

SENATE BILL REPORT

EHB 1968

As Reported By Senate Committee On:
Health & Long-Term Care, March 31, 1999

Title: An act relating to the scope of mental health record audits.

Brief Description: Limiting the scope of mental health record audits.

Sponsors: Representatives Van Luven, Cody, Alexander and Parlette.

Brief History:

Committee Activity: Health & Long-Term: 3/25/99, 3/31/99 [DP].

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass.

Signed by Senators Thibaudeau, Chair; Wojahn, Vice Chair; Costa, Deccio, Franklin, Johnson and Winsley.

Staff: Jonathan Seib (786-7427)

Background: The term utilization review— is often used to describe a range of managed care cost containment strategies including monitoring a provider's pattern of treatment, determining the medical necessity of certain types or levels of treatment, and evaluating the efficacy, appropriateness, or efficiency of certain treatments for certain health conditions. As managed care financing arrangements have come to dominate health insurance, health insurance carriers have begun applying a number of these utilization review strategies, not only to medical services, but also to mental health services.

Health carriers may also periodically perform financial audits of providers to determine compliance with reimbursement standards. Current law limits further disclosure of audit information and requires information that would enable a particular patient to be identified to be destroyed as soon as possible.

Concerns exist regarding the information used in performing utilization review and audits of outpatient mental health services.

Summary of Bill: A health carrier performing a utilization review of mental health services for a specific enrollee is limited to accessing only the specific health care information contained in the enrollee's record.

A health carrier performing an audit of a provider that has furnished mental health services to a carrier's enrollees is limited to accessing only the records of enrollees covered by the specific health carrier for which the audit is being performed.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: This bill is identical to the bill which previously passed the Senate. It will go a long way to protect the confidentiality of patient information. Mental health clinicians are confronted by an ethical and practical dilemma in the area of auditing practices by insurance carriers. This bill would resolve the dilemma.

Testimony Against: None.

Testified: PRO: Laura Groshong, WA State Coalition of Mental Health Professionals and Consumers, WA Society for Clinical Social Work; Ann Simons, WA Assn. of Marriage and Family Therapists.