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SENATE BILL 5579

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State of Washington

65th Legislature

2017 Regular Session

By Senator Rivers

1 AN ACT Relating to improving transparency and protecting patients  
2 from balance billing; adding new sections to chapter 70.43 RCW; and  
3 creating new sections.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that a number of  
6 patients face surprise bills when a health care facility is in  
7 network, but certain providers, particularly those providing  
8 emergency services, radiology, pathology, laboratory, or  
9 anesthesiology services, may not be in network as they choose not to  
10 contract with health carriers. These noncontracted providers often  
11 balance bill patients for the difference between their billed charges  
12 and the carrier's payment. Patients are surprised by these bills and  
13 are not informed of the cost of services in advance of treatment. It  
14 is therefore the intent of the legislature to require hospitals that  
15 have contracts with health carriers to ensure that all providers who  
16 are treating patients at their facility have a contract not only to  
17 perform services, but also to establish reimbursement for such  
18 services and to not balance bill patients.

19 NEW SECTION. **Sec. 2.** A new section is added to chapter 70.43  
20 RCW to read as follows:

1 (1) The governing body of any hospital licensed under chapter  
2 70.41 RCW shall require that providers, including those licensed  
3 under chapter 18.71, 18.57, or 18.22 RCW, who are granted  
4 professional privileges which include admitting patients or  
5 delivering services and treatments at that hospital, must be an  
6 employee, part of its medical staff, or have a contract with the  
7 hospital to perform services in the hospital. The contract shall  
8 establish that reimbursement for services cannot be in excess of one  
9 hundred twenty-five percent of the medicare reimbursement rate for  
10 any covered person for which the hospital is in network or has a  
11 negotiated agreement with a health carrier.

12 (2) Providers who are performing services at the hospital which  
13 is contracted or in network with a health carrier must not balance  
14 bill a covered person as defined in RCW 48.43.005 and may not attempt  
15 to collect from a covered person any amount greater than the covered  
16 person's applicable cost-sharing based on the health benefit plan.

17 (3) As used in this section, "balance billing" means charging a  
18 covered person for health care services received by the covered  
19 person when the balance of the provider's fee is not fully reimbursed  
20 by the carrier, exclusive of permitted cost-sharing.

21 (4) This section applies to any privileges granted on or after  
22 January 1, 2018, and to all providers who have privileges in effect  
23 on or after January 1, 2018.

24 NEW SECTION. **Sec. 3.** A new section is added to chapter 70.43  
25 RCW to read as follows:

26 (1) A hospital shall provide notice on its web site listing the  
27 names and hyperlinks for direct access to the web sites for each  
28 health carrier for which the facility contracts. The facility shall  
29 also list the provider groups that provide services to covered  
30 persons at the facility but are separate from the facility and are  
31 not employees or medical staff or do not have a contract with a  
32 health carrier.

33 (2) A hospital shall provide a written notice to the covered  
34 person within ten days of an appointment for services that are not an  
35 emergency medical condition or emergency services as defined in RCW  
36 48.43.005. The notice provided must include the following:

37 (a) That the covered person may request that the facility provide  
38 an in-network or contracted health care provider for services and  
39 treatment;

1 (b) An estimated range of the cost of services with a disclaimer  
2 that the estimate does not account for the covered person's health  
3 benefit plan including cost-sharing requirements and the covered  
4 person may contact the health carrier for additional information  
5 regarding cost-sharing requirements; and

6 (c) As applicable, the names and contact information of all  
7 health care providers providing services to the covered person and  
8 whether each provider is contracted or participating in network with  
9 the covered person's health carrier.

10 NEW SECTION. **Sec. 4.** This act may be known and cited as the  
11 cost transparency and balance billing protection act.

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