

# HOUSE BILL REPORT

## SHB 1535

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### As Passed Legislature

**Title:** An act relating to health maintenance organizations' reimbursement of podiatric physicians and surgeons.

**Brief Description:** Reimbursing podiatric physicians and surgeons.

**Sponsors:** By House Committee on Health Care (Originally sponsored by Representatives Parlette, Cody, Schual-Berke, Romero, Ruderman, Esser, Hatfield, Boldt, Campbell, Pflug and Alexander).

### Brief History:

#### Committee Activity:

Health Care: 2/12/99, 2/18/99 [DPS].

#### Floor Activity:

Passed House: 3/8/99, 97-0.

Passed Senate: 4/8/99, 42-0.

Passed Legislature.

### Brief Summary of Substitute Bill

- Prohibits health maintenance organizations from discriminating between physicians, osteopathic physicians and podiatric physicians in the terms, conditions and reimbursement of foot care services.

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### HOUSE COMMITTEE ON HEALTH CARE

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 12 members: Representatives Cody, Democratic Co-Chair; Parlette, Republican Co-Chair; Pflug, Republican Vice Chair; Schual-Berke, Democratic Vice Chair; Alexander; Boldt; Campbell; Conway; Edmonds; Edwards; Mulliken and Ruderman.

**Staff:** John Welsh (786-7133).

### Background:

Health maintenance organizations are registered by the Insurance Commissioner to provide comprehensive health care services to their enrolled participants on a group practice per capita prepayment basis or on a prepaid individual practice plan. Health maintenance organizations either provide these services directly through their own health care panels, or they may contract with an independent network of providers, reimbursing them for their services.

Foot care services are traditionally included in the array of health care benefits provided.

State law prohibits traditional indemnity insurers, including disability carriers, group disability carriers, and health care service contractors, from discriminating in reimbursement between physicians, osteopathic physicians, and podiatric physicians.

However, there is no such law applying to health maintenance organizations.

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**Summary of Bill:**

A health maintenance organization, contracting with an independent network of providers for the provision of foot care services to its enrolled participants, may not discriminate in terms, conditions, and reimbursement between physicians, osteopathic physicians, and podiatric physicians.

However, a health maintenance organization contracting with a group medical practice which only treats its own patients is not affected by the act.

Obligations under existing contracts are also not affected.

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**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Testimony For:** There is a need to apply the current nondiscrimination law relating to reimbursement for foot care services to health maintenance organizations. This law now applies to the traditional indemnity insurance companies and health care service contractors. There should be equity and fairness in reimbursing all types of physicians the same amount for foot care services.

**Testimony Against:** None.

**Testified:** Melanie Stewart and Frank Morrison, Washington State Podiatric Medical Association; and Ken Bertrand, Group Health.