

# SENATE BILL REPORT

## SSB 5431

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As Passed Senate, March 7, 1995

**Title:** An act relating to rural health care.

**Brief Description:** Repealing rural health care statutes.

**Sponsors:** Senate Committee on Health & Long-Term Care (originally sponsored by Senators Prentice and Hale; by request of Insurance Commissioner).

**Brief History:**

**Committee Activity:** Health & Long-Term Care: 2/2/95, 2/28/95 [DPS].  
Passed Senate, 3/7/95, 46-0.

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### SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

**Majority Report:** That Substitute Senate Bill No. 5431 be substituted therefor, and the substitute bill do pass.

Signed by Senators Quigley, Chair; Wojahn, Vice Chair; Fairley, Franklin, Moyer and Winsley.

**Staff:** Rhoda Jones (786-7198)

**Background:** In 1990, statutes were enacted to enable small rural health care service arrangements to obtain licenses from the state Insurance Commissioner. Applicants were required to demonstrate minimum financial standards set by statute. The time period for this licensing provision ended on September 1, 1990. No companies are presently organized under this chapter.

**Summary of Bill:** The rural health care statutes under the state Insurance Commissioner are repealed. Intent language describes the special demographic, economic and geographic concerns of rural communities, relating to available, affordable health care services. The Department of Health is authorized to set up a rural health care committee to study rural health issues and report to the Legislature by December, 1995.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** The rural health care statutes under the state Insurance Commissioner are obsolete and should be repealed.

**Testimony Against:** Language describing the unique problems facing rural communities should be retained somewhere in statute.

**Testified:** John Woodall, Deputy Insurance Commissioner (pro); Greg Vigdor, WHA (con).

**House Amendment(s):** The Comprehensive Hospital Abstract Reporting System (CHARS) is reinstated. The Department of Health (DOH) is required to study the feasibility of a uniform quality assurance and improvement program. In doing so, DOH must consult with consumers, health carriers, health care providers and facilities, and public agencies. DOH must submit its final report and recommendations to the Legislature by December 31, 1995, but cannot adopt any related rules unless expressly directed to do so by an act of law.