

NOTICE OF FINAL FILING - LEGISLATIVE RULE

FILED

1985 MAY 20 AM 11:49

OFFICE OF THE SECRETARY OF STATE

Legislative Rule: Legislative Rules To Implement Utilization Review  
And Quality Assurance Program - Phase 1

The attached legislative rule is hereby final filed with the Secretary  
of State by Health Care Cost Review Authority

as authorized by Senate Bill 399

Section 64-2-16(29B)(23)

Sally K. Richardson



KEN HECHLER  
Secretary of State

MARY P. RATLIFF  
Deputy Secretary of State

BARBARA STARCHER  
Deputy Secretary of State

RICHARD S. STEPHENSON  
Deputy Secretary of State

Telephone: (304) 345-4000  
Corporations: 345-8000

WILLIAM H. HARRINGTON  
Chief of Staff

RICH O. HARTMAN  
Director, Administrative Law

DONALD R. WILKES  
Director, Corporations

VIRGINIA SKEEN  
Special Assistant

(Plus all the volunteer  
help we can get)

STATE OF WEST VIRGINIA  
SECRETARY OF STATE  
Charleston 25305

PROPOSED RULES

STATE REGISTER FILING

=====

AGENCY West Virginia Health Care Cost Review Authority

CONTACT PERSON John H. Kozak PHONE 343-3701

TYPE OF RULE Legislative

TITLE OF RULE Legislative Rules To Implement Utilization Review And Quality Assurance Program - Phase 1

CHAPTER 16 ARTICLE 29B SERIES IV

AUTHORITY §16-29B-8(a)(1), -23

=====

CHECK APPLICABLE ITEMS BELOW TO SHOW KIND OF ACTION BEING TAKEN

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> NEW RULE   | <input type="checkbox"/> NOTICE OF HEARING   |
| <input type="checkbox"/> AMENDMENTS TO EXISTING RULE   | <input type="checkbox"/> NOTICE OF AGENCY APPROVAL<br>(legislative rules only)               |
| <input type="checkbox"/> REPEAL OF EXISTING RULE   | <input type="checkbox"/> NOTICE OF AGENCY ADOPTION<br>(interpretive & procedural rules only) |
| NOTE: ALL FILINGS REQUIRE ONLY ONE COPY, EXCEPT FINAL FILING OF RULES WHICH REQUIRES AN ORIGINAL AND A COPY. | <input checked="" type="checkbox"/> FINAL FILING   |
|  | <input type="checkbox"/> FIRST EMERGENCY FILING  |
|  | <input type="checkbox"/> SECOND EMERGENCY FILING   |

John D. Rockefeller IV  
Governor



chairperson  
Sally K. Richardson  
members  
Larry Fizer  
William L. Gilligan

## Health Care Cost Review Authority

State Capitol Building  
Charleston, West Virginia 25305

December 21, 1984

The Honorable A. James Manchin  
Secretary of State  
State Capitol Building  
Charleston, WV 25305

Dear Mr. Manchin:

Re: A Notice of Adoption of Proposed Legislative  
Rules to Implement Utilization Review and  
Quality Assurance Program - Phase 1

Pursuant to West Virginia Code, Section 29-A-3-1, et seq., please file in the State Register this notice and the proposed legislative rules. The Authority is concurrently submitting these to the Legislative Rule-Making Committee in accordance with the above-noted Act.

These rules were earlier filed with your office as an initial proposed rule and was also submitted on an emergency basis.

The present proposed filing will not be effective until the Legislature approves them as provided by law. However, the emergency rules, which are also being amended as of this date, are and will remain in effect until that time.

Sincerely,

A handwritten signature in cursive script that reads "Sally K. Richardson".

SALLY K. RICHARDSON  
Chairperson

SKR/JHK/lq

Enclosures

1984 DEC 21 PM 1:11  
OFFICE OF WEST VIRGINIA  
SECRETARIAT OF STATE

FILED

APPENDIX B

FILED

1984 DEC 21 PM 2:05

FISCAL NOTE FOR PROPOSED RULES

Legislative Rules to Implement Utilization Review and Quality Assurance Program -- Phase I

OFFICE OF WEST VIRGINIA SECRETARY OF STATE

Rule Title:

Type of Rule: xxx Legislative        Interpretive        Procedural

Agency WV Health Care Cost Review Authority Address 100 Dee Drive Charleston, WV 25311

1. Effect of Proposed Rule	ANNUAL		FISCAL YEAR		
	Increase	Decrease	Current	Next	Thereafter
Estimated Total Cost	\$	\$	\$ 180,350	\$ 193,876	\$
Personal Services			45,258	48,652	
Current Expense			135,092	145,224	
Repairs and Alterations					
Equipment					
Other					

2. Explanation of above estimates.

The estimates are based on the percentage of time that agency staff spend on this activity and the cost of collecting and analyzing the data.

3. Objectives of these rules:

Implementation of the utilization review and quality assurance program mandated by West Virginia Code, §16-29B-23.

4. Explanation of Overall Economic Impact of Proposed Rule.

A. Economic Impact on State Government.

None

B. Economic Impact on Political Subdivisions; Specific Industries; Specific groups of citizens.

The hospital industry will be required to submit patient discharge data to the Authority. The cost of this will vary from hospital to hospital depending on the data processing capabilities and resources of the hospital.

C. Economic Impact on Citizens/Public at Large.

The public will benefit from the analysis of this data by the Authority and the West Virginia Medical Institute. This data will be utilized to evaluate the appropriateness of admissions and the quality of care provided. It will also be used to compare the costs of providing services between similar hospitals.

Date December 21, 1984

Signature of Agency Head or Authorized Representative

Greg A. Richardson

FILED

1984 DEC 21 PM 2:06

DATE: December 21, 1984

TO: LEGISLATIVE RULE-MAKING REVIEW COMMITTEE

OFFICE OF WEST VIRGINIA  
SECRETARY OF STATE

FROM: Sally K. Richardson, Chairperson *SKR*

LEGISLATIVE RULE TITLE:

1. Authorizing statute(s) citation \_\_\_\_\_  
§§16-29B-8(a)(1)-23, §§29A-2-9, -15, §29B-1-3  
-----

2. a. Date filed in State Register with Notice of Hearing:  
September 13, 1984  
-----

b. What other notice, including advertising, did you  
give of the hearing?  
Advisory Council Members  
Task Force Members-----  
Interested Persons  
County or City Government Representatives-----  
Hospital Administrators  
Statewide Health Coordinating Council-----

c. Date of Hearing(s): October 15, 1984  
-----

d. Attach list of persons who appeared at hearing,  
comments received, amendments, reasons for  
amendments.

Attached XX No comments received \_\_\_\_\_

e. Date you filed in State Register the agency  
approved proposed Legislative Rule following public  
hearing: (be exact)

December 21, 1984  
-----

f. Name and phone number of agency person to contact  
for additional information:

Bill J. Crouch, Executive Director

(304) 343-3701  
-----  
-----

3. If the statute under which you promulgated the submitted rules requires certain findings and determinations to be made as a condition precedent to their promulgation:

a. Give the date upon which you filed in the State Register a notice of the time and place of a hearing for the taking of evidence and a general description of the issues to be decided.

NOT APPLICABLE  
-----  
-----

b. Date of Hearing: NOT APPLICABLE  
-----

c. On what date did you file in the State Register the findings and determinations required together with the reasons therefor?

NOT APPLICABLE  
-----

d. Attach findings and determinations and reasons:

Attached NOT APPLICABLE  
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FILED  
1984 DEC 21 PM 2:05  
OFFICE OF WEST VIRGINIA  
SECRETARY OF STATE

December 21, 1984

LEGISLATIVE RULES

WEST VIRGINIA  
HEALTH CARE COST REVIEW AUTHORITY

LEGISLATIVE RULES TO IMPLEMENT UTILIZATION REVIEW  
AND QUALITY ASSURANCE PROGRAM - PHASE 1

Chapter 16-29B  
Series IV  
(1984)

LEGISLATIVE RULES

WEST VIRGINIA HEALTH CARE COST REVIEW AUTHORITY

Chapter 16-29B  
Series IV  
(1984)

Subject: Legislative Rules To Implement Utilization Review And Quality Assurance Program - Phase I

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Section 1. General.

1.01. Scope. These rules set forth initial requirements for the implementation of the utilization review and quality assurance program mandated by West Virginia Code, §16-29B-23. The requirements include specified time periods for the filing of information and descriptions of what must be filed. Also included is a description of a peer review organization. These rules supplement the Health Care Cost Review Authority Act, West Virginia Code, §§16-29B-1 et seq., as amended, and the West Virginia Administrative Procedures Act, West Virginia Code, §§29A-1-1 et seq., as amended, and must be read in conjunction with those Acts.

1.02. Authority. These rules are issued under the authority of the Health Care Cost Review Authority Act, West Virginia Code, §§16-29B-8(a)(1), -23, the Administrative Procedures Act, West Virginia Code, §§29A-2-9,-15, and the Freedom of Information Act, West Virginia Code, §29B-1-3.

1.03. Filing Date. These rules were promulgated on \_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_, and were filed in the Office of the Secretary of State  
on \_\_\_\_\_, \_\_\_\_\_.

1.04. Effective Date. These rules are effective on \_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_.

Section 2. Definitions. As used in these rules, all terms have the  
same meaning as provided in the definition section of the Health Care  
Cost Review Authority Act, West Virginia Code, §16-29B-3. Definitions  
of additional terms are set forth below and whenever those terms are  
used in these rules the following definitions apply, unless a different  
meaning clearly appears from the context.

2.01. Act means the West Virginia Health Care Cost Review Authority  
Act, West Virginia Code, §§16-29B-1 et seq., as amended.

2.02. Authority means the West Virginia Health Care Cost Review  
Authority, an autonomous division within the State Department of Health,  
established pursuant to West Virginia Code, §16-29B-5.

2.03. Contractor means the person or persons who enter into  
agreements with the Authority for the performance of duties required by  
the Authority's utilization review and quality assurance program.

2.04. Person means a natural person, a corporation, association, or other legal entity.

2.05. Program means the Authority's utilization review and quality assurance program required by Section 23 of the Act.

2.06. UB-82 means Uniform Bill-82.

Section 3. Professional Review Organization. In order to carry out its duties under the Act for the establishment of a utilization review and quality assurance program, the Authority must have available to it qualified medical and surgical expertise and the requisite data storage and handling capabilities. Accordingly, the Authority will, from time to time, enter into a contract or contracts with a person or persons to collect patient information, to process that information, and to compile reports from that information in formats to be determined by the Authority.

3.01. West Virginia Medical Institute, Inc. The initial contractor shall be the West Virginia Medical Institute, Inc., a West Virginia corporation, whose principle place of business is located in Charleston, West Virginia. The West Virginia Medical Institute, Inc., is presently the holder of the contract with the Health Care Financing Administration of the United States Department of Health and Human Services to operate a peer review organization for the federal medicare program in the State of West Virginia.

3.02. Subsequent Contractors. The Authority may in the future either contract with the West Virginia Medical Institute, Inc., or with one or more other persons for the performance of subsequent programs under the terms of these rules.

Section 4. Patient Data.

4.01. Hospitals. Each hospital covered by the Act must submit one complete copy of the UB-82 data for each and every one of its inpatients, except that, individual patient names and street addresses will not be required. To the extent that a particular hospital must already submit a complete copy of UB-82 data for one or more classes of patients (e.g., medicare or medicaid) to the contractor, then such submissions need not be duplicated and the previously required submission will suffice.

4.02. Data Format. The UB-82 data must be submitted to the contractor on Industry Standard 1600 BPI tape with IBM tape labels or unlabeled with block size of 10 and record size clearly specified. Hard copies of the UB-82 data are not to be submitted to the contractor unless the hospital does not itself have access to one of the above noted computer tape formats and unless the hospital first notifies the contractor.

Section 5. Patient Confidentiality. The contractor, and its officers, employees, and agents, as well as the Authority, and its officers, employees, and agents, shall maintain the confidentiality of all personal medical information personally identifiable to a purchaser. The hospitals shall submit and the contractor shall collect such confidential data from the hospitals from the UB-82 data and provide it to the Authority as provided for in its agreement with the Authority.

Section 6. Sanctions. Any person or persons who violate or refuse to comply with the requirements of these rules shall be subject to remedial action as provided for under the Act including criminal penalties as provided for by West Virginia Code, §16-29B-27, orders of enforcement as provided for by West Virginia Code, §16-29B-15, civil actions as provided for by West Virginia Code, §16-29B-14, and such other sanctions as are reasonably necessary or essential to effect the express objectives and purposes of the Act as provided for by West Virginia Code, §16-29B-8(a)(6).

Section 7. Phase 2. These rules cover only phase 1 of the Authority's program under Section 23(a) of the Act. Phase 2 of the program will consist of the implementation of the provisions of Section 23(b) and (c) of the Act. Phase 2 will be developed following the collection of this initial data and following the required hearings.

Section 8. Severability. If any provision or provisions of these rules or the application thereof to any person or circumstance shall be held invalid, such invalidity shall not affect the provisions or applications of these rules which can be given effect without the invalid provision or provisions or application and to this end the provisions of these rules are declared to be severable.

WEST VIRGINIA HEALTH CARE COST REVIEW AUTHORITY

LEGISLATIVE RULES

LEGISLATIVE RULES TO IMPLEMENT UTILIZATION REVIEW  
AND QUALITY ASSURANCE PROGRAM - PHASE 1

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Health Care Cost Review Authority  
Legislative Rule 16-29B  
Series IV

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H. B. 1614  
(By Delegate Casey)  
(Introduced March 6, 1985; referred to the  
Committee on Government Organization with the  
direction that it later be referred to the  
Committee on the Judiciary.)

A BILL to amend article two, chapter sixty-four of the code  
of West Virginia, one thousand nine hundred thirty-one,  
as amended, by adding thereto a new section, designated  
section sixteen (twenty-nine-b)(twenty-three), relating  
to authorizing the health care cost review authority to  
promulgate legislative rules relating to implementation  
of the utilization review and quality assurance program.

Be it enacted by the Legislature of West Virginia:

That article two, chapter sixty-four of the code of West  
Virginia, one thousand nine hundred thirty-one, as amended,  
be amended by adding thereto a new section, designated  
section sixteen (twenty-nine-b)(twenty-three), to read as  
follows:

ARTICLE 2. EXECUTIVE AGENCY AUTHORIZATION TO PROMULGATE  
LEGISLATIVE RULES.

§64-2-16(29b)(23). Health care cost review authority.

The legislative rules filed in the state register on the

1 twenty-first day of December, one thousand nine hundred  
2 eighty-four relating to the health care cost review  
3 authority, (implementation of the utilization review and  
4 quality assurance program) are authorized.

5

6 NOTE: The purpose of this bill is to authorize the  
7 health care cost review authority to promulgate legislative  
8 rules relating to implementation of the utilization review  
9 and quality assurance program.

10 This section is new; therefore, strike-throughs and  
11 underscoring have been omitted.

SENATE BILL NO. 405

(By Mr. R. Williams

[Introduced March 6, 1985;referred to the Committee on Health and Human Resources; then  
to the Committee on the Judiciary]

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 11 of West Virginia, one thousand nine hundred thirty-one,  
 12 as amended, by adding thereto a new section, designated  
 13 section sixteen (twenty-nine-b)(twenty-three), relating  
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 24 LEGISLATIVE RULES.

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