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## SUBSTITUTE SENATE BILL 5112

State of Washington 56th Legislature 1999 Regular Session

By Senate Committee on Health & Long-Term Care (originally sponsored by Senators Franklin, Winsley, Thibaudeau, Wojahn, McAuliffe, Deccio, Prentice, Costa, Rasmussen, Fraser, Brown, McCaslin, Patterson, Spanel, Eide, Kline, Bauer, Loveland, Jacobsen, Goings, Hale, Swecker, Haugen, Fairley, Gardner, B. Sheldon, Rossi, Johnson and Kohl-Welles)

Read first time 02/02/1999.

- 1 AN ACT Relating to health insurance benefits for mastectomies;
- 2 adding a new section to chapter 48.43 RCW; adding a new section to
- 3 chapter 41.05 RCW; and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** The legislature recognizes the role of 6 health care providers as the appropriate authority to determine and
- 7 establish the delivery of quality health care services to mastectomy
- 8 patients. It is the intent of the legislature to recognize patient
- 9 preference and the clinical sovereignty of providers as they make
- 10 determinations regarding the length of time individual patients may
- 11 need to remain in a health care facility after mastectomies. It is not
- 12 the intent of the legislature to diminish a carrier's ability to
- 13 utilize managed care strategies but to ensure the clinical judgment of
- 14 the provider is not undermined by restrictive carrier contracts or
- 15 utilization review criteria that fail to recognize individual needs.
- 16 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 48.43 RCW
- 17 to read as follows:

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- 1 (1) Unless the context clearly requires otherwise, the following 2 definitions apply throughout this section.
- 3 (a) "Attending provider" means a provider who: Has clinical 4 hospital privileges consistent with RCW 70.43.020; is included in a 5 provider network of the carrier that is providing coverage; and is a 6 physician licensed under chapter 18.57 or 18.71 RCW.

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- (b) "Health carrier" or "carrier" means disability insurers regulated under chapter 48.20 or 48.21 RCW, health care services contractors regulated under chapter 48.44 RCW, health maintenance organizations regulated under chapter 48.46 RCW, plans operating under the health care authority under chapter 41.05 RCW, the state health insurance pool operating under chapter 48.41 RCW, and insuring entities regulated under this chapter.
- (c) "Mastectomy" means removal of all or part of the breast for medically necessary reasons, as determined by a licensed physician or surgeon. Procedures covered under this definition should include unilateral simple, bilateral simple, unilateral extended simple, unilateral extended with unilateral simple, bilateral extended simple, and unilateral radical, as well as lumpectomy.
- (2)(a) Every health carrier that provides coverage for mastectomies must permit the attending provider, in consultation with the patient, to make decisions on whether the surgery will be inpatient or outpatient, and if inpatient, the length of inpatient stay, rather than making such decisions through contracts or agreements between providers, hospitals, and insurers. These decisions must be based on accepted medical practice.
- 27 (b) Nothing in this section requires attending providers to 28 authorize care they believe to be medically unnecessary.
- 29 (3) No carrier that provides coverage for mastectomies may 30 deselect, terminate the services of, require additional documentation 31 from, require additional utilization review of, reduce payments to, or otherwise provide financial disincentives to any attending provider or 32 health care facility solely as a result of the attending provider or 33 34 health care facility ordering care consistent with the provisions of 35 this section. Nothing in this section prevents any insurer from reimbursing an attending provider or health care facility on a 36 capitated, case rate, or other financial incentive basis. 37
- 38 (4) Every carrier that provides coverage for mastectomies must 39 provide notice to policyholders regarding the coverage required under

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- this section. The notice must be in writing and must be transmitted at 1
- 2 the earliest of the next mailing to the policyholder, the yearly
- summary of benefits sent to the policyholder, or January 1 of the year 3
- 4 following the effective date of this section.
- (5) This section does not establish a standard of medical care. 5
- (6) This section applies to coverage for mastectomies under a 6 7 contract issued or renewed by a health carrier after the effective date 8 of this section.
- NEW SECTION. Sec. 3. A new section is added to chapter 41.05 RCW 9 10 to read as follows:
- (1) Unless the context clearly requires otherwise, the following 11 12 definitions apply throughout this section.
- (a) "Attending provider" means a provider who: Has clinical 13 14 hospital privileges consistent with RCW 70.43.020; is included in a 15 provider network of the carrier that is providing coverage; and is a physician licensed under chapter 18.57 or 18.71 RCW. 16
- (b) "Mastectomy" means removal of all or part of the breast for 17 18 medically necessary reasons, as determined by a licensed physician or Procedures covered under this definition should include 19 surgeon. unilateral simple, bilateral simple, unilateral extended simple, 20 unilateral extended with unilateral simple, bilateral extended simple, 21 and unilateral radical, as well as lumpectomy. 22
- 23 (2)(a) Every state purchased health care plan that provides 24 coverage for mastectomies must permit the attending provider, in 25 consultation with the patient, to make decisions on whether the surgery will be inpatient or outpatient, and if inpatient, the length of 26 inpatient stay, rather than making such decisions through contracts or 27 agreements between providers, hospitals, and insurers. These decisions 28 29 must be based on accepted medical practice.
- 30 (b) Nothing in this section requires attending providers to authorize care they believe to be medically unnecessary. 31

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(3) No state purchased health care plan that provides coverage for mastectomies may deselect, terminate the services of, require additional documentation from, require additional utilization review of, reduce payments to, or otherwise provide financial disincentives to any attending provider or health care facility solely as a result of the attending provider or health care facility ordering care consistent 37 with the provisions of this section. Nothing in this section prevents 38

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any insurer from reimbursing an attending provider or health care facility on a capitated, case rate, or other financial incentive basis.

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- (4) Every state purchased health care plan that provides coverage for mastectomies must provide notice to policyholders regarding the coverage required under this section. The notice must be in writing and must be transmitted at the earliest of the next mailing to the policyholder, the yearly summary of benefits sent to the policyholder, or January 1 of the year following the effective date of this section.
  - (5) This section does not establish a standard of medical care.
- 10 (6) This section applies to coverage for mastectomies under a 11 contract issued or renewed by a state purchased health care plan after 12 the effective date of this section.

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