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SENATE BILL 6517

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State of Washington

53rd Legislature

1994 Regular Session

By Senator McCaslin

Read first time 01/26/94. Referred to Committee on Health & Human Services.

1 AN ACT Relating to hospital cost disclosure; and amending RCW  
2 70.41.250.

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

4 **Sec. 1.** RCW 70.41.250 and 1993 c 492 s 265 are each amended to  
5 read as follows:

6 (1) The legislature finds that the spiraling costs of health care  
7 continue to surmount efforts to contain them, increasing at  
8 approximately twice the inflationary rate. The causes of this  
9 phenomenon are complex. By making physicians and other health care  
10 providers with hospital admitting privileges more aware of the cost  
11 consequences of health care services for consumers, these providers may  
12 be inclined to exercise more restraint in providing only the most  
13 relevant and cost-beneficial hospital services, with a potential for  
14 reducing the utilization of those services. The requirement of the  
15 hospital to inform physicians and other health care providers of the  
16 charges of the health care services that they order may have a positive  
17 effect on containing health costs. Further, the option of the  
18 physician or other health care provider to inform the patient of these  
19 charges may strengthen the necessary dialogue in the provider-patient

1 relationship that tends to be diminished by intervening third-party  
2 payers.

3 (2) The chief executive officer of a hospital licensed under this  
4 chapter and the superintendent of a state hospital shall establish and  
5 maintain a procedure (~~((for disclosing to physicians and other health  
6 care providers with admitting privileges the charges of all health care  
7 services ordered for their patients))~~) that will provide itemized bills  
8 to patients that will disclose hospital charges, specifically including  
9 the cost of care, services, procedures, and supplies that have been  
10 ordered for them. A similar procedure shall be established to disclose  
11 to physicians and other health care providers with admitting privileges  
12 the charges of all health care services ordered for their patients.  
13 Copies of hospital charges shall be made available to any physician  
14 and/or other health care provider ordering care in hospital inpatient/  
15 outpatient services. The physician and/or other health care provider  
16 may inform the patient of these charges and may specifically review  
17 them. Hospitals are also directed to study methods for making daily  
18 charges available to prescribing physicians through the use of  
19 interactive software and/or computerized information thereby allowing  
20 physicians and other health care providers to review not only the costs  
21 of present and past services but also future contemplated costs for  
22 additional diagnostic studies and therapeutic medications.

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