

SENATE BILL REPORT

ESSB 6333

As Amended by House, March 7, 2008

Title: An act relating to the creation of a citizens' work group on health care reform.

Brief Description: Establishing a citizens' work group on health care.

Sponsors: Senate Committee on Health & Long-Term Care (originally sponsored by Senators Keiser, Kohl-Welles, Marr and McAuliffe).

Brief History:

Committee Activity: Health & Long-Term Care: 1/23/08, 2/06/08 [DPS-WM, w/oRec].
Ways & Means: 2/11/08, 2/12/08 [DPS(HEA), DNP, w/oRec].
Passed Senate: 2/18/08, 31-17.

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: That Substitute Senate Bill No. 6333 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Keiser, Chair; Franklin, Vice Chair; Fairley, Kastama, Kohl-Welles and Marr.

Minority Report: That it be referred without recommendation.

Signed by Senators Pflug, Ranking Minority Member; Carrell.

Staff: Mich'l Needham (786-7442)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 6333 be substituted therefor, and the substitute bill do pass.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Pridemore, Vice Chair, Operating Budget; Hobbs, Keiser, Kohl-Welles, Oemig, Rasmussen, Regala, Rockefeller and Tom.

Minority Report: Do not pass.

Signed by Senators Zarelli, Ranking Minority Member; Hewitt, Honeyford and Schoesler.

Minority Report: That it be referred without recommendation.

Signed by Senators Brandland, Parlette and Roach.

Staff: Elaine Deschamps (786-7441)

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.

Background: A variety of health reform proposals are under consideration across the country and in the state, ranging from reforming health care purchasing, expanding access to insurance products, redesigning insurance products to be more affordable, or providing universal coverage for all residents. Many states considering a range of reform efforts have formed commissions or citizen work groups for broad discussion of potential options.

Summary of Engrossed Substitute Bill: The Washington Citizens' Work Group on Health Care is established. The Governor must appoint nine citizen members that include representatives from business, labor, health care providers, consumer groups, and experts in health care financing and health care ethics. Eight legislators are added to the work group, two representatives from each caucus of the House of Representatives and the Senate, as appointed by leadership of each caucus. The work group must hold meetings in regions of the state to examine a range of health care proposals, and provide information describing underlying health care issues, the health care proposals under review, and principles guiding the evaluation of the proposals.

At a minimum, the work group will consider the following proposals: (1) a proposal to allow mandate-free insurance products for young adults ages 19-35, similar to Proposed Second Substitute Senate Bill 6030; (2) a proposal to allow a health insurance exchange or connector, similar to Senate Bill 6574, and to the federal employee health benefit plan; (3) a proposal to provide a guaranteed catastrophic benefit and preventive benefit for all residents, as described in Senate Bill 6603; (4) a proposal to provide standardized coverage for all residents as described in Senate Bill 6221; and (5) a proposal to establish a single-payer system similar to the Canadian model and an approach described in Senate Bill 5756.

The Health Care Authority must contract with a consultant to complete an economic analysis of each of the proposals, or review recently completed analysis, and a consultant to facilitate work group meetings. The work group must provide a summary report and recommendations to the Legislature by December 1, 2008. The bill is null and void if funding is not provided in the state budget.

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 on Original Bill (Health & Long-Term Care): PRO: We welcome a thorough discussion of options with the people of the state and believe it will be helpful to have analysis and data to inform the discussion. The data to be gathered in this process sets the foundation for a real discussion. The timeline is very tight and interim reports may be necessary, and dedicated staff to support the work group efforts may be necessary. There is broad scale support for change in the health care system and this will help get good information to our communities. There is some concern about including a bare-bones benefit plan. These broad discussions are the only way we will resolve some policy issues and reach consensus on a proposal to move forward. A single-payer approach should also be included in the proposals to be examined.

OTHER: We support the concept but hope that this doesn't destroy what is working. The system studies are limited and should include the Canadian model. The Health Insurance Partnership isn't working and shouldn't be expanded.

Persons Testifying (Health & Long-Term Care): PRO: Robby Stern for Ingrid McDonald, AARP and Healthy Washington Coalition; Len McComb, Healthy Washington Coalition, Washington State Hospital Association, and Community Health Network; Len Eddinger, Washington State Medical Association and Healthy Washington Coalition; Bill Daley, Washington Community Action Network and Healthy Washington Coalition; Sandi Swarthout, Washington Health Foundation; Kent Davis, Washington Security Coalition; David McLanahan, Physicians for a National Health Program; Sherry Weinberg, Mary Margaret Pruitt, Susan Eidenschink, Health Care for All - Washington, League of Women Voters of Washington, Washington Health Security Coalition.

OTHER: Randy Ray, Lyfe Systems.

Staff Summary of Public Testimony on Recommended Substitute (Ways & Means):

PRO: This bill will help us to get a handle on how to control costs and increase quality of care and coverage. This is a necessary follow up to the efforts of the Blue Ribbon Commission, and we are committed to work together on this issue. Results that will come from a consultant's analysis will bring this discussion to a higher level.

CON: This is too expensive; the time period is too short for this analysis, and it needs a more realistic timeline.

Persons Testifying (Ways & Means): PRO: Senator Keiser, prime sponsor; Robby Stern, Washington State Labor Council, Healthy Washington Coalition; Len McComb, Community Health Networks, Washington State Hospital Association.

CON: Patrick Conner, Farm Bureau.

House Amendment(s): The citizens work group is reduced from 17 members to 13 members. The Governor must make appointments to the work group after January 30, 2009. Staff support for the work group will be provided by the Office of Financial Management, and the work group may hire up to two staff rather than being staffed by the House and Senate committee staff. The work group will engage in a public process around the state after the econometric analysis of health care reform proposals is completed, not before they are conducted. The work group will submit their final report in December 2009, rather than December 2008.