

# SENATE BILL REPORT

## SB 6189

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As Reported By Senate Committee On:  
Health & Long-Term Care, January 26, 2006

**Title:** An act relating to hospital and ambulatory surgical center pricing and billing procedures.

**Brief Description:** Regulating hospitals and ambulatory surgical centers.

**Sponsors:** Senator Keiser.

**Brief History:**

**Committee Activity:** Health & Long-Term Care: 1/11/06, 1/26/06 [DPS].

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

**Majority Report:** That Substitute Senate Bill No. 6189 be substituted therefor, and the substitute bill do pass.

Signed by Senators Keiser, Chair; Thibaudeau, Vice Chair; Deccio, Ranking Minority Member; Benson, Brandland, Franklin, Johnson, Kastama, Parlette and Poulsen.

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

**Background:** Hospitals in Washington are subject to regulation by the state Department of Health, although the regulations do not address pricing policies or procedures. There is concern that hospital billing procedures are not patient friendly and that receiving multiple bills for a single hospital stay, often filled with procedure codes and other specialized terminology, leaves many who receive treatment frustrated and confused about the services they received, and to whom any charges are to be paid.

**Summary of Substitute Bill:** Expresses the intent of the Legislature to encourage hospitals to design the implementation of health information technologies to provide patients with understandable billing information.

Requires a hospital to furnish patients with a list of those professionals that commonly provide care at the hospital and from whom the patient may get a bill, along with appropriate contact information. Hospitals owned or operated by a health maintenance organization are exempt.

**Substitute Bill Compared to Original Bill:** The substitute bill removes sections from the original bill which required hospitals and ambulatory surgical centers to submit price data to the Department of Health (DOH), which DOH was to then make available to the public. It also reduces the amount of billing information that hospitals are required to provide patients, and allows the information provided to be less patient-specific. The exemption for hospitals owned by health maintenance organizations, and an intent section, are also added. A January 1, 2007 effective date is removed.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

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

**Testimony For:** We hear a lot about consumer driven health care and transparency, but as consumers and patients, we have very little access to price information either before or after a hospital visit. After leaving the hospital, patients often get multiple statements from multiple providers, none of which make any overall sense. This bill tries to open up an industry that has been talking to itself instead of consumers. It is trying to get information to consumers so they understand what they, or their insurance, is paying for and how much it costs.

**Testimony Against:** The 14 day requirement for informing patients of their charges is unworkable. Getting cost information from all those who provided care to a patient at a hospital places a tremendous burden on the hospital, and may not even be available. The bill will not assist the consumer in making informed choices, and will create an administrative burden on providers. Because most patients have insurance coverage, they are rarely responsible for the amount the hospital charges.

**Who Testified:** PRO: Senator Keiser, prime sponsor.

CON: Lynne Oliver, Freestanding Ambulatory Surgery Center Association of Washington State; Tom Byron, Washington State Hospital Association; Ken Bertrand, Group Health Cooperative.

Signed in, Unable to Testify & Submitted Written Testimony: Dr. Jude Van Buren, Department of Health.