

HOUSE BILL REPORT

SHB 2493

As Passed House
February 11, 1994

Title: An act relating to excluding medical assistance administration fee and reimbursement schedules from the administrative procedure act.

Brief Description: Excluding medical assistance administration reimbursement fees and schedules from the administrative procedure act.

Sponsors: By House Committee on Health Care (originally sponsored by Representatives Dellwo and Dyer; by request of Department of Social and Health Services).

Brief History:

Reported by House Committee on:
Health Care, January 25, 1994, DPS;
Passed House, February 11, 1994, 92-0.

HOUSE COMMITTEE ON HEALTH CARE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 16 members: Representatives Dellwo, Chair; L. Johnson, Vice Chair; Dyer, Ranking Minority Member; Ballasiotes, Assistant Ranking Minority Member; Appelwick; Backlund; Conway; Cooke; Flemming; R. Johnson; Lemmon; Lisk; Mastin; Morris; Thibaudeau and Veloria.

Staff: Bill Hagens (786-7131).

Background: In August 1993, a superior court ruled that the adoption of rate schedules by the Medical Assistance Administration (MAA) of the Department of Social and Health Services (DSHS) is "rule making" and must comply with the Administrative Procedures Act (APA), Chapter 34.05 RCW. In essence, this decision requires MAA to use the Washington Administrative Code (WAC) as its method for changing its reimbursement rates to providers.

DSHS believes this requirement places undue administrative burden on MAA and disadvantages DSHS providers and clients.

Summary of Bill: The law is clarified that arithmetic calculation of payment rates for services and items

purchased under contract for clients eligible under Chapter 74.09 RCW are explicitly exempted from the APA.

This exemption is similar to that provided to the Department of Labor and Industries in 1993.

Fiscal Note: Not requested.

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

Testimony For: The change is needed to expedite provider fee modification.

Testimony Against: None.

Witnesses: Jim Peterson, Department of Social and Health Services (pro); and Susie Tracey, Washington State Medical Association.