

SENATE BILL REPORT

SB 5538

As of February 18, 2013

Title: An act relating to transparency, accountability, and affordability in the provision of essential health care services.

Brief Description: Addressing transparency, accountability, and affordability in the provision of essential health care services.

Sponsors: Senators Keiser, Schlicher, Frockt, Mullet, Murray, McAuliffe, Kline and Conway.

Brief History:

Committee Activity: Health Care: 2/14/13.

SENATE COMMITTEE ON HEALTH CARE

Staff: Mich'l Needham (786-7442)

Background: There is interest in promoting transparency for consumers and purchasers of health care, and in understanding emerging practices that may lead to best practices and improve health care delivery and cost-containment efforts. A broad array of organizations are undertaking initiatives to expand transparency, identify evidence-based practices, experiment with payment reforms, or model integrated delivery alternatives.

Summary of Bill: The Office of the Insurance Commissioner (OIC) and the Department of Health (DOH) must communicate with health plans, health care facilities, providers, and other entities to identify current and emerging practices in the health care industry that show promise in advancing one or more of the following goals:

- promoting transparency for consumers and purchasers about cost-efficient and efficacious health care services;
- improving accountability in the provision of health care coverage relative to health promotion, disease prevention, and the amelioration or cure of illness; and
- advancing the affordability of comprehensive, integrated, and community-based health care delivery systems supported by cooperative activities among health care providers and facilities.

Beginning January 15, 2014, OIC and DOH must provide an annual update to the Legislature on the findings. The briefing may include recommendations for statutory changes that would support the implementation of promising practices.

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.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This proposal is a way to get state agencies to gather best practices and share the information broadly. There is value in building transparency and gathering more information on best practices.

CON: The fiscal note reflects a significant cost that would be imposed on carriers. These efforts should be done by existing agency efforts; do not commit new resources to capturing this information.

OTHER: There is value in a broader process to gather transparency models and share efforts underway, but OIC and DOH are regulatory agencies and not the appropriate lead for this project.

Persons Testifying: PRO: Senator Keiser, prime sponsor; Patrick Connor, National Federation of Independent Business.

CON: Mel Sorensen, America's Health Insurance Plans.

OTHER: Chris Bandoli, Regence Blue Shield; Len Sorrin, Premera Blue Cross.