

E2SSB 5399 - H COMM AMD

By Committee on Health Care & Wellness

NOT ADOPTED 04/07/2021

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** (1) The legislature finds that:

4 (a) Healthy Washingtonians contribute to the economic well-being
5 of their families and communities, and access to appropriate health
6 services and improved health outcomes allow all Washingtonian
7 families to enjoy productive and satisfying lives;

8 (b) Washington and the United States are experiencing the deepest
9 economic crisis since the Great Depression, caused by a public health
10 crisis;

11 (c) Skyrocketing unemployment rates due to COVID-19 have exposed
12 the frailties and inequalities of the current health care system
13 while causing unsustainable strain to the state's medicaid system;

14 (d) Thousands of union and nonunion workers are unemployed and
15 without health insurance;

16 (e) Approximately 125,000 undocumented people live in the state
17 with no access to health care during a global pandemic;

18 (f) Multiple economic analyses show that a universal system is
19 less expensive, more equitable, and will produce billions in savings
20 per year; and

21 (g) While a unified health care financing system can provide
22 universal coverage, increase access to care, decrease costs, and
23 improve quality, implementing such a system in the state is dependent
24 on foundational legal, financial, and programmatic changes from the
25 federal government.

26 (2) The legislature intends to create a permanent universal
27 health care commission to:

28 (a) Implement immediate and impactful changes in the state's
29 current health care system to increase access to quality, affordable
30 health care by streamlining access to coverage, reducing
31 fragmentation of health care financing across multiple public and
32 private health insurance entities, reducing unnecessary

1 administrative costs, reducing health disparities, and establishing
2 mechanisms to expeditiously link residents with their chosen
3 providers; and

4 (b) Establish the preliminary infrastructure to position the
5 state to be prepared to establish a universal health system,
6 including a unified financing system, that controls health care
7 spending so that the system is affordable to the state, employers,
8 and individuals, once the necessary federal authorities have been
9 realized.

10 (3) The legislature further intends that the state, in
11 collaboration with all communities, health plans, and providers,
12 should take steps to improve health outcomes for all residents of the
13 state.

14 NEW SECTION. **Sec. 2.** A new section is added to chapter 41.05
15 RCW to read as follows:

16 (1) The universal health care commission is established to create
17 immediate and impactful changes in the health care access and
18 delivery system in Washington and to prepare the state for the
19 creation of a health care system that provides coverage and access
20 through a universal financing system, including a unified financing
21 system, for all Washingtonians, once the necessary federal authority
22 has been acquired.

23 (2) The commission includes the following voting members:

24 (a) One member from each of the two largest caucuses of the house
25 of representatives, appointed by the speaker of the house of
26 representatives;

27 (b) One member from each of the two largest caucuses of the
28 senate, appointed by the president of the senate;

29 (c) The secretary of the department of health, or the secretary's
30 designee;

31 (d) The director of the health care authority, or the director's
32 designee, who shall serve as chair of the commission;

33 (e) The chief executive officer of the Washington health benefit
34 exchange, or the chief executive officer's designee;

35 (f) The insurance commissioner, or the commissioner's designee;

36 (g) The director of the office of equity, or the director's
37 designee; and

38 (h) Six members appointed by the governor with knowledge and
39 experience regarding health care coverage, access, and financing, or

1 other relevant expertise, including at least one invitation to an
2 individual representing tribal governments with knowledge of the
3 Indian health care delivery in the state.

4 (3) A majority of the voting members of the commission shall
5 constitute a quorum for any votes of the commission.

6 (4) The health care authority shall staff the commission.

7 (5) Members of the commission shall serve without compensation
8 but must be reimbursed for their travel expenses while on official
9 business in accordance with RCW 43.03.050 and 43.03.060.

10 (6) The commission may establish advisory committees that include
11 members of the public with knowledge and experience in health care,
12 in order to support stakeholder engagement and an analytical process
13 by which key design options are developed. A member of an advisory
14 committee need not be a member of the commission.

15 (7) By November 1, 2022, the commission shall submit a baseline
16 report to the legislature and the governor, and post it on the
17 authority's website. The report must include:

18 (a) A complete synthesis of analyses done on Washington's
19 existing health care finance and delivery system, including cost,
20 quality, workforce, and provider consolidation trends and how they
21 impact the state's ability to provide all Washingtonians with timely
22 access to high quality, affordable health care;

23 (b) A strategy for developing implementable changes to the
24 state's health care financing and delivery system to increase access
25 to health care services and health coverage, reduce health care
26 costs, reduce health disparities, improve quality, and prepare for
27 the transition to a unified health care financing system by actively
28 examining data and reports from sources that are monitoring the
29 health care system. Such sources shall include data or reports from
30 the health care cost transparency board under RCW 70.390.070, the
31 public health advisory board, the governor's interagency coordinating
32 council on health disparities under RCW 43.20.275, the all-payer
33 health care claims database established under chapter 43.371 RCW,
34 prescription drug price data, performance measure data under chapter
35 70.320 RCW, and other health care cost containment programs;

36 (c) An inventory of the key design elements of a universal health
37 care system including:

38 (i) A unified financing system including, but not limited to, a
39 single-payer financing system;

40 (ii) Eligibility and enrollment processes and requirements;

- 1 (iii) Covered benefits and services;
- 2 (iv) Provider participation;
- 3 (v) Effective and efficient provider payments, including
- 4 consideration of global budgets and health plan payments;
- 5 (vi) Cost containment and savings strategies that are designed to
- 6 assure that total health care expenditures do not exceed the health
- 7 care cost growth benchmark established under chapter 70.390 RCW;
- 8 (vii) Quality improvement strategies;
- 9 (viii) Participant cost sharing, if appropriate;
- 10 (ix) Quality monitoring and disparities reduction;
- 11 (x) Initiatives for improving culturally appropriate health
- 12 services within public and private health-related agencies;
- 13 (xi) Home and community-based services;
- 14 (xii) Strategies to reduce health disparities including, but not
- 15 limited to, mitigating structural racism and other determinants of
- 16 health as set forth by the office of equity;
- 17 (xiii) Information technology systems and financial management
- 18 systems;
- 19 (xiv) Data sharing and transparency; and
- 20 (xv) Governance and administration structure, including
- 21 integration of federal funding sources;
- 22 (d) An assessment of the state's current level of preparedness to
- 23 meet the elements of (c) of this subsection and steps Washington
- 24 should take to prepare for a just transition to a unified health care
- 25 financing system, including a single-payer financing system.
- 26 Recommendations must include, but are not limited to, administrative
- 27 changes, reorganization of state programs, retraining programs for
- 28 displaced workers, federal waivers, and statutory and constitutional
- 29 changes;
- 30 (e) Recommendations for implementing reimbursement rates for
- 31 health care providers serving medical assistance clients who are
- 32 enrolled in programs under chapter 74.09 RCW at a rate that is no
- 33 less than 80 percent of the rate paid by medicare for similar
- 34 services;
- 35 (f) Recommendations for coverage expansions to be implemented
- 36 prior to and consistent with a universal health care system,
- 37 including potential funding sources; and
- 38 (g) Recommendations for the creation of a finance committee to
- 39 develop a financially feasible model to implement universal health
- 40 care coverage using state and federal funds.

1 (8) Following the submission of the baseline report on November
2 1, 2022, the commission must structure its work to continue to
3 further identify opportunities to implement reforms consistent with
4 subsection (7)(b) of this section and to implement structural changes
5 to prepare the state for a transition to a unified health care
6 financing system. The commission must submit annual reports to the
7 governor and the legislature each November 1st, beginning in 2023.
8 The reports must detail the work of the commission, the opportunities
9 identified to advance the goals under subsection (7) of this section,
10 which, if any, of the opportunities a state agency is implementing,
11 which, if any, opportunities should be pursued with legislative
12 policy or fiscal authority, and which opportunities have been
13 identified as beneficial, but lack federal authority to implement.

14 (9) Subject to sufficient existing agency authority, state
15 agencies may implement specific elements of any report issued under
16 this section. This section shall not be construed to authorize the
17 commission to implement a universal health care system through a
18 unified financing system until there is further action by the
19 legislature and the governor.

20 (10) The commission must hold its first meeting within 90 days of
21 the effective date of this section."

22 Correct the title.

EFFECT: Reduces the membership of the Universal Health Care Commission (Commission) by removing four of the eight legislators, the representative of local health jurisdictions, the representative of the Department of Social and Health Services, two of the eight members with experience in health care administration, and the representative of the Department of Retirement Systems. Designates the member from the Health Care Authority as the chair.

Removes the expiration date for the Commission and makes it permanent. Removes the Commission's responsibility to develop a plan to create a health care system with a universal financing system, and instead assigns the Commission with creating immediate changes in the health care access and delivery system in Washington and preparing the state for the creation of a health care system with a universal financing system once the necessary federal authority has been obtained.

Replaces reporting requirements with a baseline report to be submitted by November 1, 2022, and subsequent annual reports every November first. Requires the baseline report to include the same topics as the report in the underlying bill and: (1) Adds a strategy for developing implementable changes to increase health care access, reduce health care costs, reduce health disparities, improve quality, and prepare for the transition to a unified health care financing system; (2) changes the recommendations of key design elements of a universal health care system to an inventory of such design elements;

(3) adds an assessment of the state's current level of preparedness to meet the design elements; (4) removes a reference to coverage expansions for Medicaid for persons regardless of immigration status; and (5) adds recommendations for implementing reimbursement rates for health care providers serving medical assistance requirements at a rate that is no less than 80 percent of the rate paid by Medicare. Requires subsequent annual reports to detail the Commission's work, opportunities to advance the Commission's goals, which opportunities are being implemented by a state agency, which opportunities should be pursued with legislative authority, and which opportunities are beneficial, but lacking federal authority.

Removes intent language that all Washington residents have health coverage under a publicly-financed and privately and publicly-delivered health care system by 2026. Adds legislative finding regarding the implementation of a unified health care financing system being dependent on the changes from the federal government. Adds legislative intent to implement immediate changes in the state's health care system and to establish the preliminary infrastructure to be prepared to establish a universal health system once federal authorities have been realized.

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