

CERTIFICATION OF ENROLLMENT

**ENGROSSED SECOND SUBSTITUTE SENATE BILL 5399**

Chapter 309, Laws of 2021

67th Legislature  
2021 Regular Session

UNIVERSAL HEALTH CARE COMMISSION

EFFECTIVE DATE: July 25, 2021

Passed by the Senate April 19, 2021  
Yeas 28 Nays 21

DENNY HECK

**President of the Senate**

Passed by the House April 7, 2021  
Yeas 57 Nays 40

Laurie Jinkins

**Speaker of the House of  
Representatives**

Approved May 13, 2021 11:56 AM

JAY INSLEE

**Governor of the State of Washington**

CERTIFICATE

I, Brad Hendrickson, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SECOND SUBSTITUTE SENATE BILL 5399** as passed by the Senate and the House of Representatives on the dates hereon set forth.

BRAD HENDRICKSON

**Secretary**

FILED

May 13, 2021

**Secretary of State  
State of Washington**

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ENGROSSED SECOND SUBSTITUTE SENATE BILL 5399

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AS AMENDED BY THE HOUSE

Passed Legislature - 2021 Regular Session

**State of Washington**                      **67th Legislature**                      **2021 Regular Session**

**By** Senate Ways & Means (originally sponsored by Senators Randall, Cleveland, Das, Dhingra, Frockt, Hunt, Kuderer, Lias, 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; adding a new section to chapter 41.05 RCW; and creating a  
3 new section.

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

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

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

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

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

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

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

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

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

9 (2) The legislature intends to create a permanent universal  
10 health care commission to:

11 (a) Implement immediate and impactful changes in the state's  
12 current health care system to increase access to quality, affordable  
13 health care by streamlining access to coverage, reducing  
14 fragmentation of health care financing across multiple public and  
15 private health insurance entities, reducing unnecessary  
16 administrative costs, reducing health disparities, and establishing  
17 mechanisms to expeditiously link residents with their chosen  
18 providers; and

19 (b) Establish the preliminary infrastructure to create a  
20 universal health system, including a unified financing system, that  
21 controls health care spending so that the system is affordable to the  
22 state, employers, and individuals, once the necessary federal  
23 authorities have been realized.

24 (3) The legislature further intends that the state, in  
25 collaboration with all communities, health plans, and providers,  
26 should take steps to improve health outcomes for all residents of the  
27 state.

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

30 (1) The universal health care commission is established to create  
31 immediate and impactful changes in the health care access and  
32 delivery system in Washington and to prepare the state for the  
33 creation of a health care system that provides coverage and access  
34 for all Washington residents through a unified financing system once  
35 the necessary federal authority has become available. The authority  
36 must begin any necessary federal application process within 60 days  
37 of its availability.

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

1 (a) One member from each of the two largest caucuses of the house  
2 of representatives, appointed by the speaker of the house of  
3 representatives;

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

6 (c) The secretary of the department of health, or the secretary's  
7 designee;

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

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

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

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

15 (h) Six members appointed by the governor, using an equity lens,  
16 with knowledge and experience regarding health care coverage, access,  
17 and financing, or other relevant expertise, including at least one  
18 consumer representative and at least one invitation to an individual  
19 representing tribal governments with knowledge of the Indian health  
20 care delivery in the state.

21 (3) (a) The governor must appoint the chair of the commission from  
22 any of the members identified in subsection (2) of this section for a  
23 term of no more than three years. A majority of the voting members of  
24 the commission shall constitute a quorum for any votes of the  
25 commission.

26 (b) The commission's meetings shall be open to the public  
27 pursuant to chapter 42.30 RCW. The authority must publish on its  
28 website the dates and locations of commission meetings, agendas of  
29 prior and upcoming commission meetings, and meeting materials for  
30 prior and upcoming commission meetings.

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

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

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

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

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

9 (b) A strategy for developing implementable changes to the  
10 state's health care financing and delivery system to increase access  
11 to health care services and health coverage, reduce health care  
12 costs, reduce health disparities, improve quality, and prepare for  
13 the transition to a unified health care financing system by actively  
14 examining data and reports from sources that are monitoring the  
15 health care system. Such sources shall include data or reports from  
16 the health care cost transparency board under RCW 70.390.070, the  
17 public health advisory board, the governor's interagency coordinating  
18 council on health disparities under RCW 43.20.275, the all-payer  
19 health care claims database established under chapter 43.371 RCW,  
20 prescription drug price data, performance measure data under chapter  
21 70.320 RCW, and other health care cost containment programs;

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

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

26 (ii) Eligibility and enrollment processes and requirements;

27 (iii) Covered benefits and services;

28 (iv) Provider participation;

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

31 (vi) Cost containment and savings strategies that are designed to  
32 assure that total health care expenditures do not exceed the health  
33 care cost growth benchmark established under chapter 70.390 RCW;

34 (vii) Quality improvement strategies;

35 (viii) Participant cost sharing, if appropriate;

36 (ix) Quality monitoring and disparities reduction;

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

1 (xi) Strategies to reduce health disparities including, but not  
2 limited to, mitigating structural racism and other determinants of  
3 health as set forth by the office of equity;

4 (xii) Information technology systems and financial management  
5 systems;

6 (xiii) Data sharing and transparency; and

7 (xiv) Governance and administration structure, including  
8 integration of federal funding sources;

9 (d) An assessment of the state's current level of preparedness to  
10 meet the elements of (c) of this subsection and steps Washington  
11 should take to prepare for a just transition to a unified health care  
12 financing system, including a single-payer financing system.  
13 Recommendations must include, but are not limited to, administrative  
14 changes, reorganization of state programs, retraining programs for  
15 displaced workers, federal waivers, and statutory and constitutional  
16 changes;

17 (e) Recommendations for implementing reimbursement rates for  
18 health care providers serving medical assistance clients who are  
19 enrolled in programs under chapter 74.09 RCW at a rate that is no  
20 less than 80 percent of the rate paid by medicare for similar  
21 services;

22 (f) Recommendations for coverage expansions to be implemented  
23 prior to and consistent with a universal health care system,  
24 including potential funding sources; and

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

28 (8) Following the submission of the baseline report on November  
29 1, 2022, the commission must structure its work to continue to  
30 further identify opportunities to implement reforms consistent with  
31 subsection (7)(b) of this section and to implement structural changes  
32 to prepare the state for a transition to a unified health care  
33 financing system. The commission must submit annual reports to the  
34 governor and the legislature each November 1st, beginning in 2023.  
35 The reports must detail the work of the commission, the opportunities  
36 identified to advance the goals under subsection (7) of this section,  
37 which, if any, of the opportunities a state agency is implementing,  
38 which, if any, opportunities should be pursued with legislative  
39 policy or fiscal authority, and which opportunities have been  
40 identified as beneficial, but lack federal authority to implement.

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

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

Passed by the Senate April 19, 2021.

Passed by the House April 7, 2021.

Approved by the Governor May 13, 2021.

Filed in Office of Secretary of State May 13, 2021.

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