

ESSB 6228 - H COMM AMD

By Committee on Health Care & Wellness

ADOPTED AND ENGROSSED 3/7/14

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** Consumers face a challenge finding
4 reliable, consumer friendly information on health care pricing and
5 quality. Greater transparency of health care prices and quality leads
6 to engaged, activated consumers. Research indicates that engaged and
7 educated consumers help control costs and improve quality with lower
8 costs per patient, lower hospital readmission rates, and the use of
9 higher quality providers. Washington is a leader in efforts to develop
10 and publish provider quality information.

11 Although data is available today, research indicates the existing
12 information is not user friendly, consumers do not know which measures
13 are most relevant, and quality ratings are inconsistent or
14 nonstandardized. It is the intent of the legislature to ensure
15 consumer tools are available to educate and engage patients in managing
16 their care and understanding the costs and quality.

17 NEW SECTION. **Sec. 2.** A new section is added to chapter 41.05 RCW
18 to read as follows:

19 (1) There is created a performance measures committee, the purpose
20 of which is to identify and recommend standard statewide measures of
21 health performance to inform public and private health care purchasers
22 and to propose benchmarks to track costs and improvements in health
23 outcomes.

24 (2) Members of the committee must include representation from state
25 agencies, small and large employers, the two largest health plans by
26 enrollment, patient groups, federally recognized tribal members,
27 consumers, academic experts on health care measurement, hospitals,
28 physicians, and other providers. The governor shall appoint the
29 members of the committee, except that a statewide association

1 representing hospitals may appoint a member representing hospitals, a
2 statewide association representing physicians may appoint a member
3 representing physicians, and a statewide association representing
4 nurses may appoint a member representing nurses. The governor shall
5 ensure that members represent diverse geographic locations and both
6 rural and urban communities. The committee must be chaired by the
7 director of the authority.

8 (3) The committee shall develop a transparent process for selecting
9 performance measures, and the process must include opportunities for
10 public comment.

11 (4) By January 1, 2015, the committee shall submit the performance
12 measures to the authority. The measures must include dimensions of:

- 13 (a) Prevention and screening;
- 14 (b) Effective management of chronic conditions;
- 15 (c) Key health outcomes;
- 16 (d) Care coordination and patient safety; and
- 17 (e) Use of the lowest cost, highest quality care for preventive
18 care and chronic and acute conditions.

19 (5) The committee shall develop a measure set that:

- 20 (a) Is of manageable size;
- 21 (b) Gives preference to nationally reported measures and, where
22 nationally reported measures may not be appropriate or available,
23 measures used by state agencies that purchase health care or commercial
24 health plans;

25 (c) Focuses on the overall performance of the system, including
26 outcomes and total cost;

27 (d) Is aligned with the governor's performance management system
28 measures and common measure requirements specific to medicaid delivery
29 systems under RCW 70.320.020 and 43.20A.895;

30 (e) Considers the needs of different stakeholders and the
31 populations served; and

32 (f) Is usable by multiple payers, providers, hospitals, purchasers,
33 public health, and communities as part of health improvement, care
34 improvement, provider payment systems, benefit design, and
35 administrative simplification for providers and hospitals.

36 (6) State agencies shall use the measure set developed under this
37 section to inform and set benchmarks for their purchasing.

1 (7) The committee shall establish a public process to periodically
2 evaluate the measure set and make additions or changes to the measure
3 set as needed.

4 NEW SECTION. **Sec. 3.** A new section is added to chapter 48.43 RCW
5 to read as follows:

6 (1) Each carrier offering or renewing a health benefit plan on or
7 after January 1, 2016, must offer member transparency tools with
8 certain price and quality information to enable the member to make
9 treatment decisions based on cost, quality, and patient experience.
10 The transparency tools must aim for best practices and, at a minimum:

11 (a) Must display cost data for common treatments within the
12 following categories:

- 13 (i) In-patient treatments;
- 14 (ii) Outpatient treatments;
- 15 (iii) Diagnostic tests; and
- 16 (iv) Office visits;

17 (b) Recognizing integrated health care delivery systems focus on
18 total cost of care, carrier's operating integrated care delivery
19 systems may meet the requirement of (a) of this subsection by providing
20 meaningful consumer data based on the total cost of care. This
21 subsection applies only to the portion of enrollment a carrier offers
22 pursuant to chapter 48.46 RCW and as part of an integrated delivery
23 system, and does not exempt from (a) of this subsection coverage
24 offered pursuant to chapter 48.21, 48.44, or 48.46 RCW if not part of
25 an integrated delivery system;

26 (c) Are encouraged to display the cost for prescription medications
27 on their member web site or through a link to a third party that
28 manages the prescription benefits;

29 (d) Must include a patient review option or method for members to
30 provide a rating or feedback on their experience with the medical
31 provider that allows other members to see the patient review, the
32 feedback must be monitored for appropriateness and validity, and the
33 site may include independently compiled quality of care ratings of
34 providers and facilities;

35 (e) Must allow members to access the estimated cost of the
36 treatment, or the total cost of care, as set forth in (a) and (b) of
37 this subsection on a portable electronic device;

1 (f) Must display options based on the selected search criteria for
2 members to compare;

3 (g) Must display the estimated cost of the treatment, or total cost
4 of the care episode, and the estimated out-of-pocket costs of the
5 treatment for the member and display the application of personalized
6 benefits such as deductibles and cost-sharing;

7 (h) Must display quality information on providers when available;
8 and

9 (i) Are encouraged to display alternatives that are more cost-
10 effective when there are alternatives available, such as the use of an
11 ambulatory surgical center when one is available or medical versus
12 surgical alternatives as appropriate.

13 (2) In addition to the required features on cost and quality
14 information, the member transparency tools must include information to
15 allow a provider and hospital search of in-network providers and
16 hospitals with provider information including specialists, distance
17 from patient, the provider's contact information, the provider's
18 education, board certification and other credentials, where to find
19 information on malpractice history and disciplinary actions, affiliated
20 hospitals and other providers in a clinic, and directions to provider
21 offices and hospitals.

22 (3) Each carrier offering or renewing a health benefit plan on or
23 after January 1, 2016, must provide enrollees with the performance
24 information required by section 2717 of the patient protection and
25 affordable care act, P.L. 111-148 (2010), as amended by the health care
26 and education reconciliation act, P.L. 111-152 (2010), and any federal
27 regulations or guidance issued under that section of the affordable
28 care act.

29 (4) Each carrier offering or renewing a health benefit plan on or
30 after January 1, 2016, must, within thirty days from the offer or
31 renewal date, attest to the office of the insurance commissioner that
32 the member transparency tools meet the requirements in this section and
33 access to the tools is available on the home page within the health
34 plan's secured member web site."

35 Correct the title.

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