

# HOUSE BILL REPORT

## SSB 5736

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As Passed House

April 9, 1993

**Title:** An act relating to chiropractic care for industrial insurance.

**Brief Description:** Regulating chiropractic care for industrial insurance.

**Sponsors:** Senate Committee on Labor & Commerce (originally sponsored by Senators Moore, Pelz and Fraser).

**Brief History:**

Reported by House Committee on:

Commerce & Labor, April 2, 1993, DPA;

Appropriations, April 3, 1993, DPA(CL);

Passed House - Amended, April 9, 1993, 96-2.

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### HOUSE COMMITTEE ON COMMERCE & LABOR

**Majority Report:** Do pass as amended. Signed by 6 members: Representatives Heavey, Chair; Chandler, Assistant Ranking Minority Member; Conway; King; Springer; and Veloria.

**Minority Report:** Do not pass. Signed by 2 members: Representatives Lisk, Ranking Minority Member; and Horn.

**Staff:** Chris Cordes (786-7117).

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### HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** Do pass as amended by Committee on Commerce & Labor. Signed by 23 members: Representatives Locke, Chair; Valle, Vice Chair; Carlson, Assistant Ranking Minority Member; Ballasiotes; Basich; Cooke; Dellwo; Dorn; Dunshee; Jacobsen; Lemmon; Leonard; Linville; Peery; Rust; Sehlin; Sheahan; Sommers; Stevens; Talcott; Wang; Wineberry; and Wolfe.

**Minority Report:** Without recommendation. Signed by 1 member: Representative Silver, Ranking Minority Member.

**Staff:** Dwight Edwards (786-7118).

**Background:** Under the industrial insurance law, an injured worker is entitled to proper and necessary medical care from a physician of the worker's choice. The Department of Labor and Industries' administrative rules define "physician" as a person licensed to practice medicine or osteopathic medicine. The rules also define "doctor" to include persons licensed to practice medicine, osteopathic medicine, chiropractic, drugless therapeutics, podiatry, dentistry, and optometry. Doctors are authorized to sign accident report forms for injured workers and temporary disability authorization forms. Only physicians licensed to practice medicine may examine injured workers to determine the extent of a worker's permanent impairment.

Within the Health and Rehabilitation Services section of the department's Industrial Insurance Division is an Office of the Medical Director. The department has established several health care provider advisory committees, including a Chiropractic Advisory Committee to advise the department on such issues as establishing standards for effective and accepted chiropractic treatment and consultant reviews, and reviewing the performance of individual chiropractors.

The department is authorized to establish maximum fee schedules for physicians, surgeons, hospitals, druggists, physician assistants, and other providers. In establishing fee schedules, the department is required to consider its duty to purchase health care in a prudent, cost-effective manner without unduly restricting access to necessary care. The department's fee schedules are coordinated with other agencies that make payments to health care providers.

The department is authorized to conduct audits of health services providers and to examine patient records during the audit, to approve or deny applications to participate as a provider of services, and to terminate or suspend eligibility to participate as a provider of services.

**Summary of Bill:** The health services available to injured workers include chiropractic treatment in appropriate cases within the scope of practice.

Injured workers may be required by the Department of Labor and Industries to undergo chiropractic examination to assist the department in making determinations for closing a claim, in assessing the necessity and appropriateness of care, and in making other related determinations.

Within the appropriate scope of practice, chiropractors may conduct special medical examinations for determining permanent disabilities in consultation with physicians. The department has authority to request an examination by a

single chiropractor in appropriate cases, but unless the examination has been requested by the department, a chiropractor's determination of the extent of a worker's disability may not be used as evidence before the Board of Industrial Insurance Appeals.

The department may develop chiropractic treatment standards in conjunction with the Department of Health. The standards should include some or all of the following: standards designed to assure quality treatment and to contain costs, and standards for requesting consultation with chiropractors on the necessity or appropriateness of care and other subjects within the scope of chiropractic practice. Standards may require review of chiropractic treatment based on a specified number of treatments, but may not require termination of treatment based solely on the number of treatments.

The director will appoint an associate medical director for chiropractic.

Chiropractors are included in the list of health services providers subject to department audit and fee schedule requirements.

**Fiscal Note:** Available on substitute bill. New fiscal note for substitute bill as amended requested on April 2, 1993.

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

**Testimony For:** (Commerce & Labor - substitute bill): The bill adds two enhancements that the chiropractors have been seeking. The bill will put these changes into place, and give the new director of the Department of Labor and Industries time to work with the chiropractic association on remaining issues.

(Commerce & Labor - striking amendment): The striking amendment adds authority for the department, but this new authority is discretionary. The striking amendment merely establishes an agenda for the department and chiropractors to continue their discussions and end the enmity between them.

(Appropriations): None.

**Testimony Against:** (Commerce & Labor - substitute bill): The bill is too limited.

(Commerce & Labor - striking amendment): The striking amendment raises issues that are generally contrary to the

trend of health care reform, such as a requirement under health care reform that medical standards will be developed by the Department of Health. The striking amendment also raises issues about who is controlling the workers' compensation system. The system is for workers and employers, not for the provider groups. The department needs to retain flexibility to address concerns that are being raised on a national level about the provision of health care.

(Appropriations): None.

**Witnesses:** (Commerce & Labor - In favor of bill, opposed to striking amendment): Brett Buckley, Department of Labor and Industries; and Clif Finch, Association of Washington Business. (Opposed to bill, in favor of striking amendment) Steve Wehrly, Washington State Chiropractic Association.

(Appropriations): None.