
HOUSE BILL 2341

State of Washington

52nd Legislature

1992 Regular Session

By Representatives Moyer, Braddock, Paris, Franklin, Hochstatter, Morris, Forner, Cantwell, Rasmussen, Hargrove, Padden, Wang, Winsley, Brough, Van Luven, Nealey, Chandler, Roland, D. Sommers, Mitchell, Bowman, Wynne, Spanel, May, Carlson, P. Johnson and Sprenkle

Read first time 01/15/92. Referred to Committee on Health Care.

1 AN ACT Relating to hospital charges to health care providers who
2 order them; adding a new section to chapter 70.41 RCW; and adding a new
3 section to chapter 71.12 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 70.41 RCW
6 to read as follows:

7 (1) The legislature finds that the spiraling costs of health care
8 continue to surmount efforts to contain them, increasing at
9 approximately twice the inflationary rate. The causes of this
10 phenomenon are complex. By making physicians and other health care
11 providers with hospital admitting privileges more aware of the cost
12 consequences of health care services for consumers, these providers may
13 be inclined to exercise more restraint in providing only the most
14 relevant and cost-beneficial hospital services, with a potential for

1 reducing the utilization of those services. The requirement of the
2 hospital to inform physicians and other health care providers of the
3 charges of the health care services that they order may have a positive
4 effect on containing health costs. Further, the option of the
5 physician or other health care provider to inform the patient of these
6 charges may strengthen the necessary dialogue in the provider-patient
7 relationship that tends to be diminished by intervening third-party
8 payors.

9 (2) The chief executive officer of a hospital licensed under this
10 chapter and the superintendent of a state hospital shall establish and
11 maintain a procedure for disclosing to physicians and other health care
12 providers with admitting privileges the charges of all in-house health
13 care services to be ordered for their patients. These charges shall be
14 posted on the patient's chart and shall include total charges to date
15 and an itemization of charges for the previous day. The physician or
16 other health care provider may inform the patient of these charges.

17 NEW SECTION. **Sec. 2.** A new section is added to chapter 71.12 RCW
18 to read as follows:

19 (1) The legislature finds that the spiraling costs of health care
20 continue to surmount efforts to contain them, increasing at
21 approximately twice the inflationary rate. The causes of this
22 phenomenon are complex. By making physicians and other health care
23 providers with hospital admitting privileges more aware of the cost
24 consequences of health care services for consumers, these providers may
25 be inclined to exercise more restraint in providing only the most
26 relevant and cost-beneficial hospital services, with a potential for
27 reducing the utilization of those services. The requirement of the
28 hospital to inform physicians and other health care providers of the
29 charges of the health care services that they order may have a positive

1 effect on containing health costs. Further, the option of the
2 physician or other health care provider to inform the patient of these
3 charges may strengthen the necessary dialogue in the provider-patient
4 relationship that tends to be diminished by intervening third-party
5 payors.

6 (2) The chief executive officer of a hospital licensed under this
7 chapter and the superintendent of a state hospital shall establish and
8 maintain a procedure for disclosing to physicians and other health care
9 providers with admitting privileges the charges of all in-house health
10 care services to be ordered for their patients. These charges shall be
11 posted on the patient's chart and shall include total charges to date
12 and an itemization of charges for the previous day. The physician or
13 other health care provider may inform the patient of these charges.