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**State Government & Tribal Affairs**  
**Committee**

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**HB 1523**

**Brief Description:** Concerning electronic transactions by state purchased social and health care programs.

**Sponsors:** Representatives Carlyle and Hunter; by request of Health Care Authority and Department of Social and Health Services.

**Brief Summary of Bill**

- Requires that transactions relating to state purchased health care programs and transactions with the Department of Social and Health Services be submitted and received electronically.

**Hearing Date:** 2/14/11

**Staff:** Marsha Reilly (786-7135).

**Background:**

The stated purpose of the Washington State Health Care Authority (Authority) is to develop health care benefit programs that provide access to at least one comprehensive benefit plan and to study all state-purchased health care, alternative health care delivery systems, and strategies for the procurement of health care services and make recommendations that minimize the financial burden of health care on the state, its employees, and its charges, while at the same time allowing the state to provide the most comprehensive health care options possible.

According to the legislative intent, the Department of Social and Health Services (DSHS) was designed to "integrate and coordinate all those activities involving provision of care for individuals who, as a result of their economic, social, or health condition, require financial assistance, institutional care, rehabilitation, or other social and health services."

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

Programs and administrations within the DSHS include: aging and disability; alcohol and substance abuse; child support; children's services; deaf and hard of hearing; health care assistance; juvenile rehabilitation; mental health; research and data analysis; residential habilitation centers; special commitment center; state hospitals; and vocational rehabilitation.

**Summary of Bill:**

Transactions of the Authority and the DSHS with each of their vendors and contractors must be by electronic means. The Authority and the DSHS may implement electronic transactions in phases and may, for good cause, temporarily or permanently waive electronic transactions. Transactions not submitted electronically in the manner and format prescribed may be returned without processing. The Authority and the DSHS must adopt rules to implement the provisions for electronic transactions, including criteria for good cause waivers and an administrative processing fee for any charge that is not submitted electronically in the manner and format specified.

"Transactions" include, but are not limited to, authorization, billing, or receipt of payment for services. "Good cause" means a circumstance or condition that prevents a vendor or contractor from electronically submitting or receiving the transaction. The determinations made by the Authority and the DSHS regarding good cause are not subject to review under the administrative procedure act.

**Appropriation:** None.

**Fiscal Note:** Requested.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.