
HOUSE BILL 1851

State of Washington

58th Legislature

2003 Regular Session

By Representatives Schual-Berke, Campbell, Cody, Benson, Sommers, Kenney, Moeller, Santos, Morrell, Lantz and Rockefeller

Read first time 02/12/2003. Referred to Committee on Financial Institutions & Insurance.

1 AN ACT Relating to credits against medical malpractice insurance
2 rates for patient safety activities; adding a new section to chapter
3 43.70 RCW; adding a new section to chapter 48.19 RCW; and creating a
4 new section.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that thousands of
7 patients are injured each year in the United States as a result of
8 medical errors, and that a more comprehensive approach than looking
9 only at the fault of individual practitioners is needed to effectively
10 reduce the incidence of medical errors in our health care system.
11 Incentives should be available to encourage health care providers and
12 facilities to engage in proven patient safety and medical error
13 reduction efforts. Federal agencies and other national organizations
14 have identified numerous evidence-based practices to improve patient
15 safety. Investments in these proven and other comparable strategies
16 can reduce medical errors, and thereby potentially reduce the frequency
17 and severity of medical malpractice claims. Through credits against
18 medical malpractice coverage premiums paid by health care providers who
19 have undertaken proven medical error reduction strategies, the

1 legislature intends to positively influence the safety and quality of
2 care provided in Washington state's health care system and to reduce
3 the frequency and severity of malpractice claims.

4 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.70 RCW
5 to read as follows:

6 (1) As part of its coordinated quality improvement program under
7 RCW 70.41.200 or 43.70.510, any hospital or medical facility that is
8 licensed by the department, any ambulatory diagnostic, treatment, or
9 surgical facility licensed under chapter 70.41 RCW, or any incorporated
10 group or partnership of physicians, advanced registered nurse
11 practitioners, osteopathic physicians, or other health care providers
12 licensed by the department may make application to the department for
13 approval of a program or programs that have been proven to result in
14 the reduction of serious medical errors and to enhance patient safety.

15 (2) The department, in consultation with the office of the
16 insurance commissioner, shall develop and adopt criteria in rule for
17 approval of medical error reduction programs. In developing criteria,
18 the department shall rely heavily upon evidence-based practices to
19 improve patient safety that have been identified and recommended by
20 governmental and private organizations, including but not limited to:

- 21 (a) The federal agency for healthcare quality and research;
- 22 (b) The federal institute of medicine;
- 23 (c) The joint commission on accreditation of healthcare
24 organizations; and
- 25 (d) The national quality forum.

26 NEW SECTION. **Sec. 3.** A new section is added to chapter 48.19 RCW
27 to read as follows:

28 Beginning January 1, 2004, as part of any rate filing under RCW
29 48.19.040 submitted to the commissioner, insurers shall file with the
30 commissioner a credit against the rate or rates applicable for medical
31 malpractice coverage for physicians, hospitals, other health care
32 professionals, or other health care facilities to reflect the
33 initiation of a medical error reduction program or programs that have
34 been approved by the department of health under section 2 of this act.
35 The commissioner, in consultation with the department of health, shall
36 adopt rules setting the amount of the credit. A physician, hospital,

1 other health care professional, or other health care facility shall
2 receive a credit against the rate or rates applicable to their medical
3 malpractice insurance, consistent with the level of such discount set
4 in rule by the commissioner. In developing rules under this section,
5 the commissioner may consider whether, and the extent to which, the
6 types of programs approved under section 2 of this act are otherwise
7 covered under a program of risk management offered by the insurer.

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