SSB 5501 - H COMM AMD

By Committee on Health Care & Wellness

NOT CONSIDERED 04/14/2009

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

3 "NEW SECTION. Sec. 1. The legislature finds that:

- 4 (1) The inability to securely share critical health information 5 between practitioners inhibits the delivery of safe, efficient care, as 6 evidenced by:
- 7 (a) Adverse drug events that result in an average of seven hundred 8 seventy thousand injuries and deaths each year; and
- 9 (b) Duplicative services that add to costs and jeopardize patient 10 well-being;
- 11 (2) Consumers are unable to act as fully informed participants in 12 their care unless they have ready access to their own health 13 information;
- 14 (3) The blue ribbon commission on health care costs and access 15 found that the development of a system to provide electronic access to 16 patient information anywhere in the state was a key to improving health 17 care; and
- 18 (4) In 2005, the legislature established a health information 19 infrastructure advisory board to develop a strategy for the adoption 20 and use of health information technologies that are consistent with 21 emerging national standards and promote interoperability of health 22 information systems.
- NEW SECTION. Sec. 2. A new section is added to chapter 41.05 RCW to read as follows:
- 25 The definitions in this section apply throughout sections 3 through 26 6 of this act unless the context clearly requires otherwise.
- 27 (1) "Administrator" means the administrator of the state health 28 care authority under this chapter.

- 1 (2) "Exchange" means the methods or medium by which health care 2 information may be electronically and securely exchanged among 3 authorized providers, payors, and patients within Washington state.
 - (3) "Health care provider" or "provider" has the same meaning as in RCW 48.43.005.
 - (4) "Health data provider" means an organization that is a primary source for health-related data for Washington residents, including but not limited to:
- 9 (a) The children's health immunizations linkages and development 10 profile immunization registry provided by the department of health 11 pursuant to chapter 43.70 RCW;
- 12 (b) Commercial laboratories providing medical laboratory testing 13 results;
- 14 (c) Prescription drugs clearinghouses, such as the national patient 15 health information network; and
 - (d) Diagnostic imaging centers.

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- 17 (5) "Lead organization" means a private sector organization or 18 organizations designated by the administrator to lead development of 19 processes, guidelines, and standards under this act.
 - (6) "Payor" means public purchasers, as defined in this section, carriers licensed under chapters 48.20, 48.21, 48.44, 48.46, and 48.62 RCW, and the Washington state health insurance pool established in chapter 48.41 RCW.
 - (7) "Public purchaser" means the department of social and health services, the department of labor and industries, and the health care authority.
 - (8) "Secretary" means the secretary of the department of health.
- NEW SECTION. Sec. 3. A new section is added to chapter 41.05 RCW to read as follows:
- 30 (1) By August 1, 2009, the administrator shall designate one or 31 more lead organizations to coordinate development of processes, 32 guidelines, and standards to:
- 33 (a) Improve patient access to and control of their own health care 34 information and thereby enable their active participation in their own 35 care; and
- 36 (b) Implement methods for the secure exchange of clinical data as 37 a means to promote:

- 1 (i) Continuity of care;
- 2 (ii) Quality of care;

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- 3 (iii) Patient safety; and
- 4 (iv) Efficiency in medical practices.
- 5 (2) The lead organization designated by the administrator under 6 this section shall:
- 7 (a) Be representative of health care privacy advocates, providers, 8 and payors across the state;
- 9 (b) Have expertise and knowledge in the major disciplines related 10 to the secure exchange of health data;
- 11 (c) Be able to support the costs of its work without recourse to
 12 state funding. The administrator and the lead organization are
 13 authorized and encouraged to seek federal funds, including funds from
 14 the federal American recovery and reinvestment act, as well as solicit,
 15 receive, contract for, collect, and hold grants, donations, and gifts
 16 to support the implementation of this section and section 4 of this
 17 act;
 - (d) In collaboration with the administrator, identify and convene work groups, as needed, to accomplish the goals of this section and section 4 of this act;
 - (e) Conduct outreach and communication efforts to maximize the adoption of the guidelines, standards, and processes developed by the lead organization;
 - (f) Submit regular updates to the administrator on the progress implementing the requirements of this section and section 4 of this act; and
 - (g) With the administrator, report to the legislature December 1, 2009, and on December 1st of each year through December 1, 2012, on progress made, the time necessary for completing tasks, and identification of future tasks that should be prioritized for the next improvement cycle.
- 32 (3) Within available funds as specified in subsection (2)(c) of this section, the administrator shall:
- 34 (a) Participate in and review the work and progress of the lead 35 organization, including the establishment and operation of work groups 36 for this section and section 4 of this act; and
- 37 (b) Consult with the office of the attorney general to determine 38 whether:

- 1 (i) An antitrust safe harbor is necessary to enable licensed 2 carriers and providers to develop common rules and standards; and, if 3 necessary, take steps, such as implementing rules or requesting 4 legislation, to establish a safe harbor; and
 - (ii) Legislation is needed to limit provider liability if their health records are missing health information despite their participation in the exchange of health information.
- 8 (4) The lead organization or organizations shall take steps to 9 minimize the costs that implementation of the processes, guidelines, 10 and standards may have on participating entities, including providers.
- 11 <u>NEW SECTION.</u> **Sec. 4.** A new section is added to chapter 41.05 RCW to read as follows:
- By December 1, 2011, the lead organization shall, consistent with the federal health insurance portability and accountability act, develop processes, guidelines, and standards that address:
- 16 (1) Identification and prioritization of high value health data 17 from health data providers. High value health data include:
 - (a) Prescriptions;
 - (b) Immunization records;
 - (c) Laboratory results;
- 21 (d) Allergies; and

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- 22 (e) Diagnostic imaging;
- 23 (2) Processes to request, submit, and receive data;
- 24 (3) Data security, including:
- 25 (a) Storage, access, encryption, and password protection;
- 26 (b) Secure methods for accepting and responding to requests for data;
- (c) Handling unauthorized access to or disclosure of individually identifiable patient health information, including penalties for unauthorized disclosure; and
- 31 (d) Authentication of individuals, including patients and 32 providers, when requesting access to health information, and 33 maintenance of a permanent audit trail of such requests, including:
 - (i) Identification of the party making the request;
- 35 (ii) The data elements reported; and
- 36 (iii) Transaction dates;

- 1 (4) Materials written in plain language that explain the exchange 2 of health information and how patients can effectively manage such 3 information, including the use of online tools for that purpose;
- 4 (5) Materials for health care providers that explain the exchange 5 of health information and the secure management of such information.
- 6 <u>NEW SECTION.</u> **Sec. 5.** A new section is added to chapter 41.05 RCW to read as follows:
- If any provision in sections 2 through 4 of this act conflicts with existing or new federal requirements, the administrator shall recommend modifications, as needed, to assure compliance with the aims of sections 2 through 4 of this act and federal requirements.
- NEW SECTION. Sec. 6. A new section is added to chapter 41.05 RCW to read as follows:
- Within available funds as specified in section 3(2)(c) of this act, by December 1, 2009, and annually thereafter, the administrator shall report to the legislature on the implementation of the requirements of sections 2 through 4 of this act, including:
- 18 (1) An assessment of the benefits and any drawbacks resulting from 19 the implementation of the exchanges; and
- 20 (2) Recommendations for legislation to help further the goals of sections 2 through 4 of this act.
- NEW SECTION. Sec. 7. Within available funds as specified in section 3(2)(c) of this act, by July 1, 2011, the office of financial management shall contract with an independent research organization to evaluate implementation of sections 3 and 4 of this act. The evaluation must include recommendations for program changes to better meet the goals of this act."
- 28 Correct the title.

<u>EFFECT:</u> Requires the lead organization to consider the cost of implementing the processes, guidelines, and standards and focus on the

most cost-effective ones that can be implemented by the majority of providers.

Directs the lead organization to attempt to minimize the implementation costs for participating entities.

Strikes the language authorizing the administrator of the health care authority to adopt by rule or submit legislation implementing the guidelines, standards, and processes if the lead organization fails to complete its work in a timely fashion.

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