

SENATE BILL REPORT

ESSB 6120

As Passed Senate, February 12, 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 & Long-Term Care: 9/22/95; 10/27/95, 1/19/96 [DPS, DNP].

Ways & Means: 2/1/96; 2/5/96 [DPS (HEA)].

Passed Senate, 2/12/96, 49-0.

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: That Substitute Senate Bill No. 6120 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Quigley, Chair; Wojahn, Vice Chair; Fairley, Franklin and Thibaudeau.

Minority Report: Do not pass.

Signed by Senators Moyer and Winsley.

Staff: Don Sloma (786-7319)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 6120 as recommended by Committee on Health & Long-Term Care be substituted therefor, and the substitute bill do pass.

Signed by Senators Rinehart, Chair; Loveland, Vice Chair; Bauer, Drew, Fraser, Hargrove, Kohl, Pelz, Quigley, Sheldon, Snyder, Spanel, Winsley and Wojahn.

Staff: Tim Yowell (786-7435)

Background: The federal Centers for Disease Control report that from 1970 to 1992 the average length of stay for women delivering babies vaginally dropped from 3.9 days to 2.1 days. More recently, citizens, individual health professionals, and some health professional associations have reported concern over pressure to shorten post-partum hospital stays to 24 hours or less. The media have reported that post-partum hospital stays of 12 to 15 hours are common, and have identified cases of hospital releases as soon as 8 hours after normal delivery.

There are conflicting reports about the reasons for and the advisability of this most recent round of reductions in the length of post-partum hospital stays.

The American College of Obstetrics and Gynecology has recommended that decisions about the length of post-partum hospital stays be returned to physicians. They suggest a 48-hour post-partum stay guideline for normal deliveries and a 96-hour stay for more complex deliveries.

Summary of Bill: All state purchased health care and all health benefit plans issued or renewed by health care service contractors, health maintenance organizations and commercial insurers which include coverage for maternity services may not deny coverage determined by an attending provider to be medically necessary for in-patient, postdelivery care to a mother and her newly born child for a period of 48 hours from the end of the day of delivery for a vaginal delivery and 96 hours for a cesarean section, unless procedures in the act are followed.

Any decision to shorten the length of in-patient stay must be made by the attending health care provider, as defined in the act, after conferring with the mother. Such decisions must not be made by contract or other agreement between insurers and providers or patients.

If in-patient coverage is shortened by an attending provider, a carrier may not deny coverage for three medically necessary follow-up visits within 14 days of discharge. During this time, certain health assessments, tests and other services specified in the bill must be provided if they are medically necessary. The first visit must be conducted by an attending provider or a registered nurse. Subsequent visits may be done by any licensed provider, including home health agencies.

Every insurer for maternity services, including state purchasers, must notify its policyholders regarding these new maternity care coverage requirements in writing by January 1, 1997, or by its next policy renewal date.

No insurer, including state purchasers, may provide financial disincentives or take other adverse action against any attending provider or health care facility solely as a result of their ordering care consistent with this section.

The law is intended to provide a standard for insurance coverage, not a standard of medical care.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For (Health & Long-Term Care): 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.

Testimony Against (Health & Long-Term Care): 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 in anti-managed care and anti-cost containment.

Testified (Health & Long-Term Care): Ann Kepler, Evergreen Hospital Med. Center; Beverly Jacobson, Post Birth Partnership; Pam Jordan, UW; Frank Wall, Prov. Gen. Med. Center; Linda Chagnon, Ann Kelley, Group Health Cooperative; Gail McGaffick, Cheri Hollenback, Home Care Assn. of WA (pro); Jan Beyer, DSHS/Medicaid (pro); Seth Dawson, Terry Clark, Common Ground for Children (pro); Dave Broderick, Hospital Assn. (pro); Diane Stollenwerk, Providence Health System and Peace Health (pro w/amend.); Ann Simon, WFCW #17 (pro); Laurie Lippold, Children's Home Society (pro); Carol Monohon, AWB (con); Rick Wickman, Blue Cross (con); Judy Rarrel (pro).

Testimony For (Ways & Means): 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 (Ways & Means): 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 (Ways & Means): Nick Federici, Washington State Nurses Assn. (pro); Seth Dawson, Common Ground for Children (pro); Ellie Menzies, SEIU/1199 NW (pro); Lonnie Johns-Brown, National Organization for Women (pro); Susie Tracy, Washington State Medical Assn. (concerns); Sharon Foster, American College of Obstetrics and Gynecology (concerns); Ken Bertrand, Group Health Cooperative (concerns).

House Amendment(s): The Senate bill is stricken and replaced with provisions which duplicate the provisions of the stricken bill with the following additions and deletions.

Legislative intent language is deleted which stated that the bill was intended to provide a standard of insurance coverage.

Specific durations for post-delivery, in-patient stays are deleted. These are 48 hours for a vaginal delivery and 96 hours for a caesarean section in the Senate passed version of the bill.

The ability to replace such required coverage with up to three medically necessary follow-up visits is deleted.

The requirement that coverage for the newborn must equal that of the mother for at least three weeks post-delivery, including separate hospital admissions, is added.

Specific authority for the Insurance Commissioner to adopt rules to implement the act is deleted.

The act's effect is focused only on contracts issued and renewed after the effective date of the act, only on plans operating under the state's Health Care Authority beginning in January 1, 1998.