

HOUSE BILL REPORT

HB 1224

As Reported By House Committee On:
Health Care
Appropriations

Title: An act relating to medical assistance coverage of hospice care and services.

Brief Description: Eliminating the termination of hospice care and service coverage as medical assistance.

Sponsors: Representatives Dellwo, King, Jones, L. Johnson, Flemming and Springer; by request of Department of Social and Health Services.

Brief History:

Reported by House Committee on:
Health Care, February 12, 1993, DP;
Appropriations, March 3, 1993, DP.

HOUSE COMMITTEE ON HEALTH CARE

Majority Report: Do pass. Signed by 14 members: Representatives Dellwo, Chair; L. Johnson, Vice Chair; Dyer, Ranking Minority Member; Ballasiotes, Assistant Ranking Minority Member; Appelwick; Campbell; Conway; Cooke; Flemming; R. Johnson; Lisk; Morris; Thibaudeau; and Veloria.

Staff: Antonio Sanchez (786-7383).

Background: Hospice care refers to a range of care and assistance to the patient and family, which alleviates the physical, emotional, and spiritual discomfort associated with death and dying. The focus of hospice care is on comfort rather than cure. This comfort care is provided by a team of social and health service professionals comprised of physicians, nurses, medical social workers, aides, clergy, counselors, and volunteers. The aim is to keep the patient in a familiar environment free of the high tech equipment and procedures associated with curative medical care. Hospital care is used only as necessary to manage a crisis such as extreme pain. Hospice services are considered to be a cost effective alternative to traditional cure oriented medical treatment.

In 1983, the federal government authorized a Medicare hospice benefit. In that same year, the Washington State

Legislature established a mandatory insurance offering for a hospice benefit. In 1986, hospice benefits were made a permanent part of the Medicare system and states were also allowed to include hospice as part of their Medicaid package. In 1989, Washington state enacted legislation that allowed hospice Medicaid benefits on a pilot basis to the categorically needy, subject to available funding. The Department of Health was required to review and report on the cost effectiveness of the program by December 20, 1989. The report recommended continuation of the benefit until the end of the biennium, however cost data was lacking because limited participation resulted in insufficient information for analysis. The hospice Medicaid benefit was scheduled to terminate on April 1, 1990, unless extended by legislation. The service was extended in the 1990 legislative session to June 30, 1993. The cost data indicated that savings could be realized if hospice care was used in lieu of traditional medical services. Medicaid Hospice services will terminate on June of this year if sunset provisions are not removed from statute.

During 1992, 103 clients used Medicaid hospice benefits.

Summary of Bill: The sunset provisions that end coverage of hospice benefits for categorically needy clients on June 30, 1993 are eliminated and the hospice benefits and services are allowed to continue to terminally ill medically needy clients.

Fiscal Note: Available.

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

Testimony For: The bill will allow more people to qualify for these appropriate services and save state health care dollars.

Testimony Against: None.

Witnesses: Jim Peterson, Department of Social and Health Services (pro); and Don Spencer, Washington State Hospice Association (pro).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 23 members: Representatives Locke, Chair; Valle, Vice Chair; Silver, Ranking Minority Member; Carlson, Assistant Ranking Minority Member; Appelwick; Ballasiotes; Basich; Cooke; Dellwo; Dorn; Dunshee; G. Fisher; Jacobsen; Linville; Morton; Rust;

Sehlin; Sheahan; Sommers; Stevens; Talcott; Wineberry; and Wolfe.

Staff: Maureen Morris (786-7152).

Summary of Recommendation of Committee on Appropriations Compared to Recommendation of Committee on Health Care:
No new changes were recommended.

Fiscal Note: Available.

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

Testimony For: Hospice is a cost-effective and compassionate service for the terminally ill. Continuation of this service will save state funds. Citizens throughout the state have benefitted from this service.

Testimony Against: None.

Witnesses: Jim Petersen, Medical Assistance Administration, Department of Social and Health Services (pro); and Gail McGaffick, Washington State Hospice Organization and Home Care Association of Washington (pro).