

HOUSE BILL REPORT

HB 1957

As Reported By House Committee On:
Health Care

Title: An act relating to the creation of the medical health coverage benefit determination committee.

Brief Description: Creating the medical health coverage benefit determination committee.

Sponsors: Representatives Dellwo, Wolfe, R. Meyers, Pruitt, L. Johnson, J. Kohl, Conway and Karahalios; by request of Insurance Commissioner.

Brief History:

Reported by House Committee on:
Health Care, March 2, 1993, DPS.

HOUSE COMMITTEE ON HEALTH CARE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 15 members: Representatives Dellwo, Chair; L. Johnson, Vice Chair; Dyer, Ranking Minority Member; Ballasiotes, Assistant Ranking Minority Member; Appelwick; Campbell; Conway; Cooke; Flemming; R. Johnson; Mastin; Mielke; Morris; Thibaudeau; and Veloria.

Minority Report: Do not pass. Signed by 1 member: Representative Lisk.

Staff: John Conniff (786-7119).

Background: Health insurance companies, health care service contractors, and health maintenance organizations do not cover health care or treatment deemed experimental or investigative. However, often there is not agreement among insurers or health care providers as to whether care or treatment is experimental or investigative. As a result, some consumers obtain treatment that other consumers are unable to obtain.

Summary of Substitute Bill: The Washington Health Care Coverage Determination Board is created in the Office of the Insurance Commissioner. The five member board, appointed by the commissioner, must be comprised of persons with knowledge and experience in health care services. Board

members are appointed for three year terms and can only be removed for cause. Members serve part-time and may receive \$75 for each day spent in performance of their duties. Members are also reimbursed for travel expenses.

The board must appoint a medical agent to review consumer complaints concerning the denial of health care coverage upon grounds that the health care service or treatment sought is experimental or investigative. The medical agent must decide whether the coverage should be provided. If either the consumer or the insurer disagree with the agent's decision, they may appeal to the board who must conduct a hearing and render a decision.

The insurance commissioner must adopt rules requiring health insurers, health care service contractors, health maintenance organizations, and state and local government health self-insured health programs to notify consumers of their right to appeal to the medical agent and coverage determination board. The commissioner may adopt guidelines for use by such insurers in deciding whether a health care service or treatment is experimental or investigative. The commissioner may also adopt rules declaring certain health care services and treatments no longer experimental or investigative based upon decisions of the coverage determination board.

The board and the powers granted the commissioner under the act sunset July 1, 1998.

Substitute Bill Compared to Original Bill: A committee of health providers, consumers and others charged with responsibility to oversee health insurance company practices with respect to the denial of coverage based upon a decision that health care services or treatments sought are experimental or investigative is replaced in its entirety with an adjudicative system designed to resolve consumer complaints.

Fiscal Note: Available.

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

Testimony For: This bill will establish a clear process to determine what services are experimental and investigative.

Testimony Against: None.

Witnesses: Deborah Senn, Dr. Diana Berry, Porsha Moore, Jo Henderson, Richard Spoonmore and Sol Riffkin, Office of the Insurance Commissioner (pro); Cheryl Quackenbush, ADAMS;

Symma Winston, Health Challenges; and Dr. Nancy Purcell,
Washington State Medical Association (pro).