
ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1686

State of Washington

69th Legislature

2025 Regular Session

By House Appropriations (originally sponsored by Representatives Bronoske, Fosse, Reed, Scott, Nance, Hill, and Macri)

READ FIRST TIME 02/28/25.

1 AN ACT Relating to creating a health care entity registry; adding
2 a new section to chapter 43.70 RCW; and creating new sections.

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

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

5 (a) Washington's health care landscape is changing rapidly. A
6 2023 report by the office of the insurance commissioner identified
7 that Washington has experienced substantial horizontal consolidation
8 and vertical integration across health care providers, facilities,
9 and insurers;

10 (b) Washington's health care market is also experiencing
11 investment from new for-profit entities such as private equity
12 firms. While there were only four private equity acquisitions in
13 Washington in 2014, this number had grown to 97 by 2023;

14 (c) These changes to Washington's health care landscape have not
15 resolved access and affordability challenges. A 2024 survey of over
16 1,000 Washingtonians found that over half skipped needed care due to
17 cost. Department of health data indicates substantial health
18 disparities based on geographic location. Many rural Washingtonians
19 experience health care deserts for essential care; and

20 (d) Washington is currently unable to evaluate how changes in the
21 health care landscape are impacting access and affordability because

1 the state lacks a complete and transparent registry of health care
2 systems and entities. While the state collects some information about
3 health insurers through annual financial statement filing
4 requirements, there is no similar information available for other
5 kinds of health care systems and entities. The office of financial
6 management identified this critical data infrastructure gap in 2010,
7 but it has not yet been resolved. Recent reports in 2023 and 2024 by
8 the office of financial management, the office of the insurance
9 commissioner, and the health care cost transparency board have
10 indicated this data gap continues to prevent effective stewardship of
11 health care resources and state health planning.

12 (2) Therefore, the legislature intends to develop a plan and
13 recommendations with the goal of establishing a complete and
14 interactive registry that will allow for the monitoring and measuring
15 of changes in the health care landscape to better understand trends
16 in health care market consolidation, with the goal of improving
17 access and affordability.

18 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.70
19 RCW to read as follows:

20 (1) The department, in consultation with the health care
21 authority, the office of the insurance commissioner, the office of
22 the governor, and the office of financial management, and with input
23 from stakeholders shall develop a plan and provide recommendations to
24 the legislature as to how to create a complete and interactive
25 registry of the health care landscape in Washington. The plan and
26 recommendations must identify:

27 (a) The health care entities, including but not limited to
28 licensed and unlicensed facilities, providers, provider groups,
29 systems, carriers, and health care benefit managers, that must
30 report;

31 (b) The information that each entity must report; and

32 (c) The fee to be charged to the registering entities, which may
33 be tiered, to support the registration process and creation of the
34 registry.

35 (2) In developing the plan and recommendations, the department
36 must consider:

37 (a) Opportunities to streamline reporting and consider
38 opportunities to allow for information sharing between state agencies

1 for health care entities and health care providers licensed or
2 certified by a state agency; and

3 (b) Strategies to fully understand and monitor the business
4 structure, funding, and contractual relationships of health care
5 entities in Washington, including the current status and future
6 changes in the direct or indirect ownership, control, or affiliation
7 of and between health care entities and other entities and
8 organizations, including private equity investment, that serve
9 Washingtonians.

10 (3) The department shall provide a progress update to the
11 relevant health and fiscal committees of the legislature by December
12 31, 2027, and a final report by November 1, 2028. The final report
13 must identify any remaining data gaps and recommend an implementation
14 plan for the registry.

15 NEW SECTION. **Sec. 3.** If specific funding for the purposes of
16 this act, referencing this act by bill or chapter number, is not
17 provided by June 30, 2025, in the omnibus appropriations act, this
18 act is null and void.

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