
SENATE BILL 5815

State of Washington

59th Legislature

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By Senators Finkbeiner, Keiser and Kohl-Welles

Read first time 02/08/2005. Referred to Committee on Health & Long-Term Care.

1 AN ACT Relating to a person's right to have honored his or her
2 decisions regarding health care; amending RCW 41.05.021 and 72.10.020;
3 adding a new section to chapter 41.05 RCW; adding a new section to
4 chapter 74.09 RCW; adding a new section to chapter 72.36 RCW; and
5 adding a new section to chapter 51.04 RCW.

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

7 **Sec. 1.** RCW 41.05.021 and 2002 c 142 s 1 are each amended to read
8 as follows:

9 (1) The Washington state health care authority is created within
10 the executive branch. The authority shall have an administrator
11 appointed by the governor, with the consent of the senate. The
12 administrator shall serve at the pleasure of the governor. The
13 administrator may employ up to seven staff members, who shall be exempt
14 from chapter 41.06 RCW, and any additional staff members as are
15 necessary to administer this chapter. The administrator may delegate
16 any power or duty vested in him or her by this chapter, including
17 authority to make final decisions and enter final orders in hearings
18 conducted under chapter 34.05 RCW. The primary duties of the authority
19 shall be to: Administer state employees' insurance benefits and

1 retired or disabled school employees' insurance benefits; administer
2 the basic health plan pursuant to chapter 70.47 RCW; study state-
3 purchased health care programs in order to maximize cost containment in
4 these programs while ensuring access to quality health care; and
5 implement state initiatives, joint purchasing strategies, and
6 techniques for efficient administration that have potential application
7 to all state-purchased health services. The authority's duties
8 include, but are not limited to, the following:

9 (a) To administer health care benefit programs for employees and
10 retired or disabled school employees as specifically authorized in RCW
11 41.05.065 and in accordance with the methods described in RCW
12 41.05.075, 41.05.140, and other provisions of this chapter;

13 (b) To analyze state-purchased health care programs and to explore
14 options for cost containment and delivery alternatives for those
15 programs that are consistent with the purposes of those programs,
16 including, but not limited to:

17 (i) Creation of economic incentives for the persons for whom the
18 state purchases health care to appropriately utilize and purchase
19 health care services, including the development of flexible benefit
20 plans to offset increases in individual financial responsibility;

21 (ii) Utilization of provider arrangements that encourage cost
22 containment, including but not limited to prepaid delivery systems,
23 utilization review, and prospective payment methods, and that ensure
24 access to quality care, including assuring reasonable access to local
25 providers, especially for employees residing in rural areas;

26 (iii) Coordination of state agency efforts to purchase drugs
27 effectively as provided in RCW 70.14.050;

28 (iv) Development of recommendations and methods for purchasing
29 medical equipment and supporting services on a volume discount basis;
30 and

31 (v) Development of data systems to obtain utilization data from
32 state-purchased health care programs in order to identify cost centers,
33 utilization patterns, provider and hospital practice patterns, and
34 procedure costs, utilizing the information obtained pursuant to RCW
35 41.05.031;

36 (c) To analyze areas of public and private health care interaction;

37 (d) To provide information and technical and administrative
38 assistance to the board;

1 (e) To review and approve or deny applications from counties,
2 municipalities, and other political subdivisions of the state to
3 provide state-sponsored insurance or self-insurance programs to their
4 employees in accordance with the provisions of RCW 41.04.205, setting
5 the premium contribution for approved groups as outlined in RCW
6 41.05.050;

7 ~~((To appoint a health care policy technical advisory committee
8 as required by RCW 41.05.150;~~

9 ~~(g) To establish billing procedures and collect funds from school
10 districts and educational service districts under RCW 28A.400.400 in a
11 way that minimizes the administrative burden on districts;~~

12 ~~(h))~~ To publish and distribute to nonparticipating school
13 districts and educational service districts by October 1st of each year
14 a description of health care benefit plans available through the
15 authority and the estimated cost if school districts and educational
16 service district employees were enrolled; ((and

17 ~~(i))~~ (g) To promulgate and adopt rules consistent with this
18 chapter as described in RCW 41.05.160; and

19 (h) To coordinate the development and distribution by agencies
20 administering state purchased health care programs of comprehensive
21 information about health care directives under chapter 70.122 RCW,
22 durable power of attorney for health care decisions under chapters 7.70
23 and 11.94 RCW, and other matters that bear on the right of a person to
24 have honored his or her decisions regarding health care, including the
25 decision to have life-sustaining treatment withheld or withdrawn. The
26 information shall include a copy of the directive set forth in RCW
27 70.122.030 with instructions on its proper execution.

28 (2) On and after January 1, 1996, the public employees' benefits
29 board may implement strategies to promote managed competition among
30 employee health benefit plans. Strategies may include but are not
31 limited to:

32 (a) Standardizing the benefit package;

33 (b) Soliciting competitive bids for the benefit package;

34 (c) Limiting the state's contribution to a percent of the lowest
35 priced qualified plan within a geographical area;

36 (d) Monitoring the impact of the approach under this subsection
37 with regards to: Efficiencies in health service delivery, cost shifts
38 to subscribers, access to and choice of managed care plans statewide,

1 and quality of health services. The health care authority shall also
2 advise on the value of administering a benchmark employer-managed plan
3 to promote competition among managed care plans.

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

6 (1) The authority shall provide to each person enrolled in the
7 basic health plan or a plan of the public employees' benefits board the
8 information developed under RCW 41.05.021(1)(h) on the right of a
9 person to have honored his or her decisions regarding health care. The
10 information shall be provided to each person upon enrollment, and
11 annually thereafter, as long as the person remains enrolled.

12 (2) After January 1, 2007, to be eligible for enrollment in the
13 basic health plan or a health benefit plan developed by the public
14 employees' benefits board, any person eighteen years of age or older
15 must execute a health care directive as provided in RCW 70.122.030, or
16 indicate to the authority that he or she does not wish to execute such
17 a directive.

18 NEW SECTION. **Sec. 3.** A new section is added to chapter 74.09 RCW
19 to read as follows:

20 The department shall provide to each recipient of medical care
21 services under this chapter the information developed under RCW
22 41.05.021(1)(h) on the right of a person to have honored his or her
23 decisions regarding health care. The information shall be provided to
24 each recipient upon enrollment, and annually thereafter, as long as the
25 person remains a recipient of medical care services.

26 NEW SECTION. **Sec. 4.** A new section is added to chapter 72.36 RCW
27 to read as follows:

28 (1) The department shall provide to each person admitted to a state
29 veterans' home the information developed under RCW 41.05.021(1)(h) on
30 the right of a person to have honored his or her decisions regarding
31 health care. The information shall be provided to each person upon
32 admission, and annually thereafter, as long as the person remains a
33 resident of the home.

34 (2) After January 1, 2007, to be eligible for admission to a state

1 veterans' home, a person must execute a health care directive as
2 provided in RCW 70.122.030, or indicate to the department that he or
3 she does not wish to execute such a directive.

4 NEW SECTION. **Sec. 5.** A new section is added to chapter 51.04 RCW
5 to read as follows:

6 The department shall provide to each worker, upon the determination
7 that he or she is entitled to compensation under this title, the
8 information developed under RCW 41.05.021(1)(h) on the right of a
9 person to have honored his or her decisions regarding health care.

10 **Sec. 6.** RCW 72.10.020 and 1995 1st sp.s. c 19 s 17 are each
11 amended to read as follows:

12 (1) Upon entry into the correctional system, offenders shall
13 receive an initial medical examination. The department shall prepare
14 a health profile for each offender that includes at least the following
15 information: (a) An identification of the offender's serious medical
16 and dental needs; (b) an evaluation of the offender's capacity for work
17 and recreation; and (c) a financial assessment of the offender's
18 ability to pay for all or a portion of his or her health care services
19 from personal resources or private insurance.

20 (2) The department shall provide to each offender, upon entry into
21 the correctional system, and annually thereafter, the information
22 developed under RCW 41.05.021(1)(h) on the right of a person to have
23 honored his or her decisions regarding health care.

24 (3)(a) The department may develop and implement a plan for the
25 delivery of health care services and personal hygiene items to
26 offenders in the department's correctional facilities, at the
27 discretion of the secretary, and in conformity with federal law.

28 (b) To discourage unwarranted use of health care services caused by
29 unnecessary visits to health care providers, offenders shall
30 participate in the costs of their health care services by paying a
31 nominal amount of no less than three dollars per visit, as determined
32 by the secretary. Under the authority granted in RCW 72.01.050(2), the
33 secretary may authorize the superintendent to collect this amount
34 directly from an offender's institution account. All copayments
35 collected from offenders' institution accounts shall be deposited into
36 the general fund.

1 (c) Offenders are required to make copayments for initial health
2 care visits that are offender initiated and, by rule adopted by the
3 department, may be charged a copayment for subsequent visits related to
4 the medical condition which caused the initial visit. Offenders are
5 not required to pay for emergency treatment or for visits initiated by
6 health care staff or treatment of those conditions that constitute a
7 serious health care need.

8 (d) No offender may be refused any health care service because of
9 indigence.

10 (e) At no time shall the withdrawal of funds for the payment of a
11 medical service copayment result in reducing an offender's institution
12 account to an amount less than the level of indigency as defined in
13 chapter 72.09 RCW.

14 ~~((3)(a))~~ (4) The department shall report annually to the
15 legislature the following information for the fiscal year preceding the
16 report: ~~((i))~~ (a) The total number of health care visits made by
17 offenders; ~~((ii))~~ (b) the total number of copayments assessed;
18 ~~((iii))~~ (c) the total dollar amount of copayments collected; ~~((iv))~~
19 (d) the total number of copayments not collected due to an offender's
20 indigency; and ~~((v))~~ (e) the total number of copayments not assessed
21 due to the serious or emergent nature of the health care treatment or
22 because the health care visit was not offender initiated.

23 ~~((b) The first report required under this section shall be~~
24 ~~submitted not later than October 1, 1996, and shall include, at a~~
25 ~~minimum, all available information collected through the second half of~~
26 ~~fiscal year 1996. This subsection (3)(b) shall expire December 1,~~
27 ~~1996.~~

28 ~~(4))~~ (5)(a) The secretary shall adopt, by rule, a uniform policy
29 relating to the distribution and replenishment of personal hygiene
30 items for inmates incarcerated in all department institutions. The
31 policy shall provide for the initial distribution of adequate personal
32 hygiene items to inmates upon their arrival at an institution.

33 (b) The acquisition of replenishment personal hygiene items is the
34 responsibility of inmates, except that indigent inmates shall not be
35 denied adequate personal hygiene items based on their inability to pay
36 for them.

37 (c) The policy shall provide that the replenishment personal

1 hygiene items be distributed to inmates only in authorized quantities
2 and at intervals that reflect prudent use and customary wear and
3 consumption of the items.

4 ~~((+5+))~~ (6) The following become a debt and are subject to RCW
5 72.09.450:

6 (a) All copayments under subsection ~~((+2+))~~ (3) of this section
7 that are not collected when the visit occurs; and

8 (b) All charges for replenishment personal hygiene items that are
9 not collected when the item is distributed.

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