

HOUSE BILL REPORT

SSB 5169

As Reported by House Committee On:
Health Care & Wellness

Title: An act relating to provider reimbursement for personal protective equipment during the state of emergency related to COVID-19.

Brief Description: Concerning provider reimbursement for personal protective equipment during the state of emergency related to COVID-19.

Sponsors: Senate Committee on Health & Long Term Care (originally sponsored by Senators Frockt, Holy, Carlyle, Das, Hunt, Kuderer, Lias, Randall, Robinson and Wilson, C.).

Brief History:

Committee Activity:

Health Care & Wellness: 3/15/21, 3/17/21 [DP].

Brief Summary of Substitute Bill

- Requires health plans to reimburse health care providers who bill for incurred personal protective equipment expenses at a rate of \$6.57 for each patient encounter for the duration of the federal public health emergency related to COVID-19.

HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

Majority Report: Do pass. Signed by 13 members: Representatives Cody, Chair; Bateman, Vice Chair; Caldier, Assistant Ranking Minority Member; Bronoske, Davis, Macri, Maycumber, Riccelli, Rude, Simmons, Stonier, Tharinger and Ybarra.

Minority Report: Without recommendation. Signed by 2 members: Representatives Schmick, Ranking Minority Member; Harris.

Staff: Christopher Blake (786-7392).

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Background:

On January 31, 2020, the Secretary of Health and Human Services declared a federal public health emergency exists due to COVID-19. The declaration has been renewed several times and the most recent declaration expires on April 21, 2021, unless further renewed.

The federal Centers for Disease Control and Prevention (CDC) recommends several controls in health care settings to prevent the transmission of COVID-19 infections, including engineering, modified work practices, and the use of personal protective equipment. The CDC has issued guidance on the use of personal protective equipment in health care delivery during the COVID-19 pandemic. The guidance includes implementing the universal use of personal protective equipment, including gloves, masks, gowns, and eye protection.

Summary of Substitute Bill:

Health benefit plans must reimburse health care providers who bill for incurred personal protective equipment expenses as a separate expense. The amount of the payment is established at \$6.57 for each patient encounter and only applies to in-person services. Cost sharing only applies to the covered service pursuant to the terms of the health plan and does not apply to expenses for personal protective equipment.

The reimbursement requirement only applies prospectively and lasts through the duration of the federal public health emergency related to COVID-19. The act expires upon the termination of the emergency.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony:

(In support) This is a simple, straight-forward bill that represents important financial support for health care providers who have incurred significant costs for personal protective equipment over the last year. Costs for personal protective equipment have increased significantly since the COVID-19 pandemic began. This is an important support for practices that are having to procure more supply, often at higher prices. This bill represents a compromise approach between the provider and carrier communities. A legislative fix is the best approach because the administrative burden on providers and insurers to negotiate

an insurance readjustment is considerable and a single rule enacted quickly by the Legislature will ensure that these critical funds get to where they do the most good.

(Opposed) None.

(Other) This bill does not apply to self-funded Public Employee Benefits Board and School Employee Benefits Board programs which cover the majority of state employees. If this mandate is good for private insurance plans to pay for, then it should be good for public insurance to pay for as well. This bill only applies to fully insured plans, not self-funded plans, and it is difficult for providers to know which type of plan a patient belongs to, which may result in patients being responsible for the bill. To avoid unintended consequences, the bill should clarify that health care providers may not seek reimbursement for personal protective equipment from patients.

Persons Testifying: (In support) Sean Graham, Washington State Medical Association; and Marta De La Torre, Washington State Medical Group Management Association.

(Other) Chris Bandoli, Association of Washington Healthcare Plans; and Gary Strannigan, Premera Blue Cross.

Persons Signed In To Testify But Not Testifying: None.