

SENATE BILL REPORT

SB 6384

As of January 29, 2020

Title: An act relating to establishing a statewide tracking system for difficult to discharge patients.

Brief Description: Establishing a statewide tracking system for difficult to discharge patients.

Sponsors: Senators Becker, Cleveland, O'Ban, Frockt, Braun, Keiser and Warnick.

Brief History:

Committee Activity: Health & Long Term Care: 1/27/20.

Brief Summary of Bill

- Directs the Health Care Authority to create a claims code for hospitals and data suppliers to use for patients that stay in the hospital without a medical need.
- Requires data suppliers to submit the claims code to the all-payer health care claims database.
- Requires the all-payer health care claims database's lead organization to annually report to the Legislature certain information about the claims for patient stays without a medical need.

SENATE COMMITTEE ON HEALTH & LONG TERM CARE

Staff: LeighBeth Merrick (786-7445)

Background: In 2014, the Legislature established a statewide all-payer health care claims database. The goals of the database are to:

- improve transparency;
- assist patients, providers, and hospitals to make informed choices about care;
- enable providers, hospitals, and communities to benchmark their performance;
- enable purchasers to identify value, build expectations into their purchasing strategies, and reward improvements over time; and
- promote competition based on quality and cost.

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 Health Care Authority (HCA) oversees the database and is currently seeking a lead organization to manage the database. Data suppliers include the state Medicaid program, public employees' benefits board programs, school employees' benefits board programs, all health carriers operating in this state, all third-party administrators paying claims on behalf of health plans in this state and the state labor and industries program, and are required to submit claims data to the database within the time frames established by HCA and in accordance with procedures established by the lead organization.

Under the supervision of HCA, the lead organization must use statewide performance measures and the database to prepare health care data reports. Prior to releasing reports using claims data, the lead organization must submit the reports to HCA for review and approval.

Summary of Bill: HCA is required to create a claims code for tracking administrative days in the state. An administrative day is any day of an individual's hospital stay in which an acute inpatient or observation level of care is not medically necessary, and a lower level of care is appropriate. The claims code must be used for tracking purposes only and may not be used for reimbursement.

For each administrative day of a patient's stay in a hospital, the hospital must submit the claims code to the patient's primary insurance. Beginning January 1, 2021, the state Medicaid program, public employees' benefits board programs, school employees' benefits board programs, and all health carriers operating in this state must use the administrative day claims code to track administrative days of enrollees receiving hospital services in the state and must submit the administrative day claims to the database.

Beginning December 1, 2021, the database's lead organization must submit an annual report to the relevant committees of the Legislature regarding administrative day claims. The annual report must include the:

- number of administrative days by hospital;
- number of administrative days by health carrier;
- number of patients with administrative days by hospital;
- number of patients with administrative days by health carrier; and
- average number of administrative days per patient.

Appropriation: None.

Fiscal Note: Requested on January 21, 2020.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony: PRO: It is important we have this data in a form that we can query to understand more about the barriers to discharge. A lot of individuals with developmental disabilities are taken to the hospital when they enter a crisis, but once they are stabilized there is not a community placement so they are stuck in the hospital. Currently, there is no way to track this information and it is important that we have this data available.

The data should include whether the patient is receiving services from the state's Developmental Disabilities Administration.

OTHER: Commercial insurance does not use administrative days code, but uses a similar code. The database's data use committee should identify the code that would work best. More context is needed so the data is usable. Hospitals use an avoidable days code so we're not sure how the proposed code would work. We also have questions about whether the database is the best system to collect this information and think the data should include reasons why the patient was unable to discharge.

Persons Testifying: PRO: Senator Randi Becker, Prime Sponsor; Diana Stadden, citizen; Noah Seidel, Office of Developmental Disabilities Ombuds.

OTHER: Zosia Stanley, Washington State Hospital Association; Chris Bandoli, Association of Washington Healthcare Plans.

Persons Signed In To Testify But Not Testifying: No one.