

# SENATE BILL REPORT

## SB 5445

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As Passed Senate, January 28, 2000

**Title:** An act relating to a mandated benefit bill review process.

**Brief Description:** Allowing the chair of a legislative committee to request review by the department of health of a mandated benefit bill.

**Sponsors:** Senators Franklin, Winsley, Wojahn, Deccio, Thibaudeau, Kline, Rasmussen, Fairley, Patterson, Prentice, Kohl-Welles, Costa, Eide and Spanel.

**Brief History:**

**Committee Activity:** Health & Long-Term Care: 2/4/99, 2/17/99 [DP].  
Passed Senate, 3/11/99, 47-0; 1/28/00, 42-0.

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### SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

**Majority Report:** Do pass.

Signed by Senators Thibaudeau, Chair; Wojahn, Vice Chair; Costa, Deccio, Franklin, Johnson, Winsley.

**Staff:** Jonathan Seib (786-7427)

**Background:** "Mandated benefit" refers to any requirement by law that health carriers cover or offer to cover a specific health care service or reimburse specific types of health care providers. In 1984, the Legislature first adopted a mandated benefits review process whereby proponents of a proposed mandate are required to submit a report analyzing the impact of the mandate prior to consideration of the mandate by the Legislature. Prior to 1997, however, that process was rarely used.

In 1997, the mandated benefits review process was amended. As written, the law requires every person or organization that seeks to establish a mandated benefit to submit a report to the appropriate legislative committee assessing the social and financial impact of the proposed mandate, and evidence of health care service efficacy. The report is to be submitted at least 90 days prior to the start of session. The chair of that committee may request that the Department of Health examine the proposal, but must do so no later than nine months prior to the subsequent legislative session. In practice, the review process has worked somewhat differently.

Since 1997, a number of mandated benefit proposals have been referred to the review process. The experience of some has prompted concerns that the current process contains meaningless timelines and puts an inappropriate burden on individual proponents who may lack the time and resources to adequately meet the statutory requirements.

**Summary of Bill:** The current mandated benefits review process is changed. The requirement that the proponents of a mandate submit a report to the Legislature is repealed. It is

replaced with language authorizing the chair of the committee to which a mandated benefit bill is referred, based on certain criteria, to request that the bill be reviewed by the Department of Health. The department reviews the legislation under the same criteria as set forth in current law, and reports back to the Legislature at least 30 days prior to the start of the next legislative session.

The bill explicitly provides that a request for review or completion of the report by the department is not a prerequisite to consideration and passage of a mandated benefit bill by the Legislature.

**Appropriation:** None.

**Fiscal Note:** Available.

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

**Testimony For:** The department is aware of the concerns addressed in the bill. It is committed to a process that serves the objectives of the Legislature. That the bill recognizes that mandated benefit reviews cost money is appreciated.

**Testimony Against:** None.

**Testified:** Ron Weaver, Department of Health (pro).