S-1341.1

## SECOND SUBSTITUTE SENATE BILL 5399

State of Washington 67th Legislature 2021 Regular Session

**By** Senate Ways & Means (originally sponsored by Senators Randall, Cleveland, Das, Dhingra, Frockt, Hunt, Kuderer, Liias, Lovelett, Nguyen, Nobles, Robinson, Saldaña, Stanford, Van De Wege, Wellman, and Wilson, C.)

READ FIRST TIME 02/22/21.

1 AN ACT Relating to the creation of a universal health care 2 commission; and adding a new chapter to Title 48 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

<u>NEW SECTION.</u> Sec. 1. FINDINGS. (1) The legislature finds that:
(a) Healthy Washingtonians contribute to the economic well-being
of their families and communities, and access to appropriate health
services and improved health outcomes allow all Washingtonian
families to enjoy productive and satisfying lives;

9 (b) Washington and the United States are experiencing the deepest 10 economic crisis since the Great Depression, caused by a public health 11 crisis;

12 (c) Skyrocketing unemployment rates due to COVID-19 have exposed 13 the frailties and inequalities of the current health care system 14 while causing unsustainable strain to the state's medicaid system;

15 (d) Thousands of union and nonunion workers are unemployed and 16 without health insurance;

(e) Approximately 125,000 undocumented people live in the statewith no access to health care during a global pandemic; and

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

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1 (2) Therefore, the legislature intends that by 2026, all 2 residents of the state have comprehensive, equitable, and affordable health care coverage under a publicly financed and privately and 3 publicly delivered health care system. 4

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(3) The resulting universal system should:

6 (a) Be built upon the success of existing publicly supported 7 health insurance programs in the state;

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(b) Streamline access to coverage, reduce fragmentation of health care financing across multiple public and private health insurance 9 entities, reduce unnecessary administrative costs, and establish 10 11 mechanisms to expeditiously link residents with their chosen 12 providers; and

(c) Control health care spending so that the system is affordable 13 14 to the state, employers, and to individuals over time.

(4) The state, in collaboration with all communities, health 15 16 plans, and providers, should take steps to improve health outcomes 17 for all residents of the state.

NEW SECTION. Sec. 2. UNIVERSAL HEALTH CARE COMMISSION. (1) The 18 universal health care commission is established to develop a plan to 19 20 create a health care system in Washington that provides coverage and access through a universal financing system including, but not 21 limited to, a single-payer financing system, for all Washingtonians. 22

(2) The commission includes the following voting members:

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

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

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

31 (d) The director of the health care authority, or the director's 32 designee;

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

35 (f) The insurance commissioner, or the commissioner's designee; (g) The director of the office of equity, or the director's 36

37 designee; (h) The secretary of the department of social and health 38

services, or the secretary's designee; and 39

1 (i) Eight members appointed by the governor with knowledge and 2 experience regarding health care coverage, access, and financing, or 3 other relevant expertise, including at least one invitation to an 4 individual representing tribal governments with knowledge of the 5 Indian health care delivery in the state.

6 (3) The director of the department of retirement systems, or the 7 director's designee shall serve as a nonvoting member of the 8 commission.

9 (4) A majority of the voting members of the commission shall 10 constitute a quorum for any votes of the commission.

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(5) The health care authority shall staff the commission.

12 (6) Members of the commission shall serve without compensation 13 but must be reimbursed for their travel expenses while on official 14 business in accordance with RCW 43.03.050 and 43.03.060.

15 (7) The commission may establish advisory committees that include 16 members of the public with knowledge and experience in health care, 17 in order to support stakeholder engagement and an analytical process 18 by which key design options are developed. A member of an advisory 19 committee need not be a member of the commission.

20 (8) By November 1, 2024, the commission shall submit a final 21 report to the legislature and the governor, and post it on the 22 department of health's website. The report must include:

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

28 (b) Recommendations for key design elements of a universal health 29 care system including:

30 (i) A unified financing system including, but not limited to, a 31 single-payer financing system;

(ii) Eligibility and enrollment processes and requirements;

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- 33 (iii) Covered benefits and services;
- 34 (iv) Provider participation;

35 (v) Effective and efficient provider payments, including 36 consideration of global budgets and health plan payments;

37 (vi) Cost containment strategies;

38 (vii) Quality improvement strategies;

39 (viii) Participant cost sharing, if appropriate;

40 (ix) Quality monitoring and disparities reduction;

1 (x) Initiatives for improving culturally appropriate health 2 services within public and private health-related agencies;

3 (xi) Home and community-based services;

4 (xii) Strategies to reduce health disparities including, but not
5 limited to, mitigating structural racism and other determinants of
6 health as set forth by the office of equity;

7 (xiii) Information technology systems and financial management 8 systems;

9 (xiv) Data sharing and transparency; and

10 (xv) Governance and administration structure, including 11 integration of federal funding sources;

(c) Steps Washington should take to prepare for a just transition to a unified financing system, including a single-payer financing system. Recommendations must include, but are not limited to, administrative changes, reorganization of state programs, retraining programs for displaced workers, federal waivers, and statutory and constitutional changes;

(d) Recommendations for coverage expansions to be implemented prior to and consistent with a universal health care system, including potential funding sources. Recommendations shall include expansion for full scope medicaid coverage, regardless of immigration status;

(e) Recommendations for the creation of a finance committee to develop a financially feasible model to implement universal health care coverage using state and federal funds.

(9) The commission must submit an interim report to the governor
 and the legislature 12 months after its first meeting and every six
 months thereafter detailing the work of the commission.

(10) This section shall not be construed to authorize the commission to implement any provision of the reports until there is further action by the legislature and the governor.

32 (11) The commission must hold its first meeting within 90 days of 33 the effective date of this section.

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(10) The commission terminates December 31, 2024.

35 <u>NEW SECTION.</u> Sec. 3. Sections 1 and 2 of this act constitute a 36 new chapter in Title 48 RCW.

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