

CERTIFICATION OF ENROLLMENT
SECOND SUBSTITUTE SENATE BILL 5178

Chapter 276, Laws of 1997

55th Legislature
1997 Regular Session

DIABETES COST REDUCTION ACT

EFFECTIVE DATE: 1/1/98

Passed by the Senate April 19, 1997
YEAS 47 NAYS 0

BRAD OWEN

President of the Senate

Passed by the House April 11, 1997
YEAS 95 NAYS 2

CLYDE BALLARD

**Speaker of the
House of Representatives**

Approved May 7, 1997

GARY LOCKE

Governor of the State of Washington

CERTIFICATE

I, Mike O Connell, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SECOND SUBSTITUTE SENATE BILL 5178** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MIKE O'CONNELL

Secretary

FILED

May 7, 1997 - 1:50 p.m.

**Secretary of State
State of Washington**

SECOND SUBSTITUTE SENATE BILL 5178

AS AMENDED BY THE HOUSE

Passed Legislature - 1997 Regular Session

State of Washington

55th Legislature

1997 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Wood, Wojahn, Deccio, Bauer, Fairley, Goings, Prince, Prentice, Franklin, Horn, Patterson and Winsley)

Read first time 03/10/97.

1 AN ACT Relating to the enactment of the diabetes cost reduction
2 act; adding a new section to chapter 41.05 RCW; adding a new section to
3 chapter 48.20 RCW; adding a new section to chapter 48.21 RCW; adding a
4 new section to chapter 48.44 RCW; adding a new section to chapter 48.46
5 RCW; adding new sections to chapter 43.131 RCW; and providing an
6 effective date.

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

8 NEW SECTION. **Sec. 1.** A new section is added to chapter 41.05 RCW
9 to read as follows:

10 The legislature finds that diabetes imposes a significant health
11 risk and tremendous financial burden on the citizens and government of
12 the state of Washington, and that access to the medically accepted
13 standards of care for diabetes, its treatment and supplies, and self-
14 management training and education is crucial to prevent or delay the
15 short and long-term complications of diabetes and its attendant costs.

16 (1) The definitions in this subsection apply throughout this
17 section unless the context clearly requires otherwise.

1 (a) "Person with diabetes" means a person diagnosed by a health
2 care provider as having insulin using diabetes, noninsulin using
3 diabetes, or elevated blood glucose levels induced by pregnancy; and

4 (b) "Health care provider" means a health care provider as defined
5 in RCW 48.43.005.

6 (2) All state-purchased health care purchased or renewed after the
7 effective date of this act, except the basic health plan described in
8 chapter 70.47 RCW, shall provide benefits for at least the following
9 services and supplies for persons with diabetes:

10 (a) For state-purchased health care that includes coverage for
11 pharmacy services, appropriate and medically necessary equipment and
12 supplies, as prescribed by a health care provider, that includes but is
13 not limited to insulin, syringes, injection aids, blood glucose
14 monitors, test strips for blood glucose monitors, visual reading and
15 urine test strips, insulin pumps and accessories to the pumps, insulin
16 infusion devices, prescriptive oral agents for controlling blood sugar
17 levels, foot care appliances for prevention of complications associated
18 with diabetes, and glucagon emergency kits; and

19 (b) For all state-purchased health care, outpatient self-management
20 training and education, including medical nutrition therapy, as ordered
21 by the health care provider. Diabetes outpatient self-management
22 training and education may be provided only by health care providers
23 with expertise in diabetes. Nothing in this section prevents any state
24 agency purchasing health care according to this section from
25 restricting patients to seeing only health care providers who have
26 signed participating provider agreements with that state agency or an
27 insuring entity under contract with that state agency.

28 (3) Coverage required under this section may be subject to
29 customary cost-sharing provisions established for all other similar
30 services or supplies within a policy.

31 (4) Health care coverage may not be reduced or eliminated due to
32 this section.

33 (5) Services required under this section shall be covered when
34 deemed medically necessary by the medical director, or his or her
35 designee, subject to any referral and formulary requirements.

36 NEW SECTION. **Sec. 2.** A new section is added to chapter 48.20 RCW
37 to read as follows:

1 The legislature finds that diabetes imposes a significant health
2 risk and tremendous financial burden on the citizens and government of
3 the state of Washington, and that access to the medically accepted
4 standards of care for diabetes, its treatment and supplies, and self-
5 management training and education is crucial to prevent or delay the
6 short and long-term complications of diabetes and its attendant costs.

7 (1) The definitions in this subsection apply throughout this
8 section unless the context clearly requires otherwise.

9 (a) "Person with diabetes" means a person diagnosed by a health
10 care provider as having insulin using diabetes, noninsulin using
11 diabetes, or elevated blood glucose levels induced by pregnancy; and

12 (b) "Health care provider" means a health care provider as defined
13 in RCW 48.43.005.

14 (2) All disability insurance contracts providing health care
15 services, delivered or issued for delivery in this state and issued or
16 renewed after the effective date of this act, shall provide benefits
17 for at least the following services and supplies for persons with
18 diabetes:

19 (a) For disability insurance contracts that include pharmacy
20 services, appropriate and medically necessary equipment and supplies,
21 as prescribed by a health care provider, that includes but is not
22 limited to insulin, syringes, injection aids, blood glucose monitors,
23 test strips for blood glucose monitors, visual reading and urine test
24 strips, insulin pumps and accessories to the pumps, insulin infusion
25 devices, prescriptive oral agents for controlling blood sugar levels,
26 foot care appliances for prevention of complications associated with
27 diabetes, and glucagon emergency kits; and

28 (b) For all disability insurance contracts providing health care
29 services, outpatient self-management training and education, including
30 medical nutrition therapy, as ordered by the health care provider.
31 Diabetes outpatient self-management training and education may be
32 provided only by health care providers with expertise in diabetes.
33 Nothing in this section prevents the insurer from restricting patients
34 to seeing only health care providers who have signed participating
35 provider agreements with the insurer or an insuring entity under
36 contract with the insurer.

37 (3) Coverage required under this section may be subject to
38 customary cost-sharing provisions established for all other similar
39 services or supplies within a policy.

1 (4) Health care coverage may not be reduced or eliminated due to
2 this section.

3 (5) Services required under this section shall be covered when
4 deemed medically necessary by the medical director, or his or her
5 designee, subject to any referral and formulary requirements.

6 (6) The insurer need not include the coverage required in this
7 section in a group contract offered to an employer or other group that
8 offers to its eligible enrollees a self-insured health plan not subject
9 to mandated benefits status under this title that does not offer
10 coverage similar to that mandated under this section.

11 (7) This section does not apply to the health benefit plan that
12 provides benefits identical to the schedule of services covered by the
13 basic health plan, as required by RCW 48.20.028.

14 NEW SECTION. **Sec. 3.** A new section is added to chapter 48.21 RCW
15 to read as follows:

16 The legislature finds that diabetes imposes a significant health
17 risk and tremendous financial burden on the citizens and government of
18 the state of Washington, and that access to the medically accepted
19 standards of care for diabetes, its treatment and supplies, and self-
20 management training and education is crucial to prevent or delay the
21 short and long-term complications of diabetes and its attendant costs.

22 (1) The definitions in this subsection apply throughout this
23 section unless the context clearly requires otherwise.

24 (a) "Person with diabetes" means a person diagnosed by a health
25 care provider as having insulin using diabetes, noninsulin using
26 diabetes, or elevated blood glucose levels induced by pregnancy; and

27 (b) "Health care provider" means a health care provider as defined
28 in RCW 48.43.005.

29 (2) All group disability insurance contracts and blanket disability
30 insurance contracts providing health care services, issued or renewed
31 after the effective date of this act, shall provide benefits for at
32 least the following services and supplies for persons with diabetes:

33 (a) For group disability insurance contracts and blanket disability
34 insurance contracts that include coverage for pharmacy services,
35 appropriate and medically necessary equipment and supplies, as
36 prescribed by a health care provider, that includes but is not limited
37 to insulin, syringes, injection aids, blood glucose monitors, test
38 strips for blood glucose monitors, visual reading and urine test

1 strips, insulin pumps and accessories to the pumps, insulin infusion
2 devices, prescriptive oral agents for controlling blood sugar levels,
3 foot care appliances for prevention of complications associated with
4 diabetes, and glucagon emergency kits; and

5 (b) For all group disability insurance contracts and blanket
6 disability insurance contracts providing health care services,
7 outpatient self-management training and education, including medical
8 nutrition therapy, as ordered by the health care provider. Diabetes
9 outpatient self-management training and education may be provided only
10 by health care providers with expertise in diabetes. Nothing in this
11 section prevents the insurer from restricting patients to seeing only
12 health care providers who have signed participating provider agreements
13 with the insurer or an insuring entity under contract with the insurer.

14 (3) Coverage required under this section may be subject to
15 customary cost-sharing provisions established for all other similar
16 services or supplies within a policy.

17 (4) Health care coverage may not be reduced or eliminated due to
18 this section.

19 (5) Services required under this section shall be covered when
20 deemed medically necessary by the medical director, or his or her
21 designee, subject to any referral and formulary requirements.

22 (6) The insurer need not include the coverage required in this
23 section in a group contract offered to an employer or other group that
24 offers to its eligible enrollees a self-insured health plan not subject
25 to mandated benefits status under this title that does not offer
26 coverage similar to that mandated under this section.

27 (7) This section does not apply to the health benefit plan that
28 provides benefits identical to the schedule of services covered by the
29 basic health plan, as required by RCW 48.21.045.

30 NEW SECTION. **Sec. 4.** A new section is added to chapter 48.44 RCW
31 to read as follows:

32 The legislature finds that diabetes imposes a significant health
33 risk and tremendous financial burden on the citizens and government of
34 the state of Washington, and that access to the medically accepted
35 standards of care for diabetes, its treatment and supplies, and self-
36 management training and education is crucial to prevent or delay the
37 short and long-term complications of diabetes and its attendant costs.

1 (1) The definitions in this subsection apply throughout this
2 section unless the context clearly requires otherwise.

3 (a) "Person with diabetes" means a person diagnosed by a health
4 care provider as having insulin using diabetes, noninsulin using
5 diabetes, or elevated blood glucose levels induced by pregnancy; and

6 (b) "Health care provider" means a health care provider as defined
7 in RCW 48.43.005.

8 (2) All health benefit plans offered by health care service
9 contractors, issued or renewed after the effective date of this act,
10 shall provide benefits for at least the following services and supplies
11 for persons with diabetes:

12 (a) For health benefit plans that include coverage for pharmacy
13 services, appropriate and medically necessary equipment and supplies,
14 as prescribed by a health care provider, that includes but is not
15 limited to insulin, syringes, injection aids, blood glucose monitors,
16 test strips for blood glucose monitors, visual reading and urine test
17 strips, insulin pumps and accessories to the pumps, insulin infusion
18 devices, prescriptive oral agents for controlling blood sugar levels,
19 foot care appliances for prevention of complications associated with
20 diabetes, and glucagon emergency kits; and

21 (b) For all health benefit plans, outpatient self-management
22 training and education, including medical nutrition therapy, as ordered
23 by the health care provider. Diabetes outpatient self-management
24 training and education may be provided only by health care providers
25 with expertise in diabetes. Nothing in this section prevents the
26 health care services contractor from restricting patients to seeing
27 only health care providers who have signed participating provider
28 agreements with the health care services contractor or an insuring
29 entity under contract with the health care services contractor.

30 (3) Coverage required under this section may be subject to
31 customary cost-sharing provisions established for all other similar
32 services or supplies within a policy.

33 (4) Health care coverage may not be reduced or eliminated due to
34 this section.

35 (5) Services required under this section shall be covered when
36 deemed medically necessary by the medical director, or his or her
37 designee, subject to any referral and formulary requirements.

38 (6) The health care service contractor need not include the
39 coverage required in this section in a group contract offered to an

1 employer or other group that offers to its eligible enrollees a self-
2 insured health plan not subject to mandated benefits status under this
3 title that does not offer coverage similar to that mandated under this
4 section.

5 (7) This section does not apply to the health benefit plans that
6 provide benefits identical to the schedule of services covered by the
7 basic health plan, as required by RCW 48.44.022 and 48.44.023.

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

10 The legislature finds that diabetes imposes a significant health
11 risk and tremendous financial burden on the citizens and government of
12 the state of Washington, and that access to the medically accepted
13 standards of care for diabetes, its treatment and supplies, and self-
14 management training and education is crucial to prevent or delay the
15 short and long-term complications of diabetes and its attendant costs.

16 (1) The definitions in this subsection apply throughout this
17 section unless the context clearly requires otherwise.

18 (a) "Person with diabetes" means a person diagnosed by a health
19 care provider as having insulin using diabetes, noninsulin using
20 diabetes, or elevated blood glucose levels induced by pregnancy; and

21 (b) "Health care provider" means a health care provider as defined
22 in RCW 48.43.005.

23 (2) All health benefit plans offered by health maintenance
24 organizations, issued or renewed after the effective date of this act,
25 shall provide benefits for at least the following services and supplies
26 for persons with diabetes:

27 (a) For health benefit plans that include coverage for pharmacy
28 services, appropriate and medically necessary equipment and supplies,
29 as prescribed by a health care provider, that includes but is not
30 limited to insulin, syringes, injection aids, blood glucose monitors,
31 test strips for blood glucose monitors, visual reading and urine test
32 strips, insulin pumps and accessories to the pumps, insulin infusion
33 devices, prescriptive oral agents for controlling blood sugar levels,
34 foot care appliances for prevention of complications associated with
35 diabetes, and glucagon emergency kits; and

36 (b) For all health benefit plans, outpatient self-management
37 training and education, including medical nutrition therapy, as ordered
38 by the health care provider. Diabetes outpatient self-management

1 training and education may be provided only by health care providers
2 with expertise in diabetes. Nothing in this section prevents the
3 health maintenance organization from restricting patients to seeing
4 only health care providers who have signed participating provider
5 agreements with the health maintenance organization or an insuring
6 entity under contract with the health maintenance organization.

7 (3) Coverage required under this section may be subject to
8 customary cost-sharing provisions established for all other similar
9 services or supplies within a policy.

10 (4) Health care coverage may not be reduced or eliminated due to
11 this section.

12 (5) Services required under this section shall be covered when
13 deemed medically necessary by the medical director, or his or her
14 designee, subject to any referral and formulary requirements.

15 (6) The health maintenance organization need not include the
16 coverage required in this section in a group contract offered to an
17 employer or other group that offers to its eligible enrollees a self-
18 insured health plan not subject to mandated benefits status under this
19 title that does not offer coverage similar to that mandated under this
20 section.

21 (7) This section does not apply to the health benefit plans that
22 provide benefits identical to the schedule of services covered by the
23 basic health plan, as required by RCW 48.46.064 and 48.46.066.

24 NEW SECTION. **Sec. 6.** This act takes effect January 1, 1998.

25 NEW SECTION. **Sec. 7.** A new section is added to chapter 43.131 RCW
26 to read as follows:

27 The diabetes cost reduction act shall be terminated on June 30,
28 2001.

29 NEW SECTION. **Sec. 8.** A new section is added to chapter 43.131 RCW
30 to read as follows:

31 The following acts or parts of acts, as now existing or hereafter
32 amended, are each repealed, effective June 30, 2002:

- 33 (1) RCW 41.05.--- and 1997 c . . . s 1 (section 1 of this act);
34 (2) RCW 48.20.--- and 1997 c . . . s 2 (section 2 of this act);
35 (3) RCW 48.21.--- and 1997 c . . . s 3 (section 3 of this act);
36 (4) RCW 48.44.--- and 1997 c . . . s 4 (section 4 of this act); and

1 (5) RCW 48.46.--- and 1997 c . . . s 5 (section 5 of this act).

Passed the Senate April 19, 1997.

Passed the House April 11, 1997.

Approved by the Governor May 7, 1997.

Filed in Office of Secretary of State May 7, 1997.