

SENATE BILL REPORT

SB 5801

As of February 12, 2011

Title: An act relating to establishing medical provider networks and expanding centers for occupational health and education in the industrial insurance system.

Brief Description: Establishing medical provider networks and expanding centers for occupational health and education in the industrial insurance system.

Sponsors: Senators Kohl-Welles, Holmquist Newbry, Conway and Kline.

Brief History:

Committee Activity: Labor, Commerce & Consumer Protection: 2/14/11.

SENATE COMMITTEE ON LABOR, COMMERCE & CONSUMER PROTECTION

Staff: Mac Nicholson (786-7445)

Background: The state Industrial Insurance Program provides medical and other benefits to workers who suffer a work-related injury or develop an occupational disease. The Industrial Insurance Program is administered by the Department of Labor and Industries (L&I) and is funded through a premium collected from employers and employees in the state. The Workers Compensation Advisory Committee (WCAC) is a ten-member committee tasked with studying aspects of the workers compensation and includes representatives of business, labor, and L&I.

Centers of Occupational Health and Education (COHE) are resources that attempt to improve injured worker outcomes, and reduce disability through community-based health care delivery. COHE efforts focus on the first 12 weeks of a claim and promote disability prevention through helping coordinate health services and return to work activities, assisting providers to adopt occupational health best practices, and early identification of cases that appear to be at risk for long-term disability. There are currently four COHEs in the state: Renton COHE at Valley Medical Center; Eastern Washington COHE at St. Luke's Rehabilitation Institute in Spokane; the Everett Clinic; and Harborview Medical Center.

Summary of Bill: L&I must establish a health care provider network to treat injured workers. Providers who meet minimum standards are accepted into the network and must agree to follow L&I coverage decisions, policies, treatment guidelines and consider other industry treatment guidelines. Providers who follow L&I established best practice standards

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can qualify for a second tier within the network. Financial and nonfinancial incentives may be provided to second tier providers. L&I is to convene an advisory group to advise the department on issues related to the implementation of the network. Once a provider network is established in a worker's geographic area, an injured worker would need to seek medical services from a health care provider in the network. Providers failing to meet minimum network standards can be temporarily or permanently removed from the network.

L&I must establish additional COHEs, with a goal of extending access to all injured workers by December 2015. L&I can certify or decertify COHEs based on criteria listed in the legislation. Incentives can be established for COHE providers, and electronic methods of tracking measures to identify and improve outcomes for injured workers are to be developed.

Appropriation: None.

Fiscal Note: Requested on February 12, 2011.

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2011.