

1 **SHB 1410 - H AMDS 616 FAILED 3/24/95**

2 By Representative Romero and others

3 On page 36, line 10, strike "3,918,000" and insert "3,789,000"

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5 On page 36, line 11, strike "6,086,000" and insert "6,025,000"

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7 On page 36, after line 30, insert the following:

8 "(5) \$61,000 of the accident account--state appropriation and  
9 \$129,000 of the medical aid account--state appropriation are  
10 provided solely to implement an integrated statewide on-line  
11 adjudication system for pharmacy providers that includes  
12 prospective drug utilization. The amount appropriated in this  
13 section shall only be expended to administer an adjudication system  
14 that is implemented by means of contracts that are competitively  
15 bid. Until this service is implemented, the fee schedule for  
16 industrial insurance pharmacy services in effect on January 1,  
17 1995, may not be reduced."  
18

19 On page 107, after line 24, insert the following:

20 "**Sec. 912.** RCW 51.04.030 and 1994 c 164 ú 25 are each amended  
21 to read as follows:

22 (1) The director shall supervise the providing of prompt and  
23 efficient care and treatment, including care provided by physician  
24 assistants governed by the provisions of chapters 18.57A and 18.71A  
25 RCW, acting under a supervising physician, and including  
26 chiropractic care, to workers injured during the course of their  
27 employment at the least cost consistent with promptness and  
28 efficiency, without discrimination or favoritism, and with as great  
29 uniformity as the various and diverse surrounding circumstances and  
30 locations of industries will permit and to that end shall, from  
31 time to time, establish and adopt and supervise the administration

1 of printed forms, rules, regulations, and practices for the  
2 furnishing of such care and treatment: PROVIDED, That, the  
3 department may recommend to an injured worker particular health  
4 care services and providers where specialized treatment is  
5 indicated or where cost effective payment levels or rates are  
6 obtained by the department: AND PROVIDED FURTHER, That the  
7 department may enter into contracts for goods and services  
8 including, but not limited to, durable medical equipment so long as  
9 state-wide access to quality service is maintained for injured  
10 workers.

11 (2)(a) Subject to (b) of this subsection, the director shall,  
12 in consultation with interested persons, establish and, in his or  
13 her discretion, periodically change as may be necessary, and make  
14 available a fee schedule of the maximum charges to be made by any  
15 physician, surgeon, chiropractor, hospital, druggist, physicians'  
16 assistants as defined in chapters 18.57A and 18.71A RCW, acting  
17 under a supervising physician or other agency or person rendering  
18 services to injured workers. The department shall coordinate with  
19 other state purchasers of health care services to establish as much  
20 consistency and uniformity in billing and coding practices as  
21 possible, taking into account the unique requirements and  
22 differences between programs. No service covered under this title  
23 shall be charged or paid at a rate or rates exceeding those  
24 specified in such fee schedule, and no contract providing for  
25 greater fees shall be valid as to the excess. The establishment of  
26 such a schedule, exclusive of conversion factors, does not  
27 constitute "agency action" as used in RCW 34.05.010(3), nor does  
28 such a fee schedule constitute a "rule" as used in RCW  
29 34.05.010(15).

30 (b) The pharmacy services fee schedule established under this  
31 section and in effect on January 1, 1995, may not be reduced during  
32 the fiscal biennium ending June 30, 1997, until the department

1 implements an integrated statewide on-line adjudication system for  
2 pharmacy providers.

3 (3) The director or self-insurer, as the case may be, shall  
4 make a record of the commencement of every disability and the  
5 termination thereof and, when bills are rendered for the care and  
6 treatment of injured workers, shall approve and pay those which  
7 conform to the adopted rules, regulations, established fee  
8 schedules, and practices of the director and may reject any bill or  
9 item thereof incurred in violation of the principles laid down in  
10 this section or the rules, regulations, or the established fee  
11 schedules and rules and regulations adopted under it."

12  
13 Renumber the sections consecutively, correct internal references  
14 accordingly, and correct the title.

**EFFECT:** Reduces the amount appropriated for regulatory reform by \$190,000 and requires \$190,000 of the appropriation from the accident account and medical aid account state appropriation to be used to implement, by competitively bid contract, an on-line adjudication system for pharmacy providers for industrial insurance pharmacy services and provides that the pharmacy services fee schedule in effect on January 1, 1995, may not be reduced until the system is implemented.