

SENATE BILL REPORT

2SSB 5597

As Amended by House, April 6, 2007

Title: An act relating to contracts with chiropractors.

Brief Description: Concerning contracts with chiropractors.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Franklin, Benton, Zarelli, Kauffman, Kline, Carrell, Poulsen, Keiser, Kohl-Welles, Delvin and Roach).

Brief History:

Committee Activity: Health & Long-Term Care: 2/12/07, 2/22/07 [DPS, w/oRec].

Ways & Means: 2/28/07, 3/05/07 [DP2S, w/oRec].

Passed Senate: 3/08/07, 39-10.

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: That Substitute Senate Bill No. 5597 be substituted therefor, and the substitute bill do pass.

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

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. 5597 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, Hatfield, Hewitt, Hobbs, Keiser, Kohl-Welles, Oemig, Regala, Roach, Rockefeller and Schoesler.

Minority Report: That it be referred without recommendation.

Signed by Senators Honeyford and Parlette.

Staff: Erik Sund (786-7454)

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.

Background: Under current law, administrators of health care provider networks may refuse to reimburse a chiropractor for services that are provided to a patient by an employee of the chiropractor rather than provided by the chiropractor directly.

Summary of Second Substitute Bill: Health carriers may not refuse to provide reimbursement for health care services provided by employees of a contracted chiropractor if it is a reimbursable benefit. Insurers may not refuse to contract with licensed health care providers who are employees of a contracted chiropractor as long as they otherwise meet the fair credentialing standards of the contractor, nor may insurers prohibit a chiropractor from delegating duties or refuse to reimburse the contracted chiropractor for reimbursement for such delegated services. A health carrier may require that providers participate in a carrier's evidence-based quality assurance program; however, it may not require chiropractors to adopt health care delivery standards in conflict with those adopted by the Washington State Chiropractic Quality Assurance Commission.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2007.

Staff Summary of Public Testimony on Original Bill (Health & Long-Term Care): PRO: This is not an any willing provider law. If you are already contracted, your employees should be accepted.

CON: We have concerns about financial cost and liability exposure. Carefully selected networks keep down costs and deliver quality service. This bill has us heading in an opposite direction from the recommendations of the Blue Ribbon Commission.

Persons Testifying (Health & Long-Term Care): PRO: Lori Bielinski, David Butters, D. C., Washington State Chiropractors Association.

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

Staff Summary of Public Testimony on Original Bill (Ways & Means): PRO: The fiscal note exaggerates the cost of this bill. The Basic Health Plan does not cover chiropractic services and so BHP costs would not increase. Chiropractic care is very cost-effective and providing chiropractic coverage will actually reduce health plans' costs.

CON: This bill will interfere with health plans' ability to contract with providers in order to create cost-effective provider networks. If it is enacted, costs will increase for consumers as well as private and public employers.

Persons Testifying (Ways & Means): PRO: Lori Bielinski, Washington State Chiropractic Association; Austin McMillin, D.C., Chiropractor.

CON: Mel Sorensen, America's Health Insurance Plans.

House Amendment(s): The House amendment clarifies that the health carrier must determine the medical necessity of the services to be reimbursed; violations of the provider agreement by employees is deemed a violation by the chiropractor. Sole proprietors are added to partnerships and corporations in describing the type of practice in which all the chiropractors at the same location must be offered the same provider agreement.

The new effective date is January 1, 2008.