

# HOUSE BILL REPORT

## ESHB 1364

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### As Amended by the Senate

**Title:** An act relating to general anesthesia services.

**Brief Description:** Mandating general anesthesia services.

**Sponsors:** By House Committee on Health Care (originally sponsored by Representatives Pflug, Edmonds, Cody, Campbell, Boldt, Doumit, Pennington and Schual-Berke).

**Brief History:**

**Committee Activity:**

Health Care: 2/15/01, 2/20/01 [DPS].

**Floor Activity:**

Passed House: 3/12/01, 94-0.

Senate Amended.

Passed Senate: 4/10/01, 47-0.

<h3>Brief Summary of Engrossed Substitute Bill</h3>
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| <ul style="list-style-type: none"><li>· Provides a mandated health benefit of general anesthesia in conjunction with dental procedures under public employee benefit plans provided by the state Health Care Authority, and under health benefit plans and dental plans provided by health carriers that offer hospital, medical or ambulatory surgical services.</li></ul> |
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### HOUSE COMMITTEE ON HEALTH CARE

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives Campbell, Republican Co-Chair; Cody, Democratic Co-Chair; Schual-Berke, Democratic Vice Chair; Alexander, Ballasiotes, Conway, Darneille, Edmonds, Edwards, Marine, McMorris, Pennington and Ruderman.

**Staff:** John Welsh (786-7133).

**Background:**

There is no mandated offering or benefit for the medical procedure of general anesthesia required by law to be covered in public employee benefit plans under the State Health Authority, or health benefit plans provided by health carriers. Public employee benefit

plans cover state employees; employees of higher education and community colleges; retirees of public schools (K through 12); and all other employees of local political jurisdictions that opt for coverage. Health carriers cover beneficiaries under health benefit plans offered by disability insurers, health care service contractors, and health maintenance organizations.

Anesthesia is a medical procedure for inducing a state of unconsciousness in a patient.

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**Summary of Bill:**

General anesthesia is defined as a state of unconsciousness accompanied by a loss of protected reflexes, including the ability to maintain an airway independently and respond purposefully to physical stimulation or verbal command.

Public employee benefit plans and health carriers that offer group health insurance plans which include hospital, medical, or ambulatory surgery services must cover hospital and general anesthesia services in conjunction with dental procedures performed in a hospital or surgery center under certain conditions. The procedure must be for a person under the age of seven for a dental procedure that cannot be safely performed in a dental office, or for a person who is physically or developmentally disabled or has at least one medical condition that would create an undue medical risk if not performed in a hospital or surgery center.

Health carriers that offer group health plans which include dental services must cover general anesthesia services in conjunction with dental procedures. The procedure must be for a person under the age of seven, or who is physically or developmentally disabled and the procedure can safely be performed in a dental office. Prior authorization, cost-sharing, and participating health care facility requirements may apply. The authority to negotiate rates and contracts with providers is not limited. This procedure is not covered under any Medicare supplement policies nor any supplemental contracts for a specific disease.

A public employee benefit plan or health plan offered by a health carrier is not liable for any fault on the part of a dentist to adhere to the accepted standard of care when the dentist has not been credentialed by, or entered into any contract with, the carrier.

This requirement becomes effective for health benefit plans issued or renewed after the effective date of this act.

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**EFFECT OF SENATE AMENDMENT(S):**

The Senate amendment removes provisions regarding carrier immunity from liability, and

added an effective date of January 1, 2002.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** Medical plans should cover the cost of general anesthesia when the procedure takes place in a hospital; dental plans should cover the cost of general anesthesia in dental facilities. Medical plans often deny benefits to policyholders for anesthesia coverage when they seek medically necessary dental care. This insurance benefit is for children under seven, or persons who are developmentally or physically disabled, accounting for 1 percent of dental patients. Some 300 to 500 patients annually are denied anesthesia medical benefits because they receive general anesthesia for dental treatment. The cost of this benefit is only 2 cents per policyholder. The Department of Health's sunrise report supports the provisions of this bill based on statutory social and financial criteria.

**Testimony Against:** The bill is too broad, mandating coverage for any type of anesthesia, in hospitals or dental facilities. It may promote unnecessary utilization.

**Testified:** (In support) Representative Pflug, prime sponsor; Linda Hull, Dr. Bryon Williams and Dr. Berth Barriga, Washington State Dental Association; and Melissa Johnson, Washington State Dental Hygienists Association.

(Against) Mel Sorensen, Employer Healthcare Coalition; and Ken Bertrand, Group Health.