

FINAL BILL REPORT

ESHB 1589

C 267 L 95

Synopsis as Enacted

Brief Description: Providing health care quality assurance.

Sponsors: House Committee on Health Care (originally sponsored by Representatives Backlund and Dyer).

House Committee on Health Care
Senate Committee on Health & Long-Term Care

Background: The 1993 Washington Health Services Act (WWSA) sets forth a comprehensive health data system and health quality improvement process. The state quality improvement and medical malpractice prevention program applies only to hospitals and does not permit related state agencies and health carriers to participate.

The Comprehensive Hospital Abstract Reporting System (CHARS) was created to gather, analyze, and report hospital discharge data. To finance this activity, hospitals are assessed no more than four one-hundredths of one percent of each hospital's gross operating costs. Although there are different types of CHARS users, hospitals are the sole funding source. The WWSA placed a tax on hospitals of .75 percent (1994) and 1.5 percent (1995) to be deposited in the health services account for the support of health reform activities. The CHARS assessment was not repealed.

The WWSA permits the granting of anti trust immunity to certain health care entities.

Summary: The Comprehensive Hospital Abstract Reporting System (CHARS) is maintained. The CHARS assessment is repealed if funds are made available in the biennial budget to offset the assessment.

The Department of Health, in cooperation with the Washington Health Care Policy Board (created in ESHB 1046) and the Washington State Information Services Board, is required to develop health care data standards to be used by, and developed in collaboration with, consumers, purchasers, health carriers, providers, and state government.

The Department of Health (DOH), in consultation with the Washington Health Care Policy Board, is required to study the feasibility of a uniform quality assurance and improvement program. In doing so, DOH must also consult with consumers, health carriers, and health care providers and facilities. The study shall include but not be

limited to: health care provider training, credentialing, and licensure standards; health care facility credentialing and recredentialing; staff ratios in health care facilities; mortality and morbidity rates; cost and average length of hospital stays; the number of the defined set of procedures performed by physicians at health care facilities; utilization performance profiles by provider; and other elements. DOH must submit a preliminary report and recommendations to the Legislature by December 31, 1995, but may not adopt any related rules unless expressly directed to do so by an act of law.

By July 1, 1995, the Washington Health Care Policy Board must form an interagency group with the DOH, the Health Care Authority, the Department of Social and Health Services, the Office of the Insurance Commissioner, and the Department of Labor and Industries for coordination and consultation on quality assurance activities.

Health-related state agencies, health maintenance organizations, and health service contractors are authorized to develop a quality improvement and medical malpractice prevention program consistent with state law. Information created specifically for and collected and maintained by the committee is exempt from public disclosure.

The antitrust provisions of the WSHA are modified. Between May 8, 1995 and June 30, 1996, health care entities may not initiate procedures for antitrust immunity protection. Provisions are added to protect trade secret or proprietary information. The antitrust authority under the Health Services Commission is transferred to the Washington Health Care Policy Board. However, when the board is exercising this authority, legislative members of the board are deemed not to be members. The Attorney General is required to study the impact on competition and efficiency of antitrust immunities and report to the Legislature by December 15, 1995.

Votes on Final Passage:

House	98	0	
Senate	45	0	(Senate amended)
House			(House refused to concur)
Senate			(Senate receded)
Senate	44	3	(Senate amended)
House	93	1	(House concurred)
House	94	0	(House reconsidered)

Effective: July 1, 1995
May 8, 1995 (Sections 8-11)