
SUBSTITUTE SENATE BILL 5768

State of Washington

57th Legislature

2001 Regular Session

By Senate Committee on Health & Long-Term Care (originally sponsored by Senators Thibaudeau, Kohl-Welles, Jacobsen, Prentice, Kline, Spanel and Carlson)

READ FIRST TIME 03/05/01.

1 AN ACT Relating to health care financing; adding a new section to
2 chapter 41.05 RCW; and creating a new section.

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

4 NEW SECTION. **Sec. 1.** (1) There is a crisis in health care
5 accessibility, affordability, and choice in Washington state. Health
6 care through insurance companies has failed to control costs, increase
7 access, or preserve choice. More than six hundred thousand Washington
8 residents have no health care coverage. Individual plans are
9 unavailable in most counties. Many clinics, physician practices, and
10 emergency departments, especially in rural areas, are closing or
11 operating at a loss. Employers, faced with fewer choices and more
12 expensive premiums, are reducing employment-based health care coverage.
13 Simplifying health care financing and eliminating administrative waste
14 inherent in multiple insurance plans can create sufficient savings to
15 extend health care coverage to all residents and enhance fairness in
16 the system.

17 (2) The people of the state of Washington declare their intent to
18 create a framework and process to involve the citizens of Washington
19 state in the creation of a single financing entity called the

1 Washington health security trust. Through public hearings, research,
2 and consensus building, the trust will accomplish the follow goals:
3 (a) Provide fair, simple, and accountable health care financing for all
4 Washington residents using a single health care financing entity; (b)
5 cover a comprehensive package of effective and necessary personal
6 health services; (c) make health care coverage independent from
7 employment; (d) eliminate excessive administrative costs resulting from
8 the current fragmented system of multiple insurers; (e) generate
9 savings sufficient to ensure coverage for all Washington residents; (f)
10 integrate current publicly sponsored health programs into the health
11 security trust; (g) preserve choice of providers for Washington
12 residents; (h) protect patient rights; (i) keep clinical decisions in
13 the hands of health professionals and patients, rather than
14 administrative personnel; (j) promote health care quality; and (k)
15 control excessive health care costs.

16 NEW SECTION. **Sec. 2.** A new section is added to chapter 41.05 RCW
17 to read as follows:

18 (1) Any Washington resident may purchase their choice of the basic
19 health plan or the state employee health benefit plan for total out-of-
20 pocket costs no greater than seven percent of that resident's annual
21 income.

22 (2) An employer may choose to purchase the basic health plan or the
23 state employee health benefits plan on behalf of any or all of their
24 employees at a total out-of-pocket cost determined by the state to be
25 no more than seven percent of each employee's income.

26 (3) The governor and the state legislature shall increase the
27 efficiency and effectiveness of state medical care purchasing to
28 implement this law without reducing the salaries or benefits of
29 teachers, the state patrol, other state employees or employees of
30 contractors with the state for the care of children, the blind, the
31 elderly, the physically or mentally disabled, or other vulnerable
32 populations.

33 (4) The legislature shall increase taxes on tobacco to an amount no
34 greater than total tobacco taxes in the province of British Columbia,
35 Canada to subsidize state residents' health insurance coverage as
36 provided in this act. Any revenue generated from such increases shall
37 be deposited in the health services account for the purposes of

1 implementing this law and shall not be subject to the provisions of
2 Initiative 601 or 695.

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