VETO MESSAGE ON E2SHB 2572

April 4, 2014

To the Honorable Speaker and Members, The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to Sections 2 and 16, Engrossed Second Substitute House Bill No. 2572 entitled:

"AN ACT Relating to improving the effectiveness of health care purchasing and transforming the health care delivery system by advancing value-based purchasing, promoting community health, and providing greater integration of chronic illness care and needed social supports."

This measure, the Health Care Purchasing bill, directs the state to purchase care more effectively by integrating behavioral health with physical health care, begins a process to bring transparency to health care costs, and supports communities as they identify and address local health problems.

However, I am vetoing the following sections:

Section 2 - The intent of the section is commendable, but I am dedicated to LEAN management and there is duplication of actuarial work required. Also, there is a question of appropriate legislative oversight. To ensure the spirit of this section is accomplished, I have instructed the Health Care Authority to comply with the elements in this section.

Section 16 - This section involves the Office of the Insurance Rate Review process. The Office of the Insurance Commissioner has worked out this process with the interested parties, so this provision is unnecessary.

For these reasons I have vetoed Sections 2 and 16 of Engrossed Second Substitute House Bill No. 2572.

With the exception of Sections 2 and 16, Engrossed Second Substitute House Bill No. 2572 is approved.

Respectfully submitted, Jay Inslee Governor