

FINAL BILL REPORT

SHB 2227

C 336 L 97

Synopsis as Enacted

Brief Description: Establishing requirements for health services providers under industrial insurance.

Sponsors: By House Committee on Commerce & Labor (originally sponsored by Representatives Clements and McMorris).

House Committee on Commerce & Labor
Senate Committee on Commerce & Labor

Background: To treat injured workers under the industrial insurance system, a health services provider must qualify as an approved provider. The Department of Labor and Industries approves providers and issues provider numbers. The department may deny an application or terminate or suspend a provider's eligibility to participate as a provider for injured workers.

Under the Uniform Disciplinary Act, covered health services providers are subject to discipline for using advertising that is false, fraudulent, or misleading. Some professional licensing statutes also make it unethical conduct for providers to use false, misleading, or deceptive advertisements.

The industrial insurance law makes it a class C felony for any person or entity to solicit or receive, or offer or pay, a kickback, bribe, or rebate in return for referring a claimant for industrial insurance services or for purchasing or recommending goods or services covered by industrial insurance. This penalty does not apply to properly disclosed discounts. The law does not address payments that may be made to a provider for acting as the claimant's authorized representative to procure services.

Summary: A health services provider who provides health care services to an injured worker while acting as the worker's representative to obtain authorization for the services and who charges a percentage of the benefits or other fee for acting as the worker's representative is guilty of a gross misdemeanor. A fine may be imposed up to \$25,000.

The Department of Labor and Industries may deny the application of a health care providers to participate as a provider of services to injured workers, or terminate or suspend the provider's eligibility to participate, if the provider uses false, misleading,

or deceptive advertising regarding the industrial insurance system or benefits for injured workers.

Votes on Final Passage:

House 98 0

Senate 42 0 (Senate amended)

House 98 0 (House concurred)

Effective: July 27, 1997