

ESSB 6333 - H COMM AMD

By Committee on Health Care & Wellness

NOT CONSIDERED 03/07/2008

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that:

4 (1) In the past two decades, Washington state has implemented
5 legislative initiatives to improve access to quality, affordable health
6 care in the state. These initiatives, which placed Washington in the
7 forefront of states addressing their residents' health care needs,
8 include:

9 (a) The basic health plan providing affordable coverage to over one
10 hundred thousand individuals and families below two hundred percent of
11 the federal poverty level;

12 (b) The "cover all children" initiative, expanding publicly funded
13 coverage to children in families under three hundred percent of the
14 federal poverty level and promising to cover all children by 2010;

15 (c) The blue ribbon commission on health care costs and access
16 resulting in the passage of Engrossed Second Substitute Senate Bill No.
17 5930, that, among other actions, directed state agencies to integrate
18 prevention, chronic care management, and the medical home concept into
19 state purchased health care programs;

20 (d) The movement toward evidence-based health care purchasing for
21 state health care programs, including the prescription drug program and
22 its preferred drug list, the health technology assessment program, the
23 use of medical evidence to evaluate medical necessity under state
24 medical assistance programs and the direction provided in Engrossed
25 Second Substitute Senate Bill No. 5930 relating to aligning payment
26 with evidence-based care; and

27 (e) The development of patient safety initiatives, including health
28 care facility reporting of adverse medical events and hospital-acquired
29 infection reporting.

1 (2) Despite these initiatives, the cost of health care has
2 continued to increase at a disproportionately high rate.

3 (3) Affordability is key to accessing health care, as evidenced by
4 the fact that more than half of the uninsured people in Washington
5 state are in low-income families, and low-wage workers are far more
6 likely to be uninsured than those with higher incomes. These
7 increasing costs are placing quality care beyond the reach of a growing
8 number of Washington citizens and contributing to health care
9 expenditures that strain the resources of individuals, businesses, and
10 public programs.

11 (4) Efforts by public and private purchasers to control
12 expenditures, and the stress these efforts place on the stability of
13 the health care workforce and viability of health care facilities,
14 threaten to reduce access to quality care for all residents of the
15 state.

16 (5) Prompt action is crucial to prevent further deterioration of
17 the health and well-being of Washingtonians.

18 (6) Addressing an issue of this importance and magnitude demands
19 the full engagement of concerned Washingtonians in a reasoned
20 examination of options to improve access to quality, affordable health
21 care.

22 NEW SECTION. **Sec. 2.** The Washington citizens' work group on
23 health care reform is established. The work group shall engage
24 Washingtonians in a public process on improving access to quality,
25 affordable health care, and review and develop recommendations to the
26 governor and the legislature related to the health care reform
27 proposals in section 3 of this act.

28 (1) The governor shall appoint nine citizen members who may
29 include, but are not limited to, representatives from business, labor,
30 health care providers and consumer groups, and persons with expertise
31 in health care financing. The citizen members shall be selected from
32 individuals recognized for their independent judgment. In addition,
33 the majority and minority caucus in the house of representatives and
34 the majority and minority caucus in the senate shall submit the names
35 of two members of their caucus to the governor, who shall select one
36 member from each caucus to participate in the work group.

1 (2) Consistent with funds appropriated specifically for this
2 purpose, the work group may employ up to two full-time staff to enable
3 the work group to complete its responsibilities in a timely and
4 effective manner.

5 (3) The work group shall design the public engagement process with
6 a goal of having structured, in-depth discussions related to:

7 (a) Trends or issues that affect affordability, access, quality,
8 and efficiency in our health care system; and

9 (b) The health care proposals described in section 3 of this act,
10 the principles guiding evaluation of the proposals, and the economic
11 analysis of the proposals.

12 The public engagement process shall begin when the work group
13 receives the results of the evaluation of health care proposals under
14 section 3 of this act. The process may include, but is not limited to,
15 public forums, invitational meetings with community leaders or other
16 interested individuals and organizations, and web-based communication.

17 (4) By November 1, 2009, the work group shall submit a final report
18 to the public, the governor, and the legislature that includes a
19 summary of the information received during the public engagement
20 process, and a summary of the work group's conclusions, and
21 recommendations related to its review of the proposals, including
22 suggestions for the adoption of any health care proposal by the
23 legislature. The work group may develop its own proposal or proposals.

24 (5) In reviewing the proposals, the work group shall evaluate the
25 extent to which each proposal:

26 (a) Provides a medical home for every family;

27 (b) Provides health care that Washington families can afford;

28 (c) Promotes improved health outcomes, in part through a more
29 efficient delivery system;

30 (d) Requires that individuals, employers, and government share in
31 financing the proposal; and

32 (e) Enables Washington families to choose their provider and health
33 network, and have the option of retaining their current provider.

34 (6) The work group may seek other funds including private
35 contributions and in-kind donations for activities described under
36 subsection (3) of this section.

37 This section expires December 31, 2009.

1 NEW SECTION. **Sec. 3.** (1) Consistent with funds appropriated
2 specifically for this purpose, the legislature shall contract with an
3 independent consultant with expertise in health economics and actuarial
4 science to evaluate the following health care reform proposals:

5 (a) A proposal, similar to Proposed Second Substitute Senate Bill
6 No. 5789 (2008), proposing modifications to insurance regulations to
7 address specific groups that have lower rates of coverage, such as
8 small employers and young adults;

9 (b) A proposal that includes the components of health care reform
10 legislation enacted in Massachusetts in 2006 as Chapter 58 of the Acts
11 of 2006 - "An Act Providing Access to Affordable, Quality, Accountable
12 Health Care";

13 (c) A proposal, as described in Senate Bill No. 6221 (2008), to
14 cover all Washingtonians with a comprehensive, standardized benefit
15 package purchased through a competitive procurement process or a
16 fee-for-service option, funded through a payroll assessment applied to
17 employers and employees; and

18 (d) A proposal to establish a single payer health care system,
19 similar to an approach described in Senate Bill No. 5756 (2007) and to
20 the health care system in Canada.

21 (2) In addition to the evaluation of the three proposals described
22 in subsection (1) of this section, the consultant shall conduct a
23 review to validate the actuarial analysis of the insurance
24 commissioner's guaranteed benefit plan, as described in Senate Bill No.
25 6603 (2008). The consultant group may seek additional information from
26 sponsors of the proposals described in this section.

27 (3) Each evaluation shall address the impact of implementation of
28 the proposal on:

29 (a) The number of Washingtonians covered and number remaining
30 uninsured;

31 (b) The scope of coverage available to persons covered under the
32 proposal;

33 (c) The impact on affordability of health care to individuals,
34 businesses, and government;

35 (d) The redistribution of amounts currently spent by individuals,
36 businesses, and government on health, as well as any savings;

37 (e) The impact on employment;

38 (f) The impact on consumer choice;

- 1 (g) Administrative efficiencies and resulting savings;
2 (h) The impact on hospital charity care;
3 (i) The cost of health care as experienced throughout the state by
4 individuals and families, employees of small and large businesses,
5 businesses of all sizes, associations, local governments, public health
6 districts, and networks, and by the state; and
7 (j) The extent to which each proposal promotes:
8 (i) Improved health outcomes;
9 (ii) Prevention and early intervention;
10 (iii) Chronic care management;
11 (iv) Services based on empirical evidence;
12 (v) Incentives to use effective and necessary services;
13 (vi) Disincentives to discourage use of marginally effective or
14 inappropriate services; and
15 (vii) A medical home.
16 (4) To the extent that any proposal has recent, detailed analysis
17 available, the consultant shall review and may make use of the
18 available analysis.
19 (5) The results of the evaluation under this section shall be
20 submitted to the governor, the health policy committees of the
21 legislature, and the work group on or before December 15, 2008.

22 NEW SECTION. **Sec. 4.** If specific funding for the purposes of this
23 act, referencing this act by bill or chapter number, is not provided by
24 June 30, 2008, in the omnibus appropriations act, this act is null and
25 void."

26 Correct the title.

EFFECT: The Governor will appoint a 13-member citizens' work group on health care reform, including 9 citizens and 4 legislators. The work group may hire up to two staff. The work group will engage in a public engagement process when the work group receives the results of the evaluation of health care proposals by December 15, 2008. The work group will submit a final report by November 2009. The Legislature will contract for an evaluation of three health care reform proposals. The evaluation of the health care reform proposals will be submitted to the governor, legislature, and work group by December 15, 2008.

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