## SUBSTITUTE SENATE BILL 6333

State of Washington 60th Legislature 2008 Regular Session

**By** Senate Health & Long-Term Care (originally sponsored by Senators Keiser, Kohl-Welles, Marr, and McAuliffe)

READ FIRST TIME 02/08/08.

1 AN ACT Relating to the creation of a citizens' work group on health 2 care reform; creating new sections; and providing an expiration date.

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

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<u>NEW SECTION.</u> Sec. 1. The legislature finds that:

5 (1) In the past two decades, Washington state has implemented 6 legislative initiatives to improve access to quality, affordable health 7 care in the state.

8 (a) The blue ribbon commission on health care costs and access 9 resulting in the passage of Engrossed Second Substitute Senate Bill No. 10 5930, that, among other actions, directed state agencies to integrate 11 prevention, chronic care management, and the medical home concept into 12 state purchased health care programs;

(b) The movement toward evidence-based health care purchasing for state health care programs, including the prescription drug program and its preferred drug list, the health technology assessment program, the use of medical evidence to evaluate medical necessity under state medical assistance programs and the direction provided in Engrossed Second Substitute Senate Bill No. 5930 relating to aligning payment with evidence-based care; and (c) The development of patient safety initiatives, including health
 care facility reporting of adverse medical events and hospital-acquired
 infection reporting.

4 (2) Despite these initiatives, the cost of health care has 5 continued to increase at a disproportionately high rate.

(3) Affordability is key to accessing health care, as evidenced by 6 7 the fact that more than half of the uninsured people in Washington state are in low-income families, and low-wage workers are far more 8 likely to be uninsured than those with higher incomes. 9 These increasing costs are placing quality care beyond the reach of a growing 10 of Washington citizens and contributing to health care 11 number 12 expenditures that strain the resources of individuals, businesses, and 13 public programs.

14 (4) Efforts by public and private purchasers to control 15 expenditures, and the stress these efforts place on the stability of 16 the health care workforce and viability of health care facilities, 17 threaten to reduce access to quality care for all residents of the 18 state.

(5) Prompt action is crucial to prevent further deterioration ofthe health and well-being of Washingtonians.

(6) Addressing an issue of this importance and magnitude demands the full engagement of concerned Washingtonians in a reasoned examination of options to improve access to quality, affordable health care.

25 <u>NEW SECTION.</u> Sec. 2. The Washington citizens' work group on 26 health care is established.

27 (1) The governor shall appoint nine citizen members who may include, but are not limited to, representatives from business, labor, 28 health care providers and consumer groups, and persons with expertise 29 30 in health care financing and health care ethics. In addition, eight 31 legislators from the health care committees of the house and senate shall be appointed to the work group, with two members from each 32 caucus, in each house. The leadership of each caucus shall appoint 33 their members. The work group shall actively engage Washingtonians in 34 a bipartisan and public process to examine a number of options for 35 36 improving access to quality, affordable health care and review the

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economic analysis of several health care reform proposals, as provided in section 3 of this act.

3 (2) To engage Washingtonians in a process to examine options for 4 improving access to quality, affordable health care, the work group 5 shall:

6 (a) Seek to maximize participation of Washingtonians by conducting 7 meetings in regions of the state that include participation of health 8 care stakeholders and the health care industry, as well as interested 9 residents;

10 (b) Provide information to Washingtonians on ongoing trends or 11 issues that affect affordability, access, quality, and efficiency;

(c) Present information and seek public input about the health care proposals described in section 3 of this act, including any findings from the economic analysis of the proposals;

15 (d) Communicate its efforts through a variety of methods, 16 including:

(i) Concise information describing underlying health care issues,
the health care proposals under review, and principles guiding the
evaluation of those proposals;

(ii) A web site that announces meeting times and locations,
provides detailed information on the health care proposals under
review, and provides opportunities for public input; and

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(iii) Public notification of meetings.

(3) The economic analysis of health care reform proposals provided
in section 3 of this act shall be conducted by an independent entity.
To the extent that any proposal has recent extensive analysis
available, the independent entity shall review and make use of the
available analysis. Each evaluation shall address the impact of
implementation of the proposal on:

30 (a) The number of Washingtonians covered and number remaining 31 uninsured;

32 (b) The scope of coverage available to persons covered under the 33 proposal;

34 (c) The impact on affordability of health care to individuals,35 businesses, and government;

(d) The redistribution of amounts currently spent by individuals,
 businesses, and government on health, as well as any savings;

38 (e) Administrative efficiencies and resulting savings;

(f) The impact on hospital charity care; and 1 2 (g) The extent to which each proposal promotes: (i) Improved health outcomes; 3 (ii) Prevention and early intervention; 4 5 (iii) Chronic care management; (iv) Services based on empirical evidence; б 7 (v) Incentives to use effective and necessary services; (vi) Disincentives to discourage use of marginally effective or 8 9 inappropriate services; and (vii) A medical home. 10 (4) By December 1, 2008, the work group shall report to the 11 appropriate committees of the legislature on the work group's findings, 12 13 including: (a) A summary of the work group's activities, including meetings 14 held, number of people in attendance, and number of contacts from the 15 16 public; (b) A summary of public input, including feedback on funding 17 18 options; (c) The results of the work group's review of the proposals. 19 In 20 reviewing the proposals, the work group shall evaluate the extent to 21 which each proposal: 22 (i) Provides a medical home for every family; 23 (ii) Provides health care that Washington families can afford; 24 (iii) Promotes improved health outcomes, in part through a more 25 efficient delivery system; (iv) Requires that individuals, employers, and government share in 26 27 financing the proposal; and (v) Enables Washington families to choose their provider and health 28 network, and have the option of retaining their current provider; 29 (d) A summary of the work group's conclusions; and 30 31 (e) Recommendations related to the work group's review of the 32 proposals and any suggestions on the funding options, including suggestions for the adoption of any health care proposal during the 33 2009 session of the legislature. 34 The work group may seek other funds including private 35 (5) contributions and in-kind donations for activities described under 36 37 subsection (2) of this section. 38 (6) This section expires June 30, 2009.

<u>NEW SECTION.</u> Sec. 3. (1) The work group shall present information and seek public input about, direct the economic analysis of, and review the following health care proposals:

4 (a) A proposal, similar to Proposed Second Substitute Senate Bill
5 No. 6030 (2008), permitting carriers to offer health plans with reduced
6 requirements;

7 (b) A proposal, similar to Senate Bill No. 6574 (2008), to 8 establish a health insurance exchange or connector;

9 (c) A proposal, as described in Senate Bill No. 6603 (2008), to 10 provide a guaranteed benefit plan for all Washingtonians covering 11 annual catastrophic health expenses and basic preventive care;

(d) A proposal, as described in Senate Bill No. 6221 (2008), to cover all Washingtonians with a comprehensive, standardized benefit package purchased through a competitive procurement process or a feefor-service option, funded through a payroll assessment applied to employers and employees; and

(e) A proposal to establish a single payer health care system,
similar to an approach described in Senate Bill No. 5756 (2007) and to
the health care system in Canada.

(2) In addition to the proposals described in subsection (1) of
this section, the work group may develop its own proposal or proposals.
The work group may seek additional information from sponsors of the
proposals described in subsection (1) of this section.

24 <u>NEW SECTION.</u> Sec. 4. Consistent with funds appropriated specifically for this purpose, the health care authority shall contract 25 26 with an independent nonpartisan entity with national expertise in communicating health care cost, quality, and access research from all 27 perspectives, and expertise in health economics and actuarial science. 28 The independent contractor shall direct the economic analysis of a 29 30 variety of health care reform proposals. An independent contractor may 31 also be selected to schedule and conduct the work group meetings and other activities to enable the work group to complete 32 its responsibilities in a timely and effective manner. The health care 33 authority may issue a sole source contract with consultants already 34 35 providing similar services to the state if doing so will expedite the 36 work without compromising quality or increasing cost.

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NEW SECTION. Sec. 5. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2008, in the omnibus appropriations act, this act is null and void.

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