SHR 1957 -	. Н	COMM	AMD	ADOPTED	3-11.	.93

By Committee on Appropriations

On page 1, strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that health care coverage providers employ a variety of methods to determine whether a particular health care service or treatment will be denied because such service or treatment is considered by the provider to be experimental, investigative, or similarly questionable as to its efficacy. The denial of coverage may prevent access to necessary health care services or treatment when the person seeking coverage has no other method of affording such health care service or treatment.

The legislature further finds that similarly situated persons with the same health care need but with different health care coverage providers face the possibility that one provider will deny coverage while the other will permit coverage. This inconsistency in coverage determinations requires an impartial body to provide technical guidance to health care coverage providers in determining whether certain health care services or treatments should be covered under a disability insurance policy, health care service contract or agreement, or under any other similar health care benefit program.

<u>NEW SECTION.</u> **Sec. 2.** (1) Unless the context requires otherwise, the following definitions apply throughout this chapter:

- (a) "Committee" means the medical health coverage benefit determination committee created in this chapter.
 - (b) "Health care coverage provider" or "provider" means:
- (i) Every insurer, as defined in RCW 48.01.050, having a certificate or authority to transact disability insurance as defined in RCW 48.11.030, in this state;

OPR -1-

- (ii) Every health care service contractor, as defined in RCW 48.44.010(3), registered to transact business in this state;
- (iii) Every health maintenance organization, as defined in RCW 48.46.020(1), registered to transact business in this state;
 - (iv) The Washington basic health plan, as defined in RCW 70.47.020(1);
 - (v) The Washington state health care authority, as defined in chapter 41.05 RCW;
- (vi) Every local government self-insured health and welfare benefit plan or program regulated under chapter 48.62 RCW; or
 - (vii) The Washington State Health Insurance Pool as defined in chapter 48.41 RCW.

NEW SECTION. Sec. 3. (1) There is hereby created in the office of the insurance commissioner, the medical health coverage benefit determination committee consisting of seven members appointed by the commissioner on the basis of their knowledge and experience in health care services. In appointing such members the commissioner shall seek to appoint members from diverse health care professions that may include medical research, pharmacology, oncology, internal medicine, gynecology, pediatrics, or any other health profession capable of providing expertise for purposes of this act. The commissioner may not appoint members who work for or with a provider in a capacity similar to the purposes of the committee and may not appoint members who are advocates for groups, associations, or other organizations promoting the use or coverage of a particular procedure, treatment, drug, or other health care service.

- (2) Members of the committee shall be appointed for a term of four years and until their successors are appointed. In the event of a vacancy, the commissioner shall appoint a person to fill the unexpired portion of the term. The terms of the first four members of the committee shall be staggered so that one member shall be appointed to serve until June 1, 1994, one member until June 1, 1995, one member until June 1, 1996, and one member until June 1, 1997.
- (3) The commissioner may remove a member of the committee only for inefficiency, malfeasance, or misfeasance.
 - (4) The committee shall operate on a part-time basis. The committee shall meet at the

OPR -2-

request of the commissioner and may meet at the request of a majority of members of the committee to consider, develop, and recommend criteria to guide future actions of health care coverage providers in determining whether a procedure, treatment, drug or other health care service is experimental, investigative, or efficacious for purposes of extending coverage. The committee shall also consider and make recommendations as to whether a procedure, treatment, drug, or other health care service is experimental, investigative, or efficacious.

- (5) The committee shall as soon as practicable after the initial appointment of the members, meet and elect a chairperson and shall at least biennially thereafter meet and elect such chairperson.
- (6) Members of the committee shall receive reimbursement for travel expenses incurred in the discharge of their duties in accordance with RCW 43.03.050 and 43.03.060.
- (7) The insurance commissioner shall provide the committee with administrative, material, and staff support necessary for the proper functioning of the committee and may adopt all rules necessary to implement the provisions of this chapter.

<u>NEW SECTION.</u> **Sec. 4.** (1) In making a recommendation as to whether a procedure, treatment, drug, or other health care service is experimental, investigative, or efficacious the committee shall:

- (a) Take into account findings, studies, or research conducted at qualified research centers in this country and abroad;
- (b) Consider whether treating physicians find the procedure, drug or treatment efficacious or necessary for the health or survival of the patient, or whether there is a potential benefit to the public as a whole, as for example, where a disease is rare and treatment for it may remain experimental for the foreseeable future; and
 - (c) Consider other similar relevant information.
- (2) After considering the facts and without reference to any particular dispute between a provider and the person seeking coverage of a procedure, drug, treatment, or other health care service, the committee shall issue a written recommendation to the commissioner detailing its

OPR -3-

1	C 1 1 .	1	1	
	tindinge	and	conc	1101010
ı	findings	anu	COLIC	iusions.

2

3

4

5

6

8

9

10

11

12

13

14

15

16

17

- (3) The commissioner shall publish at least once a year, and disseminate to the public and providers, a summary of the committee's determinations and deliberations.
- NEW SECTION. Sec. 5. This chapter shall expire on July 1, 1998.
- NEW SECTION. Sec. 6. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other 7 persons or circumstances is not affected.
 - NEW SECTION. Sec. 7. Sections 1 through 6 of this act shall constitute a new chapter in title 48 RCW."

EFFECT: The adjudicatory board created in the substitute bill is replaced with a committee to provide guidance to health care coverage providers in determining whether a procedure, treatment, drug, or other health care service is experimental, investigative, or questionable as to its efficacy. Members of the committee are appointed by the commissioner for four year terms and may only be removed for cause. The committee may not consider coverage disputes in particular cases. The commissioner's office must supply the board with any needed staff or materials. Members of the committee are reimbursed for travel expenses.

OPR -4-