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**Health Care & Wellness Committee**

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**2SSB 5822**

**Brief Description:** Providing a pathway to establish a universal health care system for the residents of Washington state.

**Sponsors:** Senate Committee on Ways & Means (originally sponsored by Senators Randall, Frockt, Cleveland, Wilson, C., Salomon, Nguyen, Hasegawa, Keiser, Saldaña, Van De Wege, Lias, Das, Darneille, Dhingra and Kuderer).

**Brief Summary of Second Substitute Bill**

- Creates a work group on establishing a universal health care system in Washington.

**Hearing Date:** 3/26/19

**Staff:** Jim Morishima (786-7191).

**Background:**

Under the federal Patient Protection and Affordable Care Act (ACA), all United States citizens and legal residents are required to have health insurance coverage or pay a tax penalty. The ACA gives the states the option to expand their Medicaid programs to cover individuals up to 133 percent of the federal poverty level. The law also establishes state-based insurance exchanges through which individuals may purchase health insurance and access premium subsidies and cost-sharing reductions.

The ACA authorizes states to apply to the Secretary of Health and Human Services and the Secretary of the Treasury for a waiver from certain provisions of the ACA. A waiver may be granted if the state plan will provide coverage that is at least as comprehensive and affordable as coverage under the ACA to at least a comparable number of people, without increasing the federal deficit. The application must include a description of the state legislation, a program to implement a plan meeting the requirements for a waiver, and a 10-year budget plan that is budget neutral for the federal government.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

## Summary of Bill:

The Health Care Authority (HCA) must convene a work group on establishing a universal health care system in Washington. The work group must consist of a broad range of stakeholders with expertise in health care financing and delivery, including:

- consumers, patients, and the general public;
- patient advocates and community health advocates;
- large and small businesses with experience with large and small group insurance and self-insured models;
- labor, including experience with Taft-Hartley coverage;
- health care providers that are self-employed and health care providers that are otherwise employed;
- health care facilities such as hospitals and clinics;
- health insurance carriers;
- the Washington Health Benefit Exchange (Exchange) and state agencies, including the Office of Financial Management, the Office of the Insurance Commissioner, the Department of Revenue, and the Office of the State Treasurer; and
- legislators from each caucus of the House of Representatives and the Senate.

The work group must study and make recommendations on how to create, implement, maintain, and fund a universal health care system that may include publicly funded, publicly administered, and publicly and privately delivered health care that is sustainable and affordable to all Washington residents. The study and recommendations must include:

- options for increasing coverage and access for uninsured and underinsured populations;
- transparency measures across major health system actors, including carriers, hospitals and other health care facilities, pharmaceutical companies, and provider groups, that promote understanding and analyses to best manage and lower costs;
- innovations that will promote quality and evidence-based practices leading to sustainability and affordability in a universal health care system, including recommendations on issues related to covered benefits and quality assurance and a consideration of expanding and supplementing the work of the Robert Bree Collaborative and the Health Technology Assessment Program;
- options for ensuring a just transition to a universal health care system for all stakeholders, including consumers, businesses, health care providers and facilities, hospitals, health carriers, state agencies, and entities representing both management and labor for these stakeholders;
- options to expand or establish health care purchasing in collaboration with neighboring states; and
- options for revenue and financing mechanisms to fund the universal health care system—the work group must contract with one or more consultants to perform any actuarial and financial analyses necessary to develop these options, if funds are appropriated specifically for this purpose.

The work group must report its findings and recommendations to the appropriate committees of the Legislature by November 15, 2020. Preliminary reports with findings and preliminary recommendations must be made public and open for public comment by November 15, 2019, and May 15, 2020.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.