
ENGROSSED SUBSTITUTE SENATE BILL 6120

State of Washington

54th Legislature

1996 Regular Session

By 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)

Read first time 01/22/96.

1 AN ACT Relating to health insurance benefits following the birth of
2 a child; amending RCW 43.73.030; adding a new section to chapter 41.05
3 RCW; adding a new section to chapter 48.20 RCW; adding a new section to
4 chapter 48.21 RCW; adding a new section to chapter 48.44 RCW; adding a
5 new section to chapter 48.46 RCW; and creating new sections.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 NEW SECTION. **Sec. 1.** It is the intent of the legislature that the
8 patient's preference and the judgment of the patient's health care
9 provider about appropriate medical care determine the duration and type
10 of care provided to mothers and their newly born children. It is not
11 the intent of the legislature to establish a maximum time period for
12 such care, but to ensure adequate insurance coverage and choices of
13 postpartum care sites for patients.

14 NEW SECTION. **Sec. 2.** A new section is added to chapter 41.05 RCW
15 to read as follows:

16 (1)(a) If a state purchased health care plan offered under a
17 contract entered into between the state and the carrier after the
18 effective date of this section includes coverage for maternity

1 services, decisions on the length of inpatient stay must be made by the
2 attending provider in consultation with the mother, rather than through
3 contracts or agreements between providers, hospitals, and insurers.
4 These decisions must be based on accepted medical practice. However,
5 coverage may not be denied for inpatient, postdelivery care to a mother
6 and her newly born child for a period of forty-eight hours after 11:59
7 p.m. on the day of delivery for a vaginal delivery and ninety-six hours
8 after 11:59 p.m. on the day of delivery for a cesarean section if such
9 care is advised by the attending provider in consultation with the
10 mother.

11 (b) Any decision to shorten the length of inpatient stay to less
12 than that provided under (a) of this subsection must be made by the
13 attending provider after conferring with the mother.

14 (c) At the time of discharge, determination of the type and
15 location of continued care must be made by the attending provider in
16 consultation with the mother rather than by contract or agreement
17 between the hospital and the insurer. These decisions must be based on
18 accepted medical practice.

19 (d) Nothing in this section shall be construed to require attending
20 providers to authorize care they believe to be medically unnecessary.

21 (2) For the purposes of this section, "attending provider" includes
22 any of the following with hospital privileges: Physicians licensed
23 under chapter 18.57 or 18.71 RCW, certified nurse midwives licensed
24 under chapter 18.79 RCW, midwives licensed under chapter 18.50 RCW,
25 physician's assistants licensed under chapter 18.57A or 18.71A RCW, and
26 advanced registered nurse practitioners licensed under chapter 18.79
27 RCW.

28 (3) If a mother and newborn are discharged pursuant to subsection
29 (1)(b) of this section prior to the inpatient length of stay provided
30 under subsection (1)(a) of this section, coverage may not be denied for
31 three follow-up in-home, clinic, provider office, or hospital
32 outpatient visits within fourteen days of delivery, if recommended by
33 the attending provider. Covered services must include a first visit
34 conducted by the attending provider, as defined in this section, or a
35 registered nurse. Any subsequent visit determined to be medically
36 necessary must be provided by a licensed health care provider if such
37 care is advised by the attending provider. Covered services provided
38 must include, but are not limited to, physical assessment of the mother
39 and newborn, parent education, assistance and training in breast or

1 bottle feeding, assessment of the home support system, and the
2 performance of any medically necessary and appropriate clinical tests.
3 Coverage for providers of follow-up services must include, but need not
4 be limited to, attending providers as defined in this section, home
5 health agencies licensed under chapter 70.127 RCW, and registered
6 nurses licensed under chapter 18.79 RCW.

7 (4) No state purchased health care plan that includes coverage for
8 maternity services may deselect, terminate the services of, require
9 additional documentation from, require additional utilization review
10 of, reduce payments to, or otherwise provide financial disincentives to
11 any attending provider or health care facility solely as a result of
12 the attending provider or health care facility ordering care consistent
13 with the provisions of this section. Nothing in this section shall be
14 construed to prevent any insurer from reimbursing an attending provider
15 or health care facility on a capitated, case rate, or other financial
16 incentive basis.

17 (5) Every state purchased health care plan that includes coverage
18 for maternity services must provide notice to policyholders regarding
19 the coverage required under this section. The notice must be in
20 writing and must be transmitted at the earliest of the next mailing to
21 the policyholder, the yearly summary of benefits sent to the
22 policyholder, or January 1 of the year following the effective date of
23 this section.

24 (6) This section is intended only to establish a standard of
25 coverage, not a standard of medical care.

26 NEW SECTION. **Sec. 3.** A new section is added to chapter 48.20 RCW
27 to read as follows:

28 (1)(a) If an insurer offers to any individual a health benefit plan
29 that is issued or renewed after the effective date of this section, and
30 that provides coverage for maternity services, decisions on the length
31 of inpatient stay must be made by the attending provider in
32 consultation with the mother, rather than through contracts or
33 agreements between providers, hospitals, and insurers. These decisions
34 must be based on accepted medical practice. However, coverage may not
35 be denied for inpatient, postdelivery care to a mother and her newly
36 born child for a period of forty-eight hours after 11:59 p.m. on the
37 day of delivery for a vaginal delivery and ninety-six hours after 11:59

1 p.m. on the day of delivery for a cesarean section if such care is
2 advised by the attending provider in consultation with the mother.

3 (b) Any decision to shorten the length of inpatient stay to less
4 than that provided under (a) of this subsection must be made by the
5 attending provider after conferring with the mother.

6 (c) At the time of discharge, determination of the type and
7 location of continued care must be made by the attending provider in
8 consultation with the mother rather than by contract or agreement
9 between the hospital and the insurer. These decisions must be based on
10 accepted medical practice.

11 (d) Nothing in this section shall be construed to require attending
12 providers to authorize care they believe to be medically unnecessary.

13 (2) For the purposes of this section, "attending provider" includes
14 any of the following with hospital privileges: Physicians licensed
15 under chapter 18.57 or 18.71 RCW, certified nurse midwives licensed
16 under chapter 18.79 RCW, midwives licensed under chapter 18.50 RCW,
17 physician's assistants licensed under chapter 18.57A or 18.71A RCW, and
18 advanced registered nurse practitioners licensed under chapter 18.79
19 RCW.

20 (3) If a mother and newborn are discharged pursuant to subsection
21 (1)(b) of this section prior to the inpatient length of stay provided
22 under subsection (1)(a) of this section, coverage may not be denied for
23 three follow-up in-home, clinic, provider office, or hospital
24 outpatient visits within fourteen days of delivery, if recommended by
25 the attending provider. Covered services must include a first visit
26 conducted by the attending provider, as defined in this section, or a
27 registered nurse. Any subsequent visit determined to be medically
28 necessary must be provided by a licensed health care provider if such
29 care is advised by the attending provider. Covered services provided
30 must include, but are not limited to, physical assessment of the mother
31 and newborn, parent education, assistance and training in breast or
32 bottle feeding, assessment of the home support system, and the
33 performance of any medically necessary and appropriate clinical tests.
34 Coverage for providers of follow-up services must include, but need not
35 be limited to, attending providers as defined in this section, home
36 health agencies licensed under chapter 70.127 RCW, and registered
37 nurses licensed under chapter 18.79 RCW.

38 (4) No insurer that offers to any individual a health benefit plan
39 that provides coverage for maternity services may deselect, terminate

1 the services of, require additional documentation from, require
2 additional utilization review of, reduce payments to, or otherwise
3 provide financial disincentives to any attending provider or health
4 care facility solely as a result of the attending provider or health
5 care facility ordering care consistent with the provisions of this
6 section. Nothing in this section shall be construed to prevent any
7 insurer from reimbursing an attending provider or health care facility
8 on a capitated, case rate, or other financial incentive basis.

9 (5) Every insurer that offers to any individual a health benefit
10 plan that provides coverage for maternity services must provide notice
11 to policyholders regarding the coverage required under this section.
12 The notice must be in writing and must be transmitted at the earliest
13 of the next mailing to the policyholder, the yearly summary of benefits
14 sent to the policyholder, or January 1 of the year following the
15 effective date of this section.

16 (6) This section is intended only to establish a standard of
17 coverage, not a standard of medical care.

18 NEW SECTION. **Sec. 4.** A new section is added to chapter 48.21 RCW
19 to read as follows:

20 (1)(a) If a group disability insurance contract or blanket
21 disability insurance contract that is issued or renewed after the
22 effective date of this section, providing health care services,
23 provides coverage for maternity services, decisions on the length of
24 inpatient stay must be made by the attending provider in consultation
25 with the mother, rather than through contracts or agreements between
26 providers, hospitals, and insurers. These decisions must be based on
27 accepted medical practice. However, coverage may not be denied for
28 inpatient, postdelivery care to a mother and her newly born child for
29 a period of forty-eight hours after 11:59 p.m. on the day of delivery
30 for a vaginal delivery and ninety-six hours after 11:59 p.m. on the day
31 of delivery for a cesarean section if such care is advised by the
32 attending provider in consultation with the mother.

33 (b) Any decision to shorten the length of inpatient stay to less
34 than that provided under (a) of this subsection must be made by the
35 attending provider after conferring with the mother.

36 (c) At the time of discharge, determination of the type and
37 location of continued care must be made by the attending provider in
38 consultation with the mother rather than by contract or agreement

1 between the hospital and the insurer. These decisions must be based on
2 accepted medical practice.

3 (d) Nothing in this section shall be construed to require attending
4 providers to authorize care they believe to be medically unnecessary.

5 (2) For the purposes of this section, "attending provider" includes
6 any of the following with hospital privileges: Physicians licensed
7 under chapter 18.57 or 18.71 RCW, certified nurse midwives licensed
8 under chapter 18.79 RCW, midwives licensed under chapter 18.50 RCW,
9 physician's assistants licensed under chapter 18.57A or 18.71A RCW, and
10 advanced registered nurse practitioners licensed under chapter 18.79
11 RCW.

12 (3) If a mother and newborn are discharged pursuant to subsection
13 (1)(b) of this section prior to the inpatient length of stay provided
14 under subsection (1)(a) of this section, coverage may not be denied for
15 three follow-up in-home, clinic, provider office, or hospital
16 outpatient visits within fourteen days of delivery, if recommended by
17 the attending provider. Covered services must include a first visit
18 conducted by the attending provider, as defined in this section, or a
19 registered nurse. Any subsequent visit determined to be medically
20 necessary must be provided by a licensed health care provider if such
21 care is advised by the attending provider. Covered services provided
22 must include, but are not limited to, physical assessment of the mother
23 and newborn, parent education, assistance and training in breast or
24 bottle feeding, assessment of the home support system, and the
25 performance of any medically necessary and appropriate clinical tests.
26 Coverage for providers of follow-up services must include, but need not
27 be limited to, attending providers as defined in this section, home
28 health agencies licensed under chapter 70.127 RCW, and registered
29 nurses licensed under chapter 18.79 RCW.

30 (4) No group disability insurance contract or blanket disability
31 insurance contract, providing health care services, that provides
32 coverage for maternity services, may deselect, terminate the services
33 of, require additional documentation from, require additional
34 utilization review of, reduce payments to, or otherwise provide
35 financial disincentives to any attending provider or health care
36 facility solely as a result of the attending provider or health care
37 facility ordering care consistent with the provisions of this section.
38 Nothing in this section shall be construed to prevent any insurer from

1 reimbursing an attending provider or health care facility on a
2 capitated, case rate, or other financial incentive basis.

3 (5) Every group disability insurance contract or blanket disability
4 insurance contract, providing health care services, that provides
5 coverage for maternity services, must provide notice to policyholders
6 regarding the coverage required under this section. The notice must be
7 in writing and must be transmitted at the earliest of the next mailing
8 to the policyholder, the yearly summary of benefits sent to the
9 policyholder, or January 1 of the year following the effective date of
10 this section.

11 (6) This section is intended only to establish a standard of
12 coverage, not a standard of medical care.

13 NEW SECTION. **Sec. 5.** A new section is added to chapter 48.44 RCW
14 to read as follows:

15 (1)(a) If a health service contractor offers a health benefit plan
16 that is issued or renewed after the effective date of this section, and
17 that provides coverage for maternity services, decisions on the length
18 of inpatient stay must be made by the attending provider in
19 consultation with the mother, rather than through contracts or
20 agreements between providers, hospitals, and insurers. These decisions
21 must be based on accepted medical practice. However, coverage may not
22 be denied for inpatient, postdelivery care to a mother and her newly
23 born child for a period of forty-eight hours after 11:59 p.m. on the
24 day of delivery for a vaginal delivery and ninety-six hours after 11:59
25 p.m. on the day of delivery for a cesarean section if such care is
26 advised by the attending provider in consultation with the mother.

27 (b) Any decision to shorten the length of inpatient stay to less
28 than that provided under (a) of this subsection must be made by the
29 attending provider after conferring with the mother.

30 (c) At the time of discharge, determination of the type and
31 location of continued care must be made by the attending provider in
32 consultation with the mother rather than by contract or agreement
33 between the hospital and the insurer. These decisions must be based on
34 accepted medical practice.

35 (d) Nothing in this section shall be construed to require attending
36 providers to authorize care they believe to be medically unnecessary.

37 (2) For the purposes of this section, "attending provider" includes
38 any of the following with hospital privileges: Physicians licensed

1 under chapter 18.57 or 18.71 RCW, certified nurse midwives licensed
2 under chapter 18.79 RCW, midwives licensed under chapter 18.50 RCW,
3 physician's assistants licensed under chapter 18.57A or 18.71A RCW, and
4 advanced registered nurse practitioners licensed under chapter 18.79
5 RCW.

6 (3) If a mother and newborn are discharged pursuant to subsection
7 (1)(b) of this section prior to the inpatient length of stay provided
8 under subsection (1)(a) of this section, coverage may not be denied for
9 three follow-up in-home, clinic, provider office, or hospital
10 outpatient visits within fourteen days of delivery, if recommended by
11 the attending provider. Covered services must include a first visit
12 conducted by the attending provider, as defined in this section, or a
13 registered nurse. Any subsequent visit determined to be medically
14 necessary must be provided by a licensed health care provider if such
15 care is advised by the attending provider. Covered services provided
16 must include, but are not limited to, physical assessment of the mother
17 and newborn, parent education, assistance and training in breast or
18 bottle feeding, assessment of the home support system, and the
19 performance of any medically necessary and appropriate clinical tests.
20 Coverage for providers of follow-up services must include, but need not
21 be limited to, attending providers as defined in this section, home
22 health agencies licensed under chapter 70.127 RCW, and registered
23 nurses licensed under chapter 18.79 RCW.

24 (4) No health service contractor that offers a health benefit plan
25 that provides coverage for maternity services may deselect, terminate
26 the services of, require additional documentation from, require
27 additional utilization review of, reduce payments to, or otherwise
28 provide financial disincentives to any attending provider or health
29 care facility solely as a result of the attending provider or health
30 care facility ordering care consistent with the provisions of this
31 section. Nothing in this section shall be construed to prevent any
32 insurer from reimbursing an attending provider or health care facility
33 on a capitated, case rate, or other financial incentive basis.

34 (5) Every health service contractor that offers a health benefit
35 plan that provides coverage for maternity services must provide notice
36 to policyholders regarding the coverage required under this section.
37 The notice must be in writing and must be transmitted at the earliest
38 of the next mailing to the policyholder, the yearly summary of benefits

1 sent to the policyholder, or January 1 of the year following the
2 effective date of this section.

3 (6) This section is intended only to establish a standard of
4 coverage, not a standard of medical care.

5 NEW SECTION. **Sec. 6.** A new section is added to chapter 48.46 RCW
6 to read as follows:

7 (1)(a) If a health maintenance organization offers a health benefit
8 plan that is issued or renewed after the effective date of this
9 section, and that provides coverage for maternity services, decisions
10 on the length of inpatient stay must be made by the attending provider
11 in consultation with the mother, rather than through contracts or
12 agreements between providers, hospitals, and insurers. These decisions
13 must be based on accepted medical practice. However, coverage may not
14 be denied for inpatient, postdelivery care to a mother and her newly
15 born child for a period of forty-eight hours after 11:59 p.m. on the
16 day of delivery for a vaginal delivery and ninety-six hours after 11:59
17 p.m. on the day of delivery for a cesarean section if such care is
18 advised by the attending provider in consultation with the mother.

19 (b) Any decision to shorten the length of inpatient stay to less
20 than that provided under (a) of this subsection must be made by the
21 attending provider after conferring with the mother.

22 (c) At the time of discharge, determination of the type and
23 location of continued care must be made by the attending provider in
24 consultation with the mother rather than by contract or agreement
25 between the hospital and the insurer. These decisions must be based on
26 accepted medical practice.

27 (d) Nothing in this section shall be construed to require attending
28 providers to authorize care they believe to be medically unnecessary.

29 (2) For the purposes of this section, "attending provider" includes
30 any of the following with hospital privileges: Physicians licensed
31 under chapter 18.57 or 18.71 RCW, certified nurse midwives licensed
32 under chapter 18.79 RCW, midwives licensed under chapter 18.50 RCW,
33 physician's assistants licensed under chapter 18.57A or 18.71A RCW, and
34 advanced registered nurse practitioners licensed under chapter 18.79
35 RCW.

36 (3) If a mother and newborn are discharged pursuant to subsection
37 (1)(b) of this section prior to the inpatient length of stay provided
38 under subsection (1)(a) of this section, coverage may not be denied for

1 three follow-up in-home, clinic, provider office, or hospital
2 outpatient visits within fourteen days of delivery, if recommended by
3 the attending provider. Covered services must include a first visit
4 conducted by the attending provider, as defined in this section, or a
5 registered nurse. Any subsequent visit determined to be medically
6 necessary must be provided by a licensed health care provider if such
7 care is advised by the attending provider. Covered services provided
8 must include, but are not limited to, physical assessment of the mother
9 and newborn, parent education, assistance and training in breast or
10 bottle feeding, assessment of the home support system, and the
11 performance of any medically necessary and appropriate clinical tests.
12 Coverage for providers of follow-up services must include, but need not
13 be limited to, attending providers as defined in this section, home
14 health agencies licensed under chapter 70.127 RCW, and registered
15 nurses licensed under chapter 18.79 RCW.

16 (4) No health maintenance organization that offers a health benefit
17 plan that provides coverage for maternity services may deselect,
18 terminate the services of, require additional documentation from,
19 require additional utilization review of, reduce payments to, or
20 otherwise provide financial disincentives to any attending provider or
21 health care facility solely as a result of the attending provider or
22 health care facility ordering care consistent with the provisions of
23 this section. Nothing in this section shall be construed to prevent
24 any insurer from reimbursing an attending provider or health care
25 facility on a capitated, case rate, or other financial incentive basis.

26 (5) Every health maintenance organization that offers a health
27 benefit plan that provides coverage for maternity services must provide
28 notice to policyholders regarding the coverage required under this
29 section. The notice must be in writing and must be transmitted at the
30 earliest of the next mailing to the policyholder, the yearly summary of
31 benefits sent to the policyholder, or January 1 of the year following
32 the effective date of this section.

33 (6) This section is intended only to establish a standard of
34 coverage, not a standard of medical care.

35 NEW SECTION. **Sec. 7.** The insurance commissioner shall adopt rules
36 to implement sections 1 through 6 of this act, which shall be
37 consistent, when appropriate, with the guidelines for postpartum care
38 adopted by the department of health under this act.

1 NEW SECTION. **Sec. 8.** The legislature finds that residents of
2 Washington require a system of maternity care that provides adequate
3 prenatal and postnatal services to maintain and improve the health of
4 women and their newborns. The changing health care market challenges
5 the ability of providers to ensure a system of such care. The health
6 care policy board has the authority to research, investigate, and
7 develop options on issues on the scope, financing, and delivery of
8 health care and has agreed to take on this task if requested by the
9 legislature.

10 **Sec. 9.** RCW 43.73.030 and 1995 c 265 s 11 are each amended to read
11 as follows:

12 The board shall have the following powers and duties:

13 (1) Periodically make recommendations to the appropriate committees
14 of the legislature and the governor on issues including, but not
15 limited to the following:

16 (a) The scope, financing, and delivery of health care benefit plans
17 including access for both the insured and uninsured population;

18 (b) Long-term care services including the finance and delivery of
19 such services in conjunction with the basic health plan by 1999;

20 (c) The use of health care savings accounts including their impact
21 on the health of participants and the cost of health insurance;

22 (d) Rural health care needs;

23 (e) Whether Washington is experiencing an increase in immigration
24 as a result of health insurance reforms and the availability of
25 subsidized and unsubsidized health care benefits;

26 (f) The status of medical education and make recommendations
27 regarding steps possible to encourage adequate availability of health
28 care professionals to meet the needs of the state's populations with
29 particular attention to rural areas;

30 (g) The implementation of community rating and its impacts on the
31 marketplace including costs and access;

32 (h) The status of quality improvement programs in both the public
33 and private sectors;

34 (i) Models for billing and claims processing forms, ensuring that
35 these procedures minimize administrative burdens on health care
36 providers, facilities, carriers, and consumers. These standards shall
37 also apply to state-purchased health services where appropriate;

1 (j) Guidelines to health carriers for utilization management and
2 review, provider selection and termination policies, and coordination
3 of benefits and premiums; and

4 (k) Study the feasibility of including long-term care services in
5 a medicare supplemental insurance policy offered according to RCW
6 41.05.197;

7 (2) Review rules prepared by the insurance commissioner, health
8 care authority, department of social and health services, department of
9 labor and industries, and department of health, and make
10 recommendations where appropriate to facilitate consistency with the
11 goals of health reform;

12 (3) Make recommendations on a system for managing health care
13 services to children with special needs and report to the governor and
14 the legislature on their findings by January 1, 1997;

15 (4) Conduct a comparative analysis of individual and group
16 insurance markets addressing: Relative costs; utilization rates;
17 adverse selection; and specific impacts upon small businesses and
18 individuals. The analysis shall address, also, the necessity and
19 feasibility of establishing explicit related policies, to include, but
20 not be limited to, establishing the maximum allowable individual
21 premium rate as a percentage of the small group premium rate. The
22 board shall submit an interim report on its findings to the governor
23 and appropriate committees of the legislature by December 15, 1995, and
24 a final report on December 15, 1996;

25 (5) Conduct an analysis of the financing and delivery of maternity
26 care included in public and private individual and group insurance
27 markets and address and develop options for a system of maternity care
28 that includes, but is not limited to, appropriate level of prenatal,
29 inpatient, and outpatient care, physical assessment of the newborn, the
30 performance of any medically necessary and appropriate clinical tests,
31 parent education, lactation and bottle feeding education, and
32 assistance and assessment of home support;

33 (6) Develop sample enrollee satisfaction surveys that may be used
34 by health carriers.

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