

FINAL BILL REPORT

SSB 5313

C 87 L 99

Synopsis as Enacted

Brief Description: Limiting the scope of mental health record audits.

Sponsors: Senate Committee on Health & Long-Term Care (originally sponsored by Senators Wojahn, Zarelli, Thibaudeau, Deccio and Winsley).

Senate Committee on Health & Long-Term Care

House Committee on Health Care

Background: The term utilization review— is often used to describe a range of managed care cost containment strategies including monitoring a provider’s pattern of treatment, determining the medical necessity of certain types or levels of treatment, and evaluating the efficacy, appropriateness, or efficiency of certain treatments for certain health conditions. As managed care financing arrangements have come to dominate health insurance, health insurance carriers have begun applying a number of these utilization review strategies, not only to medical services, but also to mental health services.

Health carriers may also periodically perform financial audits of providers to determine compliance with reimbursement standards. Current law limits further disclosure of audit information and requires information that would enable a particular patient to be identified to be destroyed as soon as possible.

Concerns exist regarding the information used in performing utilization review and audits of outpatient mental health services.

Summary: A health carrier performing a utilization review of mental health services for a specific enrollee is limited to accessing only the specific health care information contained in the enrollee’s record.

A health carrier performing an audit of a provider that has furnished mental health services to a carrier’s enrollees is limited to accessing only the records of enrollees covered by the specific health carrier for which the audit is being performed.

Votes on Final Passage:

Senate 48 0

House 96 0

Effective: July 25, 1999