Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Health Care & Wellness Committee

2SSB 5596

Brief Description: Requiring fair payment for chiropractic services.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Franklin, Benton, Kline, Poulsen, Keiser and Roach).

Brief Summary of Second Substitute Bill

 Beginning January 1, 2009, prohibits health carriers from using payment methodologies that pay less for chiropractic services than for another profession's substantially similar health care services.

Hearing Date: 2/21/08

Staff: Chris Cordes (786-7103).

Background:

Health carriers, including disability insurers, health care service contractors, and health maintenance organizations, must include every category of provider to provide services for conditions covered by the plan. Under Insurance Commissioner rules, health carriers may place reasonable limits on individual services rendered by specific categories of providers, but may not exclude an entire category of provider if providing a covered service is within the provider's scope of practice.

Insurance Commissioner's rules require health carriers to file sample contract forms proposed for use with their participating providers and facilities. However, the health carrier does not need to submit information about payment rates or amounts or other similar proprietary information. These rules also require health carriers to include schedules for prompt payment of providers, but do not regulate the payment methodologies that health carriers use to reimburse for health care services. Rates paid by health carriers may differ depending on the type of provider that provides the covered service.

House Bill Analysis - 1 - 2SSB 5596

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Summary of Bill:

Health carriers may not use payment methodologies that pay less for chiropractic services than for another profession's substantially similar health care services. Health carriers may not use a payment method that pays chiropractors less than another type of provider for the same billing and payment code.

These provisions apply to payment methods used on and after January 1, 2009.

Appropriation: None.

Fiscal Note: Requested on February 19, 2008 on 2SSB 5596, but available for PSSB 5596.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

House Bill Analysis - 2 - 2SSB 5596