, nor did it obtain consent to amend the contract.

These actions raise serious concerns under Washington law, including but not limited to:

· **RCW 48.43.045(3)**, which requires health carriers to provide **at least 60 days' written notice** to providers prior to implementing material changes to contracts, including changes to payment or reimbursement methodologies;

· **RCW 48.43.0128**, which prohibits **unfair or deceptive acts or practices** by health carriers in the administration of health benefit plans;

· **RCW 48.01.030**, which requires insurers to act in **good faith** and prohibits practices that are unfair, misleading, or contrary to public policy; and

· **RCW 48.43.051**, which requires carriers to operate provider networks and provider contracts in a manner consistent with applicable law and contract terms.

By implementing unilateral and unannounced contract changes, Premera appears to have violated these statutory protections as well as the express terms of the provider agreement.

As a result of these actions, my practice will experience a significant reduction in reimbursement and may consider severing our in-network relationship with Premera. Most physical therapy

clinics will receive a 20-25% decrease in reimbursement from a single Premera visit. This will have a significant impact on patient access to physical therapy care, as many private practices, including mine, have between 15%-50% of their patient population insured by Premera.

I respectfully request that the Office of the Insurance Commissioner:

1. **Investigate** Premera's unilateral modification of provider contract terms;

2. **Require corrective action**, including restoration of original contract terms and reimbursement where applicable;

3. **Ensure compliance with RCW 48.43.045** and other applicable statutes governing provider notice and contract amendments; and

4. **Advise** on any additional steps necessary to protect providers from similar conduct in the future.

Thank you for your attention to this matter and for your continued oversight to ensure insurer compliance with Washington law. Please do not hesitate to contact me if further information is required.

Sincerely,

[Name]

[Title]

[Practice or Organization Name]