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## Health Care & Wellness Committee

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### ESSB 6228

**Brief Description:** Concerning transparency tools for consumer information on health care cost and quality.

**Sponsors:** Senate Committee on Health Care (originally sponsored by Senators Mullet, Tom, Keiser, Frockt, Parlette, Hatfield, Cleveland, Fain, Becker, Ericksen, Rolfes and Pedersen).

<p style="text-align: center;"><b>Brief Summary of Engrossed Substitute Bill</b></p> <ul style="list-style-type: none"><li>• Requires health carriers to offer member transparency tools with certain price and quality information.</li></ul>
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**Hearing Date:** 2/24/14

**Staff:** Alexa Silver (786-7190).

**Background:**

Several resources are currently available for consumers to compare hospitals and providers based on quality measures and cost.

The Centers for Medicare and Medicaid Services (CMS) operates Hospital Compare and Physician Compare, websites that provide information about the quality of care provided by Medicare-enrolled providers and at Medicare-certified hospitals. The Office of Financial Management provides an information system, Washington State MONAHRQ, with information on hospital quality, utilization, avoidable hospitalizations, and county rates of hospital use.

The Washington Health Alliance's Community Checkup compares the quality of care provided by medical groups, clinics, and hospitals based on several measures. For example, the Community Checkup allows users to compare clinics based on measures related to primary care, health conditions, and patient experience.

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*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.*

The Washington State Hospital Association maintains a website that allows comparisons of hospitals based on certain quality indicators, as well as the average cost of services.

Some health carriers offer transparency tools to allow their members to compare providers and facilities based on cost, quality, and patient reviews.

**Summary of Bill:**

Each health carrier that offers a health benefit plan on or after January 1, 2016, must offer member transparency tools with certain price and quality information to enable members to make decisions based on cost, quality, and patient experience. The tools must aim for best practices.

Member transparency tools must include the following features on cost and quality:

- The tools must display cost data for common in-patient treatments, outpatient treatments, diagnostic treatments, and office visits. A health maintenance organization with an integrated delivery system may meet this requirement by providing meaningful consumer data based on the total cost of care. The transparency tools must also display the estimated out-of-pocket costs for the member and apply personalized benefits, such as deductibles and cost-sharing. The estimated cost of treatment or total cost of care should be accessible on a portable electronic device. The tools are encouraged to display cost-effective alternatives when available.
- The tools must include a patient review option for members to provide a rating or feedback on their experience with a provider, with such reviews visible to other members. Feedback must be monitored for appropriateness and validity, and the site may include independently compiled quality of care ratings. Where available, the tools must also display quality information on providers.
- The tools are encouraged to display the cost for prescription medications, either on the member website or through a link to a third party that manages prescription benefits.

The member transparency tools must display options based on search criteria for comparison and must also allow provider searches that provide specified information, including malpractice history, disciplinary actions, and affiliated hospitals.

Within 30 days of offering or renewing a plan, a carrier must attest to the Office of the Insurance Commissioner (OIC) that their member transparency tools meet these requirements and are available on a secure member website. The OIC may not expand these requirements by rule.

**Appropriation:** None.

**Fiscal Note:** Available.

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