

# SENATE BILL REPORT

## SB 6306

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As of January 24, 2006

**Title:** An act relating to establishing a state health technology assessment program.

**Brief Description:** Establishing a health technology assessment program.

**Sponsors:** Senators Keiser, Deccio, Kastama, Poulsen, Parlette, Franklin, Thibaudeau, Kline and McAuliffe; by request of Governor Gregoire.

**Brief History:**

**Committee Activity:** Health & Long-Term Care: 1/25/06.

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

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

**Background:** Technological advance is often cited as a key driver in the growth of health care expenditures. Although such innovation is frequently tied to improvements in well-being, there is concern that too much is spent on technology which fails to deliver equivalent health benefits. Studies also suggest that even where new technology is of proven value, it is prone to overuse. This is attributed in part to insufficient evaluation of the technology, and the failure of health care purchasers to base their coverage and treatment decisions on those assessments which do exist.

At the federal level, approval of a new device by the Food and Drug Administration is based on a determination that the device is safe and effective; the agency does not evaluate cost-effectiveness or whether the new device outperforms what is currently on the market.

In Washington State, the agency medical directors recommended a number of years ago the development of a substantial interagency health technology assessment capability to provide a systematic and centralized method for determining the value of emerging technology. In 2003, the Legislature explicitly authorized the creation of an evidence-based prescription drug program to provide the basis for cost-effective drug coverage in state health care programs. Legislation passed that same year called on the Health Care Authority to coordinate formal technology assessments by state agencies, but it failed to provide the structure or funding for actual implementation.

**Summary of Bill:** State agencies administering state purchased health care programs are authorized to establish an evidence-based technology assessment program, with the assistance of a health technology clinical advisory committee, to facilitate the use of the best available scientific and medical evidence in making coverage and medical necessity decisions, including the development of treatment guidelines.

Health technology is defined to include a medical device, surgical and other procedures, medical equipment, diagnostic tests, and other health care services.

The agencies are to develop a centralized, web-based communication tool that allows clear and transparent access to the scientific basis of these coverage decisions and treatment guidelines.

An evidence-based health technology assessment center is established to conduct systematic reviews of the scientific literature regarding safety, efficacy, and cost-effectiveness and assess the adequacy and quality of systematic reviews undertaken by other national or internationally recognized health technology assessment programs.

**Appropriation:** None.

**Fiscal Note:** Available.

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

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