

SENATE BILL REPORT

2SSB 5596

As Amended by House, March 12, 2008

Title: An act relating to fair payment for chiropractic services.

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 History:

Committee Activity: Health & Long-Term Care: 2/12/07, 2/22/07 [DPS, w/oRec].
Ways & Means: 1/22/08, 1/31/08 [DP2S, DNP, w/oRec].
Passed Senate: 2/13/08, 40-9.

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: That Substitute Senate Bill No. 5596 be substituted therefor, and the substitute bill do pass.

Signed by Senators Keiser, Chair; Franklin, Vice Chair; Carrell, Fairley, Kastama, Kohl-Welles and Marr.

Minority Report: That it be referred without recommendation.

Signed by Senators Pflug, Ranking Minority Member and Parlette.

Staff: Edith Rice (786-7444)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Second Substitute Senate Bill No. 5596 be substituted therefor, and the second substitute bill do pass.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Pridemore, Vice Chair, Operating Budget; Zarelli, Ranking Minority Member; Brandland, Carrell, Fairley, Hatfield, Hobbs, Keiser, Kohl-Welles, Oemig, Regala, Roach, Rockefeller and Schoesler.

Minority Report: Do not pass.

Signed by Senator Tom.

Minority Report: That it be referred without recommendation.

Signed by Senator Parlette.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Staff: Erik Sund (786-7454)

Background: Under current law, the rates paid by health care insurers for services rendered by chiropractors may differ from the rates paid to other kinds of health care providers.

Summary of Second Substitute Bill: A health carrier may not pay chiropractors less for a service identified under a particular physical medicine and rehabilitation code or evaluation and management code (as listed in a nationally recognized services and procedures code book such as the American medical association current procedure terminology code book) than it pays any other type of licensed health professional using the same codes. Exceptions are described.

On or after January 1, 2010, the Insurance Commissioner will contract for an evaluation of the impact of this act on the utilization and cost of health care services associated with the physical medicine and rehabilitation payment or billing codes and evaluation and management payment or billing codes, and on the total cost of episodes of care for treatment associated with the use of these payment or billing codes.

The commissioner will require carriers to provide necessary data to the contractor to complete this evaluation.

The Insurance Commissioner will provide a report to the Legislature by January 1, 2012.

The bill expires June 30, 2013.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony on Original Bill (Health & Long-Term Care, 2007):

PRO: We have made efforts to negotiate with insurers to open panels to chiropractors. Chiropractors should be reimbursed equally based on the services performed.

CON: Payment for the same service by different providers can vary greatly based on the expertise of the provider. This will increase costs and limit our ability to deliver quality care at a low cost.

Persons Testifying (Health & Long-Term Care): PRO: Lori Bielinski, Austin McMillin, D.C., Washington State Chiropractic Association.

CON: Sydney Zvara, Washington Association of Health Plans, Scott Plack, Group Health Cooperative, Abi Castillo, Health Plans of Washington, Mel Sorenson, Washington Association of Health Underwriters, Nancy Wildermuth, Regence Blue Shield, Aetna, Pacificare.

Staff Summary of Public Testimony on First Substitute Bill (Ways & Means, 2008):

PRO: Currently, chiropractors are paid less than other kinds of health care professionals even when providing the same services. Health carriers should treat providers from different professions the same. It is a myth that chiropractic services are less effective than similar

services provided by other kinds of health care providers. An amendment is available that removes the protected class terminology from the bill.

CON: This bill will increase health care networks' expenses at a time when employers and consumers are facing increased health care costs. It is appropriate that health care providers are reimbursed at different rates based upon varying levels of skill, training and expertise. This bill may also result in expensive litigation.

Persons Testifying (Ways & Means): PRO: Senator Rosa Franklin, prime sponsor; Lori Bielinski, Washington Chiropractic Association; Austin McMillin, D.C., Washington State Chiropractic Association.

CON: Mel Sorensen, America's Health Insurance Plans; Nancee Wildermuth, Regence Blue Shield, Pacificare, and Aetna.

House Amendment(s): A health carrier may not pay chiropractors less for a service identified under a particular physical medicine and rehabilitation code or evaluation and management code (as listed in a nationally recognized services and procedures code book such as the American medical association current procedure terminology code book) than it pays any other type of licensed health professional using the same codes. Exceptions are described.

On or after January 1, 2010, the Insurance Commissioner will contract for an evaluation of the impact of this act on the utilization and cost of health care services associated with the physical medicine and rehabilitation payment or billing codes and evaluation and management payment or billing codes, and on the total cost of episodes of care for treatment associated with the use of these payment or billing codes.

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