

SENATE BILL REPORT

SB 5792

AS REPORTED BY COMMITTEE ON WAYS & MEANS, MARCH 11, 1991

Brief Description: Creating the chiropractic peer review committee.

SPONSORS: Senators L. Smith, Niemi, Amondson, Jesernig, Thorsness, von Reichbauer and Conner.

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: That Substitute Senate Bill No. 5792 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators West, Chairman; L. Smith, Vice Chairman; Amondson, Johnson, L. Kreidler, Niemi, and Wojahn.

Staff: Scott Plack (786-7409)

Hearing Dates: March 6, 1991

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Second Substitute Senate Bill No. 5792 be substituted therefor, and the second substitute bill do pass.

Signed by Senators McDonald, Chairman; Craswell, Vice Chairman; Bailey, Bauer, Bluechel, Cantu, Gaspard, Johnson, L. Kreidler, Metcalf, Murray, Niemi, Rinehart, Saling, L. Smith, Talmadge, West, Williams, and Wojahn.

Staff: Karen Hayes (786-7715)

Hearing Dates: March 11, 1991

BACKGROUND:

Peer review among health care professionals is a process whereby practitioners within the same profession review and evaluate the care provided by another member of the profession. Peer review involves a retrospective review of the treatment performed by a health care professional to determine if such treatment generally conforms with accepted standards of care for quality.

Another type of peer review is "utilization review." This type of review is performed by third-party payers to determine whether the appropriate type and quantity of a service was performed for a given diagnosis. The objective of a utilization review is to determine appropriate payment levels.

Currently, the chiropractic profession does not have a statutorily authorized process of peer review.

SUMMARY:

A peer review committee is established composed of one licensed chiropractor from each of the state's congressional districts plus one representative of the health care industry. The committee is to be selected by the Chiropractic Disciplinary Board. The board may appoint additional pro-tempore members. Terms shall be for one year and no member of the committee may serve more than two consecutive terms.

Peer review is defined as an evaluation, based on accepted standards, of the appropriateness, quality, utilization and cost of health care services provided to a patient. Peer review may be initiated by the patient or his or her representative, an insurer, or a chiropractor. The committee must examine each inquiry submitted to it. The review will examine whether the chiropractor improperly utilized services, rendered or ordered improperly utilized services or overcharged the patient.

The cost of the review shall be borne by fees charged to the individual or entity making the inquiry, though the committee may wave the fee. The findings and recommendations of the committee may be appealed to the committee or in superior court.

The peer review committee may hear, without qualifications or thresholds, any submission regarding appropriateness, quality or utilization of chiropractic services. The board may establish additional criteria for screening requests for peer review.

The Departments of Labor and Industries, Social and Health Services, Health and the State Employees Benefit Board must utilize the peer review when a controversy exist concerning the appropriateness, quality, utilization and cost of health care services provided by a chiropractor.

The committee may file with the board a complaint against a chiropractor when there is reasonable cause to believe the practitioner has violated the Uniform Disciplinary Act (Chapter 18. 130 RCW).

All data and records acquired by the board and the committee are confidential and not subject to public disclosure. An annual summary of the findings of the committee shall be submitted to the board. This information is available to the public for a fee. Patient names may not be disclosed without permission of the patient.

The board may adopt rules to implement a voluntary medication process. Legislative intent is stated exempting the peer review system from challenge under federal or state anti-trust laws.

EFFECT OF PROPOSED SUBSTITUTE:

Provisions are removed requiring that state agency use the peer review process. The Peer Review Committee may not address issues associated with scope of practice, licensure or discipline of any health care provider. The membership of the Peer Review Committee is changed to include eight chiropractors, one insurance industry representative and board member from the Chiropractic Disciplinary Board who will chair the committee and vote only to break ties. The board instead of the Peer Review Committee will decide which requests for peer review are referred to the Peer Review Committee instead of voluntary medication or board disciplinary proceedings.

Language is added to clarify that the peer review program will be financially self-sustaining and will be supported from fees charged to those requesting peer review. Provisions are removed declaring the legislative intent that the Peer Review Committee shall be exempt from state and federal ant-trust laws.

EFFECT OF PROPOSED SECOND SUBSTITUTE:

The act is contingent upon funding in the Omnibus Appropriations Act.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR:

The bill provides a statutory basis for authorizing peer review. It will help provide a mechanism for resolving conflicts involving utilization, quality and cost of chiropractic services.

TESTIMONY AGAINST:

The peer review process duplicates private peer review conducted by the professional associations.

TESTIFIED (Health & Long-Term Care): Dr. Tom Campbell, Chiropractic Disciplinary Board (pro); Steve Wehrly (pro); Courtney Nevitt, L&I (con); Robert Tee, State Farm Ins. (con); Jeff Graham, DSHS (con); Chris Rose, DOH

TESTIFIED (Ways & Means): Steve Wehrly (pro); Courtney Nevitt, L&I (con)