

HOUSE BILL REPORT

ESHB 1871

As Passed House
March 16, 1993

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

Brief Description: Regulating chiropractic care for industrial insurance.

Sponsors: By House Committee on Commerce & Labor (originally sponsored by Representatives Heavey, Kessler and Lemmon).

Brief History:

Reported by House Committee on:
Commerce & Labor, March 2, 1993, DPS;
Appropriations, March 6, 1993, DPS(CL-A APP);
Passed House, March 16, 1993, 95-3.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Heavey, Chair; G. Cole, Vice Chair; Lisk, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Conway; Horn; King; Springer; and Veloria.

Staff: Chris Cordes (786-7117).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill by Committee on Commerce & Labor be substituted therefor and the substitute bill as amended by Committee on Appropriations do pass. Signed by 22 members: Representatives Locke, Chair; Valle, Vice Chair; Carlson, Assistant Ranking Minority Member; Appelwick; Ballasiotes; Basich; Cooke; Dellwo; Dorn; Dunshee; G. Fisher; Jacobsen; Lemmon; Linville; Peery; Rust; Sehlin; Sommers; Stevens; Wang; Wineberry; and Wolfe.

Minority Report: Do not pass. Signed by 2 members: Representatives Silver, Ranking Minority Member and Sheahan.

Staff: Wayne Kawakami (786-7384).

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 reports 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.

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

Testimony For: (Commerce & Labor): Chiropractors should be recognized as providers of health care for injured workers. The ongoing dispute with the department over the provision of chiropractic care should be settled. This can be accomplished by creating a structure in the statute for dealing with chiropractic care issues. The bill was not intended to expand the scope of practice or to cause a large fiscal impact for the department. The department's current attempts to manage chiropractic care have failed and have resulted in costly litigation. The attempts at cost containment have reduced health care choices for injured workers. The department does not recognize the cost-effective nature of chiropractic care.

(Appropriations): The bill would recognize chiropractic services in statute. Through efforts with the department there are proposed amendments to the language that will significantly mitigate the fiscal impact of the bill. Chiropractors would like to establish a framework to continue the process and work with the parties involved to develop the most appropriate solution.

Testimony Against: (Commerce & Labor): The bill creates standards for chiropractors that other health care professionals treating injured workers do not have. For example, the maximum fee schedule for other providers is not based on usual and customary charges. Some of the issues in the bill are very costly. Other issues in the bill are already covered by current Department of Labor and Industries programs. The department is also requesting in the budget a new position for an associate medical director for chiropractic. Requiring the department to conduct interviews with injured workers during an audit process will cause delays and unnecessarily burden both the workers and the department auditors. Reviews of health care providers must be broad to ensure the best care for workers. If the bill allows unlimited treatment, it raises a serious concern about the impacts on the industrial insurance system.

(Appropriations): The bill would have a significant fiscal impact on the department and erode the department's authority to manage the care provided to injured workers. The bill would provide that chiropractors be treated differently than other health care professionals.

Witnesses: (Commerce & Labor): (In favor): Steve Wehrly, John Peich, and Goeffrey Masci, Washington Chiropractic Association; and Representative Tom Campbell. (Opposed): Linda Murphy, Department of Labor and Industries; Charles Hill; and Tim Reid.

(Appropriations): (In favor): Steve Wehrly, Washington Chiropractic Association; and George Masci, Washington Chiropractic Association. (Opposed): Clif Finch, Association of Washington Business; and Linda Murphy, Department of Labor and Industries.