
SECOND SUBSTITUTE HOUSE BILL 2536

State of Washington 60th Legislature 2008 Regular Session

By House Appropriations (originally sponsored by Representatives Cody, VanDeWege, Hasegawa, Ormsby, Seaquist, Morrell, Schual-Berke, Upthegrove, and Green)

READ FIRST TIME 02/12/08.

1 AN ACT Relating to the creation of a citizens' work group on health
2 care reform; creating new sections; and providing an expiration date.

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

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

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

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

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

16 (c) The blue ribbon commission on health care costs and access
17 resulting in the passage of Engrossed Second Substitute Senate Bill No.
18 5930, that, among other actions, directed state agencies to integrate

1 prevention, chronic care management, and the medical home concept into
2 state purchased health care programs;

3 (d) The movement toward evidence-based health care purchasing for
4 state health care programs, including the prescription drug program and
5 its preferred drug list, the health technology assessment program, the
6 use of medical evidence to evaluate medical necessity under state
7 medical assistance programs and the direction provided in Engrossed
8 Second Substitute Senate Bill No. 5930 relating to aligning payment
9 with evidence-based care; and

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

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

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

23 (4) Efforts by public and private purchasers to control
24 expenditures, and the stress these efforts place on the stability of
25 the health care workforce and viability of health care facilities,
26 threaten to reduce access to quality care for all residents of the
27 state.

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

30 (6) Addressing an issue of this importance and magnitude demands
31 the full engagement of concerned Washingtonians in a reasoned
32 examination of options to improve access to quality, affordable health
33 care.

34 NEW SECTION. **Sec. 2.** The Washington citizens' work group on
35 health care is established.

36 (1) By April 1, 2008, the governor, in consultation with the chairs
37 of the health care policy committees of the senate and house of

1 representatives, shall appoint nine citizen members who may include,
2 but are not limited to, representatives from business, labor, health
3 care providers and consumer groups, and persons with expertise in
4 health care financing and health care ethics. The citizen members
5 shall be selected from individuals recognized for their independent
6 judgment. The majority leader and minority leader of the senate and
7 the speaker and minority leader of the house shall each appoint one
8 member from their respective caucuses to serve on the work group. The
9 work group shall actively engage Washingtonians in a public process to
10 examine options for improving access to quality, affordable health care
11 and direct the economic analysis of several health care reform
12 proposals, as provided in section 3 of this act.

13 (2) To engage Washingtonians in a process to examine options for
14 improving access to quality, affordable health care, the work group
15 shall:

16 (a) Seek to maximize participation of Washingtonians from all walks
17 of life and all parts of the state by conducting meetings in all
18 congressional districts of the state and providing other venues for
19 participation;

20 (b) Provide information to Washingtonians on the state's health
21 care achievements to date and ongoing trends or issues that negatively
22 affect affordability, access, quality, and efficiency;

23 (c) Present information and seek public input about the health care
24 proposals described in section 3 of this act, including any findings
25 from the economic analysis of the proposals;

26 (d) Communicate its efforts through a variety of methods,
27 including:

28 (i) A concise guide describing underlying health care issues, the
29 health care proposals under review, and principles guiding the
30 evaluation of those proposals;

31 (ii) A web site that announces meeting times and locations,
32 provides detailed information on the health care proposals under
33 review, and provides opportunities for public input; and

34 (iii) Public service announcements.

35 (3) The economic analysis of health care reform proposals provided
36 in section 3 of this act shall be conducted by an independent entity.
37 Each evaluation shall address the impact of implementation of the
38 proposal on:

- 1 (a) The number of Washingtonians covered and number remaining
2 uninsured;
- 3 (b) The scope of coverage available to persons covered under the
4 proposal;
- 5 (c) The impact on the cost and affordability of health care to
6 individuals, businesses, and government;
- 7 (d) The impact on employment;
- 8 (e) The impact on consumer choice;
- 9 (f) The redistribution of amounts currently spent by individuals,
10 businesses, and government on health, as well as any savings;
- 11 (g) Administrative efficiencies and resulting savings;
- 12 (h) The impact on hospital charity care; and
- 13 (i) The extent to which each proposal promotes:
- 14 (i) Improved health outcomes;
- 15 (ii) Prevention and early intervention;
- 16 (iii) Chronic care management;
- 17 (iv) Services based on empirical evidence;
- 18 (v) Incentives to use effective and necessary services;
- 19 (vi) Disincentives to discourage use of marginally effective or
20 inappropriate services; and
- 21 (vii) A medical home.
- 22 (4) By December 1, 2008, the work group shall report to the
23 appropriate committees of the legislature on the work group's findings,
24 including:
- 25 (a) A summary of the work group's activities, including meetings
26 held, number of people in attendance, and number of contacts from the
27 public;
- 28 (b) A summary of public input;
- 29 (c) The results of the work group's review of the proposals. In
30 reviewing the proposals, the work group shall evaluate the extent to
31 which each proposal:
- 32 (i) Provides a medical home for every family;
- 33 (ii) Provides health care that Washington families can afford;
- 34 (iii) Promotes improved health outcomes, in part through a more
35 efficient delivery system;
- 36 (iv) Requires that individuals, employers, and government share in
37 financing the proposal; and

1 (v) Enables Washington families to choose their provider and health
2 network, and have the option of retaining their current provider;

3 (d) A summary of the work group's conclusions; and

4 (e) Recommendations related to the work group's review of the
5 proposals, including suggestions for the adoption of any health care
6 proposal during the 2009 session of the legislature.

7 (5) This section expires June 30, 2009.

8 NEW SECTION. **Sec. 3.** (1) The work group shall present information
9 and seek public input about, direct the economic analysis of, and
10 review the following health care proposals:

11 (a) Health care reform legislation recently enacted or proposed in
12 Massachusetts, Wisconsin, and California;

13 (b) A proposal to provide a guaranteed benefit plan for all
14 Washingtonians covering annual catastrophic health expenses of
15 medically necessary care in excess of ten thousand dollars and basic
16 preventive care including annual examinations, cancer screenings,
17 immunizations, and at least one dental care visit;

18 (c) A proposal to establish a single payer health care system, in
19 which residents of Washington state receive a guaranteed package of
20 health care services from health care providers that contract directly
21 with and are paid by the state.

22 (2) In addition to the proposals described in subsection (1) of
23 this section, the work group may develop its own proposal.

24 NEW SECTION. **Sec. 4.** Consistent with funds appropriated
25 specifically for this purpose, the senate and house of representatives
26 shall provide staff support and administrative services to the work
27 group including:

28 (1) Contracting with a consultant to schedule and locate work group
29 and community meetings, and facilitate meetings and other activities to
30 enable the work group to complete its responsibilities in a timely and
31 effective manner; and

32 (2) Contracting with an independent consultant with expertise in
33 health economics and actuarial science to evaluate the health care
34 reform proposals under consideration. The office of the insurance
35 commissioner may contract with a consultant already providing similar

1 services to a state agency if doing so will expedite the work without
2 compromising quality or increasing cost.

3 NEW SECTION. **Sec. 5.** If specific funding for the purposes of this
4 act, referencing this act by bill or chapter number, is not provided by
5 June 30, 2008, in the omnibus appropriations act, this act is null and
6 void.

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