

# HOUSE BILL REPORT

## ESSB 6120

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### As Passed House - Amended:

March 1, 1996

**Title:** An act relating to health insurance benefits following the birth of a child.

**Brief Description:** Establishing health insurance benefits following the birth of a child.

**Sponsors:** Senate Committee on Health & Long-Term Care (originally sponsored by Senators Quigley, Fairley, Kohl, McAuliffe, Loveland, Drew, Smith, Thibaudeau, Sheldon, Spanel, Rinehart, Bauer, Franklin, Wojahn, Goings, Winsley, Pelz and Rasmussen).

### Brief History:

#### Committee Activity:

Health Care: 2/20/96, 2/22/96, 2/23/96 [DPA].

#### Floor Activity:

Passed House - Amended: 3/1/96, 97-0.

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### HOUSE COMMITTEE ON HEALTH CARE

**Majority Report:** Do pass as amended. Signed by 10 members: Representatives Dyer, Chairman; Backlund, Vice Chairman; Hymes, Vice Chairman; Cody, Ranking Minority Member; Casada; Conway; Crouse; Morris; Sherstad and Skinner.

**Staff:** Bill Hagens (786-7131).

**Background:** Federal health agencies have identified a substantial reduction in the average length of stay for women delivering babies. This drop is generally associated with efforts by insurers and hospitals to reduce health care costs in a competitive market. Consumers and providers have expressed concern about the impact of these methods of cost control on health quality. Currently, there is no post-partum standard of care that is broadly accepted by insurers, hospitals, and providers. Although the American College of Obstetrics and Gynecology suggests post-partum stay guidelines of 48 hours for normal deliveries and a 96-hour stay for more complex deliveries, evidence supporting these thresholds is not strong.

**Summary of Bill:** The bill sets forth legislative intent as recognizing patient preference, the clinical sovereignty of providers, and health carriers' need to utilize managed care strategies.

An "attending provider" is defined as one who has clinical hospital privileges and is a physician, certified nurse midwife, licensed midwife, physician's assistant, or an advanced registered nurse practitioner. A "health carrier" is defined as a disability insurer, health care services contractor, health maintenance organization, the Washington State Health Care Authority, and the state health insurance pool.

Health carriers that cover maternity services are required to permit the attending provider, in consultation with the mother, to make decisions on the length of inpatient stay, as long as these decisions are based on accepted medical practice. Covered eligible services must include inpatient, post-delivery care to a mother and her newly born child for such care as ordered by the attending provider in consultation with the mother. Covered eligible services for the newly born child must be no less than the coverage for the child's mother, which can be for no less than three weeks, even if there is a separate hospital admission. At the time of discharge, decisions regarding follow-up care must be made by the attending provider in consultation with the mother and such decisions must be based on accepted medical practice. Coverage for follow-up services must be provided by an attending provider, a home health provider, or a registered nurse.

Coverage changes for public employees shall take effect January 1, 1998.

A carrier can not de-select, terminate the services of, require additional documentation from, require additional utilization review of, reduce payments to, or otherwise provide financial disincentives to any attending provider or health care facility solely as a result of the attending provider or health care facility ordering care consistent with this act.

A carrier must provide notice to policyholders regarding the coverage required by this act by January 1, 1997.

These provisions are not intended to establish a standard of medical care.

If funds are available, the Washington Health Care Policy Board must conduct an analysis of the effects of this act and report to the legislature by December 15, 1998.

The act is named after Erin Harris, the grandchild of Representative Kathy Lambert, who had difficulty obtaining appropriate newborn care.

**Appropriation:** None.

**Fiscal Note:** Available.

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

**Testimony For:** The bill is needed to protect providers and patients from arbitrary, cost- driven decisions made by insurers to limit payments. These insurance company decisions are establishing a standard of care at odds with accepted medical standards. The bill adopts standards recommended by the American Academy of Pediatrics for inpatient care. Decisions about how long a mother and infant should remain hospitalized should be made by a qualified health care professional, not the insurance company. Care decisions are too often being driven by considerations of cost, not good medical practice.

**Testimony Against:** The bill establishes a rigid service standard that may be too high or too low, but which will drive medical decisions. Any specific statutory minimum would do that. We need medical sovereignty, not government standards in maternity care. The bill is anti-managed care and anti-cost containment. Specific timelines and guidelines for medical practice shouldn't be put into statute or defined by a state agency. They should be left to the judgment of qualified health care providers.

**Testified:** Senator Kevin Quigley, prime sponsor; (pro) Beverly Jacobsen, Post-Birth Partnership; (pro) Christy Gallott, day care provider; (pro) Nick Federici, Washington State Nurses Association; (pro) Dr. Robert Pringle, Washington State Medical Association; (pro) Rick Wickman, Blue Cross; (con) Scott DeNies, Pierce County Medical; (con) and Jim Halstrom, Health Care Purchasers Association. (con)