

5304-S2

Sponsor(s): Senate Committee on Ways & Means (originally sponsored by Senators Talmadge, Gaspard, Moore, Deccio, Wojahn, Moyer, Snyder, Winsley, Fraser, Haugen, McAuliffe, Drew, Sheldon, Skratek and Pelz)

Brief Description: Reforming health care cost control and access.

SB 5304-S2.E - DIGEST

(DIGEST AS ENACTED)

Merges the basic health plan with the health care authority.
Creates the basic health plan subscription account.
Requests the negotiation of a federal waiver for the state medicaid program.
Revises provisions for expanded managed care for state employees.
Provides health care provider conflict of interest standards.
Designates the health care authority as the single state agent for purchasing medical care.
Revises provisions for public health financing and governance.
Repeals provisions of chapters 70.05, 70.08, 70.12, and 70.46 RCW.
Provides for a state-wide personal health services data and information system.
Addresses the issue of health professional shortages.
Directs the insurance commissioner to create a joint underwriting authority for long-term care by July 1997.
Establishes taxes on health maintenance organizations and health care service contractors.
Delays the effective date of certain taxes and revises the tax rates for 1995 and thereafter.
Eliminates taxes on wine and exempts some brewers of beer.
Repeals RCW 82.04.4288.
Makes various appropriations to carry out the purposes of the act.
Provides for health and medical system reform.
Creates the Washington health services commission and specifies its powers and duties.
Requires the development of health practice indicators.
Mandates health care liability reforms.
Designates eligibility requirements for certified health plans.
Prescribes procedures for insolvency and financial failure of a health plan.
Requires disclosure of hospital, nursing home, and pharmacy charges.
Provides for employers' cooperative health care purchasing groups.
Provides for state and federal anti-trust immunity.
Directs the Washington health services commission to define the uniform benefit package.
Provides for state resident and employer participation in a

health system.

Requires the development of a public health services improvement plan.

Creates the state health services budget, trust fund, and accounts.

Provides an implementation schedule.

Designates workers' compensation medical benefits.

VETO MESSAGE ON SB 5304-S2

May 17, 1993

To the Honorable President and Members,

The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 424, Engrossed Second Substitute Senate Bill No. 5304, entitled:

"AN ACT Relating to health care."

Engrossed Second Substitute Senate Bill No. 5304, adopts the Washington Health Services Act. Through this bill the legislature has given the people of Washington major health care reform. This bill will provide access to all residents of the state and will begin to control the spiraling costs of our health care system.

Section 424 of Engrossed Second Substitute Senate Bill 5304 changes the measurement and apportionment of damages in court actions for injuries resulting from health care by holding a defendant against whom judgment has been entered responsible for the fault of entities already released by a claimant. This section, along with the other liability reforms such as malpractice review and mandatory mediation contained in Part IV C. of the bill, is intended to encourage settlements and reduce litigation costs in medical malpractice cases. While I share in the legislature's goal of reduced malpractice litigation, I question whether this language as written will achieve the desired result.

For this reason, I have vetoed section 424 of Engrossed Second Substitute Senate Bill No. 5304.

With the exception of section 424, Engrossed Second Substitute Senate Bill No. 5304 is approved.

Respectfully submitted,

Mike Lowry

Governor