

SENATE BILL REPORT

SHB 1869

As Reported by Senate Committee On:
Health & Long-Term Care, March 19, 2009

Title: An act relating to transparency of health care cost information.

Brief Description: Concerning the transparency of health care cost information.

Sponsors: House Committee on Health Care & Wellness (originally sponsored by Representatives Bailey, Hinkle, Anderson, Ericksen and Kelley).

Brief History: Passed House: 3/04/09, 95-0.

Committee Activity: Health & Long-Term Care: 3/18/09, 3/19/09 [DPA, w/oRec].

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass as amended.

Signed by Senators Keiser, Chair; Franklin, Vice Chair; Fairley, Marr and Murray.

Minority Report: That it be referred without recommendation.

Signed by Senators Pflug, Ranking Minority Member; Becker and Parlette.

Staff: Mich'l Needham (786-7442)

Background: Currently, there is little transparency in the cost of health care services for consumers. Most health care delivered currently is paid primarily by a third party, either a health insurance carrier or a public program that purchases health care for covered individuals. Transparency and better public information on the cost and quality of health care can help providers improve by benchmarking their performance against others, encouraging private insurers and public programs to reward quality and efficiency, and helping patients make informed choices about their care.

Summary of Bill (Recommended Amendments): Health care providers and health care facilities must disclose an estimate of all fees and charges related to a specific service, visit or stay, at the request of the patient. Providers may refer the patient to their insurer for additional information on negotiated charges and fees and any applicable cost-sharing responsibilities of the patient.

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.

EFFECT OF CHANGES MADE BY HEALTH & LONG-TERM CARE COMMITTEE (Recommended Amendments): Providers and facilities must post a notice in a location visible to all patients that says, "You have the right to know the estimated cost of your health services before consenting to the services. Please do not hesitate to ask for information."

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony on Substitute House Bill: PRO: This is a simple first step to require providers to disclose some information on the cost of services when asked. It is very difficult for a patient to get information on the cost of a procedure before committing to it. Health care is the only industry that consumers have no access to cost information until much later, sometimes months later when services are billed. How can providers require patients to sign a consent form that they are responsible for all costs if insurance doesn't cover them, if they won't also provide some basic cost estimates with that consent form? It is also appropriate to have a posting that informs consumers they can ask about cost.

Persons Testifying: PRO: Representative Bailey, prime sponsor; Lori Bielinski, citizen.