Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Health Care & Wellness Committee

HB 1311

Brief Description: Improving health care in the state using evidence-based care.

Sponsors: Representatives Cody, Jinkins, Bailey, Green, Clibborn, Appleton, Moeller, Frockt, Seaquist and Dickerson.

Brief Summary of Bill

• Establishes a collaborative to identify and review certain high-variation or highutilization health care services and develop best practices guidelines related to those services and strategies to promote the use of those guidelines.

Hearing Date: 1/27/11

Staff: Chris Blake (786-7392).

Background:

The Health Care Authority (Authority) administers state employee health benefit programs through the Public Employees Benefits Board as well as health care programs targeted at low-income individuals, such as the Basic Health Plan and the Community Health Services Grants. In addition, the Authority coordinates initiatives related to state-purchased health care, such as the Prescription Drug Program and the Health Technology Assessment Program. Through the Prescription Drug Program the state contracts for independent reviews of prescription drugs to compare the safety, efficacy, and effectiveness of drug classes from which recommendations are made by a clinical committee for the development of a preferred drug list. The Health Technology Assessment program reviews scientific, evidence-based reports about the safety and effectiveness of medical devices, procedures, and tests and a clinical committee determines whether or not the state should pay for them.

Chapter 258, Laws of 2009 (ESHB 2105) established a work group to be appointed by the Authority. The work group included physicians and private and public health care purchasers. The work group was responsible for identifying evidence-based best practices guidelines and

House Bill Analysis - 1 - HB 1311

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.

decision support tools related to advanced diagnostic imaging services. All state-purchased health care programs that purchase services directly were required to implement the guidelines by September 1, 2009. The work group expired on July 1, 2010.

Summary of Bill:

Legislative findings are established related to the need for public and private health care purchasers to work together to improve the quality and cost-effectiveness of health care services and that substantial variations in practice patterns or high utilization trends are indicators of poor quality and potential waste. Legislative declarations are made regarding the need for state and private health care purchasers to collaborate to identify strategies to increase the effectiveness of health care and to provide immunity from state and federal antitrust laws.

The Robert Bree Collaborative (Collaborative) is established. The Collaborative consists of eight members appointed by the Administrator of the Health Care Authority (Authority) and one additional member appointed by the Governor to serve as the chair. The members appointed by the Administrator include three representatives of health carriers, three physicians, the medical director of the Medical Assistance programs, and the medical director of the Department of Labor and Industries. The Collaborative must solicit federal or private funds and no member may be compensated for his or her service.

The Collaborative must identify health care services for which there are substantial variations in practice patterns or high utilization trends in Washington. In addition, the services must not produce better care outcomes and be indicators of poor quality and potential waste in the health care system.

Upon the identification of such health care services, the Collaborative shall identify evidence-based best practices to improve quality and reduce variation in the use of the service. The Collaborative must also identify strategies to increase the use of the evidence-based practices. The strategies may include: goals for appropriate utilization rates; peer-to-peer consultation; provider feedback reports; use of patient decision aids; changes in reimbursement; performance-based payment; clinical service authorization criteria; centers of excellence or other provider qualification standards; quality improvement systems; and service utilization and outcome reporting. The Collaborative must report its findings and recommendations to the Governor and Legislature annually.

The Collaborative is directed to identify up to three health services that it will address each year. Two health care services are expressly identified for the Collaborative to review in its initial efforts. First, the Collaborative is directed to identify goals for reducing the rate of cesarean section deliveries and early induction of labor prior to 39 weeks gestation. The Collaborative shall identify high quality, evidence-based practice guidelines and protocols to meet the goals and develop a strategy to increase the use of the guidelines. The strategies may include the reporting of provider-specific rates, the public reporting of hospital rates, peer review, and payment methodology incentives. The Collaborative must report its findings and recommendations on cesarean section and elective induction of labor to the Governor and the Legislature by September 1, 2011.

The second health care service that the Collaborative must address relates to back pain. By January 1, 2012, the Collaborative must identify evidence-based practice guidelines to improve the treatment of back pain and develop a strategy to increase the use of those guidelines in both state and privately-purchased health care plans. The strategies may include the development of quality indicators of care, financial and nonfinancial incentive systems, quality metrics to determine outcomes, methods to coordinate care, methods to enhance the delivery of evidence-based practices in community settings, and web-based methods to track population-based outcomes and provide feedback to providers. In addition, the strategy may include a comparative effectiveness outcome study of spinal surgery for chronic back pain. The Collaborative must report its findings and recommendations on the treatment of back pain to the Governor and the Legislature by January 1, 2012.

All state-purchased health care programs must implement the evidence-based practice guidelines and strategies for back pain and cesarean sections and early induction of labor by January 1, 2012. If the Collaborative cannot reach consensus, then state-purchased health care programs may pursue implementation strategies on their own.

The Authority work group that was established to identify evidence-based practices related to advanced diagnostic imaging services that would apply to all state-purchased health care programs and its duties are repealed.

Appropriation: None.

Fiscal Note: Requested on 1/19/11.

Effective Date: The bill takes effect immediately.