

HOUSE BILL REPORT

HCR 4403

As Reported by House Committee On:
Health Care
Appropriations

Brief Description: Creating the Health Care Access Options Working Group.

Sponsors: Representatives Schual-Berke, Skinner, Cody, Hankins, Clibborn, Moeller, Pflug, Morrell, Campbell, Simpson, Conway, Santos and Upthegrove.

Brief History:

Committee Activity:

Health Care: 2/26/03, 3/4/03 [DPA];
Appropriations: 3/8/03 [DPS(APP)].

Brief Summary of Substitute Bill

- Creates a Health Care Access Options Working Group to examine the health care insurance system and make recommendations.

HOUSE COMMITTEE ON HEALTH CARE

Majority Report: Do pass as amended. Signed by 12 members: Representatives Cody, Chair; Morrell, Vice Chair; Pflug, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Alexander, Benson, Campbell, Clibborn, Darneille, Moeller, Schual-Berke and Skinner.

Staff: Dave Knutson (786-7146).

Background:

Health care costs are currently rising at three times the rate of general inflation. Increasing health care costs impact government health programs, private companies providing insurance coverage for their employees, and individuals attempting to purchase health insurance.

Summary of Amended Bill:

A Health Care Access Options Working Group (Working Group) is created to examine the health care insurance system in the State of Washington and make recommendations for its improvement. The Working Group will prepare a report, including its findings and recommendations, and transmit the report to the Legislature and the Governor no later than January 1, 2005.

Amended Bill Compared to Original Bill:

A null and void clause is added.

Appropriation: None.

Fiscal Note: Not Requested.

Testimony For: The health care system is in crisis. There needs to be a fresh look taken at this system to help develop viable solutions.

Testimony Against: Small business organizations should have a say in selecting business representatives for the working group.

Testified: (In support) Representative Schual-Berke, prime sponsor; and Sarah Weinberg, Robert Fithian, and Paul Pruitt, Healthcare for All - Washington.

(Concerns) Carolyn Logue, National Federation of Independent Business.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill by Committee on Appropriations be substituted therefor and the substitute bill do pass. Signed by 27 members: Representatives Sommers, Chair; Fromhold, Vice Chair; Sehlin, Ranking Minority Member; Pearson, Assistant Ranking Minority Member; Alexander, Boldt, Buck, Clements, Cody, Conway, Cox, DeBolt, Dunshee, Grant, Hunter, Kagi, Kenney, Kessler, Linville, McDonald, McIntire, Miloscia, Pflug, Ruderman, Schual-Berke, Sump and Talcott.

Staff: Amy Hanson (786-7118).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Health Care:

An additional consumer, health carrier, and a second member of organized labor who represents a trust that purchases insurance through a Taft-Hartley plan, are added to the working group. Additional qualifying language is added that specifies 1) who the three health care providers will represent; 2) the member representing small business will be

selected from a list of nominees submitted by the National Federation of Independent Business and the Independent Business Association, instead of in consultation with the Governor's Committee on Small Business; and 3) all members are to be appointed jointly by the Speaker of the House of Representatives and the President of the Senate instead of the Governor. In addition, the Insurance Commissioner is designated as being responsible for the administrative activities of the working group.

Appropriation: None.

Fiscal Note: Not Requested.

Testimony For: There needs to be consensus on how to deal with problems in the health insurance market. The Legislature will struggle with a budget this year that deals with the high cost of health care. It has been a long time since we have had a large scale look at health insurance. In terms of resources, there is a request in the Insurance Commissioner's budget to support this process.

Testimony Against: Small businesses are supportive of fixing the market, but reluctantly oppose this resolution. Business believes that the standard legislative process should be pursued. This resolution will result in more controversy than solutions. Additional individuals need to be added to the membership of this working group, particularly large corporations, labor, and consumers who purchase insurance.

Testified: (In support) Lonnie Johns-Brown, Washington State Society for Clinical Social Work; and Bill Daley, Insurance Commissioner.

(Opposed) Gary Smith, Independent Business Association.