
HOUSE BILL 1190

State of Washington 57th Legislature 2001 Regular Session

By Representatives Schual-Berke, Campbell, Romero and McMorris

Read first time 01/19/2001. Referred to Committee on Health Care.

1 AN ACT Relating to department of social and health services medical
2 billing practices; amending RCW 74.09.200; adding new sections to
3 chapter 74.09 RCW; and declaring an emergency.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 74.09.200 and 1979 ex.s. c 152 s 1 are each amended to
6 read as follows:

7 The legislature finds and declares it to be in the public interest
8 and for the protection of the health and welfare of the residents of
9 the state of Washington that a proper regulatory and inspection program
10 be instituted in connection with the providing of medical, dental, and
11 other health services to recipients of public assistance and medically
12 indigent persons. In order to effectively accomplish such purpose and
13 to assure that the recipient of such services receives such services as
14 are paid for by the state of Washington, the acceptance by the
15 recipient of such services, and by practitioners of reimbursement for
16 performing such services, shall authorize the secretary of the
17 department of social and health services or his designee, to inspect
18 and audit all records in connection with the providing of such
19 services.

1 However, the legislature does not intend providers' billing
2 practices to be evaluated under rules not clearly in place and
3 publicized to providers at the time the bill was prepared. The
4 legislature finds that the public-private partnership necessary to
5 provide services to recipients of public assistance and medically
6 indigent persons will be jeopardized if there is not scrupulous fair
7 play on the part of both parties. That fair play includes having easy
8 to understand billing rules applied prospectively only.

9 NEW SECTION. Sec. 2. A new section is added to chapter 74.09 RCW
10 to read as follows:

11 Nothing in this chapter shall be construed to authorize the state
12 of Washington to deny payment for a good or service, impose any
13 liability for excess payments made in the past under RCW 74.09.220, nor
14 otherwise attempt to recoup payments to health care providers through
15 assessment, deduction from future payments or otherwise, or in any way
16 penalize providers for billing practices in the absence of clear and
17 convincing evidence of intentional and knowing misconduct or clear
18 disregard for understandable and specific billing rules issued by the
19 department in writing to providers before the services were provided.

20 NEW SECTION. Sec. 3. A new section is added to chapter 74.09 RCW
21 to read as follows:

22 In the absence of clear and convincing evidence of provider
23 negligence, if the department denies payment for a bill or attempts, in
24 any way, to recoup a prior payment for a good or service, the
25 department shall permit a health care provider to rebill the charge to
26 the department if there is a way to do so that would make the bill
27 appropriately payable under this chapter, even if in so doing it must
28 waive billing deadlines.

29 NEW SECTION. Sec. 4. A new section is added to chapter 74.09 RCW
30 to read as follows:

31 Unless specifically exempted from this section, this chapter
32 preempts all other law applicable to this subject matter to the
33 greatest extent permitted by law.

34 NEW SECTION. Sec. 5. A new section is added to chapter 74.09 RCW
35 to read as follows:

1 This act applies to all causes of action commenced on or after July
2 1, 2000. All recoupments collected in violation of this act after July
3 1, 2000, shall be promptly refunded to the health care providers. To
4 this extent, this act applies retroactively, but in all other respects
5 it applies prospectively.

6 NEW SECTION. **Sec. 6.** This act is necessary for the immediate
7 preservation of the public peace, health, or safety, or support of the
8 state government and its existing public institutions, and takes effect
9 immediately.

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