

SENATE BILL REPORT

ESHB 2264

As of April 15, 1997

Title: An act relating to abolishing the state health care policy board.

Brief Description: Abolishing the state health care policy board.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Koster, Huff, D. Sommers, Sterk, Sherstad, Boldt, Mulliken, Thompson and McMorris).

Brief History:

Staff: Don Sloma (786-7319)

Background: The Health Care Policy Board (HCPB) was created in 1995 as a successor to the Health Services Commission. The creation of the HCPB and elimination of the commission reflected the changes in direction of health care reform made by the 1995 legislation. The HCPB is composed of five full-time members appointed by the Governor and four part-time members, appointed by the four caucuses of the House and Senate.

The HCPB is responsible for making policy recommendations to the Governor and Legislature on a variety of health care issues. In particular, state law lists about two dozen specific topics that the HCPB is to report on, including individual and group insurance, long-term care, rural health care, medical education, community rating of health insurance, model billing and claims forms, quality improvement efforts, and other topics.

The HCPB also has authority to grant and administer immunities from antitrust laws for health care service organizations. In recent years, the health care market has seen consolidation as a way to contain costs without diminishing quality of care. The HCPB receives, analyzes, and grants petitions for immunity from antitrust laws and supervises those organizations receiving immunity to ensure that the immune conduct continues to further the state's health care goals.

In total, nine petitions for antitrust immunity have been received since 1993, and four have been granted. The HCPB currently monitors the four organizations granted immunity.

The Health Services Account provides funding for the HCPB. In the 1997-99 biennium, if no changes are made to expenditures from that account, there will be a deficit of about \$180 million.

Summary of Bill: The Health Care Policy Board is eliminated. Its responsibilities to conduct various health policy studies, and to recommend action regarding a variety of health problems are repealed. Various references to the board are stricken from state law.

The responsibility for granting antitrust immunity and monitoring the grants of immunity already granted is transferred to the Department of Health (DOH). The activity will be fee supported. A fee schedule must be established by the department in rule which may not exceed \$25,000 for a new anti-trust application, and \$10,000 per year for a renewal. Authority to establish fees is null and void if not specifically referenced in the biennial budget.

In addition, proprietary information provided to the DOH in the course of reviewing petitions for antitrust immunity is exempt from public inspection and copying under RCW 42.17.310. Health care information used by the interagency quality committee is also exempt from public inspection.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 1997.