

Multiple Agency Fiscal Note Summary

Bill Number: 1027 HB	Title: Audio-only telemedicine
-----------------------------	---------------------------------------

Estimated Cash Receipts

NONE

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Washington State Health Care Authority	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Insurance Commissioner	.3	0	0	72,378	.0	0	0	0	.0	0	0	0
Total \$	0.3	0	0	72,378	0.0	0	0	0	0.0	0	0	0

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Washington State Health Care Authority	.0	0	0	.0	0	0	.0	0	0
Office of Insurance Commissioner	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

Prepared by: Jason Brown, OFM	Phone: (360) 742-7277	Date Published: Final
--------------------------------------	---------------------------------	---------------------------------

Individual State Agency Fiscal Note

Bill Number: 1027 HB	Title: Audio-only telemedicine	Agency: 107-Washington State Health Care Authority
-----------------------------	---------------------------------------	---

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Chris Blake	Phone: 360-786-7392	Date: 01/05/2023
Agency Preparation: Melinda Helberg	Phone: 360-725-0000	Date: 01/11/2023
Agency Approval: SUMAN MAJUMDAR	Phone: 360-725-1319	Date: 01/11/2023
OFM Review: Jason Brown	Phone: (360) 742-7277	Date: 01/12/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

See attached narrative.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

See attached narrative.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

See attached narrative.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

None

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

HCA Fiscal Note

Bill Number: 1027 HB

HCA Request #: 23-010

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

This bill extends the time frame in which real-time telemedicine using both audio and video technology may be used to establish a relationship for the purpose of providing audio-only telemedicine for certain health care services; and amending RCW 441.05.700, 48.43.735, and 74.09.325.

Section 1 of this bill amends RCW 41.05.700 (Reimbursement of a health care service provided through telemedicine or store and forward technology—Audio-only telemedicine) to extend the date for the provider to have an established relationship with the covered person prior to receiving health care services via audio-only telemedicine from January 1, 2024 to July 1, 2024.

Section 2 of this bill amends RCW 48.43.735 (Reimbursement of a health care service provided through telemedicine or store and forward technology—Audio-only telemedicine) to extend the date for the provider to have an established relationship with the covered person prior to receiving health care services via audio-only telemedicine from January 1, 2024 to July 1, 2024.

Section 3 of this bill amends RCW 74.09.325 (Reimbursement of a health care service provided through telemedicine or store and forward technology—Audio-only telemedicine) to extend the date for the provider to have an established relationship with the covered person prior to receiving health care services via audio-only telemedicine from January 1, 2024 to July 1, 2024.

II. B - Cash Receipts Impact

None

II. C – Expenditures

No fiscal impact.

The Washington State Health Care Authority does not anticipate any changes to utilization or costs as a result of this bill.

Part IV: Capital Budget Impact

None

Part V: New Rule Making Required

None

Individual State Agency Fiscal Note

Bill Number: 1027 HB	Title: Audio-only telemedicine	Agency: 160-Office of Insurance Commissioner
-----------------------------	---------------------------------------	---

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.5	0.0	0.3	0.0	0.0
Account					
Insurance Commissioners Regulatory Account-State 138-1	72,378	0	72,378	0	0
Total \$	72,378	0	72,378	0	0

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Chris Blake	Phone: 360-786-7392	Date: 01/05/2023
Agency Preparation: Shari Maier	Phone: 360-725-7173	Date: 01/10/2023
Agency Approval: Michael Wood	Phone: 360-725-7007	Date: 01/10/2023
OFM Review: Jason Brown	Phone: (360) 742-7277	Date: 01/11/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Section 2(9)(d)(ii)(A) and (B) changes the current 48.43 RCW definition of “established relationship” between an enrollee and practitioner for purposes of participating in audio-only telemedicine visits by revising the required timeframes for those relationships.

Sections 1 and 3 address PEBB/SEBB and Medicaid contracting and changes the current 41.05 RCW and 74.09 RCW definition of “established relationship” between an enrollee and practitioner for purposes of participating in audio-only telemedicine visits by revising the required timeframes for those relationships.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Section 2(9)(d)(ii)(A) and (B) changes the current 48.43 RCW definition of “established relationship” between an enrollee and practitioner for purposes of participating in audio-only telemedicine visits by revising the required timeframes for those relationships.

Sections 1 and 3 address PEBB/SEBB and Medicaid contracting and changes the current 41.05 RCW and 74.09 RCW definition of “established relationship” between an enrollee and practitioner for purposes of participating in audio-only telemedicine visits by revising the required timeframes for those relationships.

The Office of Insurance Commissioner (OIC) is responsible for the review and approval of all provider contracts, regardless of whether they are submitted for health care purchased under chapters 41.05, 48.43 or 74.09 RCW. In 2022, the existing timeframes were required to be added to provider contracts for implementation in plan year 2023. This bill will require all provider contracts be amended to change the current January 1, 2024, timeframe to July 1, 2024, in those contracts. The OIC receives approximately 7,350 provider contract filings each year. The modified review criteria are expected to result in 5 minutes of review per amended filing, or a total of 612.5 hours (7,350 filings x 5 minutes), of a Functional Program Analyst 3 in FY2024. Additionally, ‘Simple’ rulemaking will be required in FY 2024 to update and align the definition of “established relationship”.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
138-1	Insurance Commissioners Regulatory Account	State	72,378	0	72,378	0	0
Total \$			72,378	0	72,378	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.5		0.3		
A-Salaries and Wages	42,730		42,730		
B-Employee Benefits	15,172		15,172		
C-Professional Service Contracts					
E-Goods and Other Services	14,476		14,476		
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	72,378	0	72,378	0	0

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Functional Program Analyst 3	73,260	0.4		0.2		
Functional Program Analyst 4	80,952	0.1		0.0		
Senior Policy Analyst	108,432	0.1		0.1		
Total FTEs		0.5		0.3		0.0

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Section 2(9) of the bill will require rulemaking to update and align the definition of “established relationship” that is set forth in WAC 284-170-130(13). This would involve ‘simple’ rulemaking in FY 2024.