

HOUSE BILL REPORT

SB 6487

As Reported by House Committee On:
Health Care & Wellness
Ways & Means

Title: An act relating to repealing the expiration of the fair payment for chiropractic services requirement.

Brief Description: Repealing the expiration of the fair payment for chiropractic services requirement.

Sponsors: Senators Franklin, Pridemore, Keiser, Carrell, Pflug, Schoesler, Delvin and Kline.

Brief History:

Committee Activity:

Health Care & Wellness: 2/19/10, 2/23/10 [DP];

Ways & Means: 2/27/10, 3/1/10 [DP].

Brief Summary of Bill

- Makes permanent the provision prohibiting health carriers from paying chiropractors less than other providers for services provided under the same codes.

HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

Majority Report: Do pass. Signed by 12 members: Representatives Cody, Chair; Driscoll, Vice Chair; Bailey, Campbell, Clibborn, Green, Herrera, Hinkle, Kelley, Moeller, Morrell and Pedersen.

Minority Report: Do not pass. Signed by 1 member: Representative Ericksen, Ranking Minority Member.

Staff: Chris Cordes (786-7103).

Background:

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.

By law, health carriers, including disability insurers, health care service contractors, and health maintenance organizations, must permit every category of provider to provide services for conditions covered by the plan. They must also offer health benefit plan enrollees an adequate choice among health care providers.

Neither state law nor Insurance Commissioner rules regulate the payment methodologies used by health carriers to reimburse for health care services. Since January 1, 2009, however, health carriers, including the Health Care Authority's public employee health insurance plans, have been prohibited from paying less to a chiropractor than they pay to another type of provider for services provided under the same code, unless certain exemptions are met. This prohibition expires on June 30, 2013.

Summary of Bill:

The provision that prohibits health carriers from paying chiropractors less than other providers for services provided under the same codes is made permanent by repealing the expiration date.

Appropriation: None.

Fiscal Note: Not requested.

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

Staff Summary of Public Testimony:

(In support) This bill makes permanent a statutory change that is a fairness issue for chiropractors. The requirement that insurers pay chiropractors no less than the rates paid to other professionals for the same services was put in place two years ago by the Legislature with broad, bipartisan support. At the request of insurers, the Governor vetoed the study from the bill, but left the termination date. The legislation resulted in payment increases for chiropractors, but only for the billing codes that were identified in the legislation. To many chiropractors, it feels like the bias against chiropractors is alive and well. Insurers, not individual providers, control payment rates and terms and conditions of the contract – for individual providers, it is a take it or leave it game.

(Opposed) Insurers supported the study and the sunset. It is only the first year of a 4-year period before sunset of the legislation. There is plenty of time before the scheduled sunset. It is premature to remove the sunset at this time. There are no data that warrant the removal of the sunset. The purpose of the sunset is to re-evaluate and examine change over a sufficient period of time. The opportunity to examine this issue further should be preserved.

Persons Testifying: (In support) Senator Franklin, prime sponsor; and Lori Bielinski, Washington State Chiropractic Association.

(Opposed) Mel Sorenson, Americas Health Insurance Plans; and Sydney Zvara, Association of Washington Health Care Plans.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass. Signed by 22 members: Representatives Linville, Chair; Ericks, Vice Chair; Sullivan, Vice Chair; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Dammeier, Assistant Ranking Minority Member; Chandler, Cody, Conway, Darneille, Haigh, Hinkle, Hunt, Hunter, Kagi, Kenney, Kessler, Pettigrew, Priest, Ross, Schmick and Seaquist.

Staff: Chris Blake (786-7392).

Summary of Recommendation of Committee On Ways & Means Compared to Recommendation of Committee On Health Care & Wellness:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) On average chiropractors had been paid 20-32 percent less than other providers for the exact same services. Insurers have flexibility in raising or lowering payments so that there are no overall higher rates and payments. Passing this bill will continue to protect fair payments for chiropractic services. This bill will not set any fees or give chiropractic providers any special treatment compared to other providers.

(Opposed) The sunset date is in place to examine what costs would do to the State General Fund and to the cost of providing services to state employees. Fees to chiropractors were raised by 65 percent in some cases. With all of the current discussions regarding health reform and what health care should look like, it is premature to delete the expiration date.

Persons Testifying: (In support) Jennifer Norlund, Washington Chiropractic Association.

(Opposed) Steve Gano, Premera Blue Cross; and Carrie Tellefson, Regence Blue Shield.

Persons Signed In To Testify But Not Testifying: None.