H-3454.1			

## HOUSE BILL 2568

State of Washington 63rd Legislature 2014 Regular Session

By Representatives Wilcox, Manweller, and Schmick

Read first time 01/21/14. Referred to Committee on Health Care & Wellness.

AN ACT Relating to oversight of health reform implementation by the joint select committee on health care implementation and oversight; adding a new section to chapter 43.71 RCW; adding a new section to chapter 48.02 RCW; creating new sections; and providing an expiration date.

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

## NEW SECTION. Sec. 1. The legislature finds:

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- (1) The federal patient protection and affordable care act became law on March 23, 2010, enacting broad changes to every element of the nation's health care system with the majority of changes effective January 1, 2014;
- (2) Individuals and businesses were told by many of our national and state leaders that the patient protection and affordable care act would not impact their ability to keep their current health plan and doctors and that their premiums would be less expensive;
- 16 (3) The federal government has provided states with some 17 flexibility in the implementation of the patient protection and 18 affordable care act, but our state insurance commissioner has refused 19 to implement some of the changes allowed by the federal government;

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- (4) The requirement in the patient protection and affordable care act that employers with fifty or more full-time equivalent employees offer affordable health insurance or pay a penalty has been delayed to take effect January 1, 2015, and the impacts of this requirement on employers, employees, and jobs are likely to be significant since sixty percent of Washingtonians receive health insurance through employers;
- (5) Individuals and businesses will continue to experience many changes to their health care and health insurance options over the coming years and months if the patient protection and affordable care act remains unchanged;
  - (6) Concerns of increasing health care costs remain;

- (7) The federal government continues to adopt and revise numerous regulations and guidelines to implement the patient protection and affordable care act;
- (8) State policymakers need to actively follow the changing federal regulations and guidelines so that the state can develop the most appropriate response to the changes in the health care system for the people of the state of Washington;
- (9) Several state and public entities, including the newly created health benefit exchange, have different roles in implementing health care policy in the state. These entities are not required to coordinate their activities; and
- (10) Better coordination between and oversight of the health care authority, the health benefit exchange, the office of the insurance commissioner, the department of health, and the department of social and health services will lead to efficiencies in health care delivery and ultimately cost savings to the state.
- NEW SECTION. Sec. 2. (1)(a) A joint select committee on health care implementation and oversight is established, with members as provided in this subsection.
- (i) The chairs of the health care committees of the senate and the house of representatives must serve as cochairs of the committee;
- (ii) The president of the senate shall appoint two members from each of the two largest caucuses of the senate;
- (iii) The speaker of the house of representatives shall appoint two members from each of the two largest caucuses of the house of representatives; and

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- 1 (iv) The governor shall appoint a nonvoting committee member.
- 2 (b) The cochairs shall convene the committee to meet no less than quarterly.
  - (2) The committee shall:

- (a) Provide oversight of health reform implementation by the health care authority, the health benefit exchange, the office of the insurance commissioner, the department of health, and the department of social and health services to avoid duplication of efforts, to increase the quality of services, and to reduce costs for consumers;
- (b) Request briefings from the office of the insurance commissioner, the Washington health benefit exchange, and the health care authority;
- (c) Request briefings from business organizations regarding the impacts of the patient protection and affordable care act and its implementation on Washington employers and employees; and
- (d) Coordinate with the research and data analysis division of the department of social and health services to monitor health care cost trends.
  - (3) The committee may:
- (a) Propose, as necessary, legislation and budget recommendations to the appropriate committees of the legislature to assist in coordination of activities and achieve better quality health care and cost savings; and
- (b) Recommend to the executive branch, the insurance commissioner, and the health benefit exchange any changes to health reform implementation that should be adopted due to new federal regulations or guidelines or changes in the interpretation or implementation of the federal patient protection and affordable care act.
- (4) Staff support for the committee must be provided by senate committee services and the house of representatives office of program research.
- (5) Legislative members of the committee must be reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members, except those representing an employer or organization, are entitled to be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060.
- (6) The expenses of the committee must be paid jointly by the senate and the house of representatives. Committee expenditures are

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- 1 subject to approval by the senate facilities and operations committee
- 2 and the house of representatives executive rules committee, or their
- 3 successor committees.

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- 4 <u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 43.71 RCW 5 to read as follows:
- At the time of enrollment, the exchange shall survey enrollees regarding their insurance status and the source of their previous
- 8 health insurance coverage, if applicable.
- 9 <u>NEW SECTION.</u> **Sec. 4.** A new section is added to chapter 48.02 RCW to read as follows:
- The office of the insurance commissioner, in consultation with the health benefit exchange and the health care authority, shall provide a quarterly report to the joint select committee on health care implementation and oversight with the following data:
  - (1) The information collected under section 3 of this act;
  - (2) The cost of individual and small group health plans in the exchange and individual, small group, and large group health plans outside the exchange, and a comparison with costs reported in the previous quarterly report;
  - (3) The number of individuals currently covered by individual and small group health plans in the exchange, publicly subsidized health care programs, and individual, small group, and large group health plans outside the exchange, and a comparison with the numbers reported in the previous quarter; and
  - (4) A current estimate of the insurance status of all state residents categorized by source of coverage, including:
- 27 (a) Individual and small group market health plan coverage, 28 including, but not limited to, coverage outside the exchange, 29 subsidized coverage inside the exchange, and nonsubsidized coverage 30 inside the exchange;
  - (b) Large group market coverage;
- 32 (c) Coverage provided by self-insured employers or a Taft-Hartley 33 health care trust;
- 34 (d) Government programs, including, but not limited to, medicare 35 and medicaid;

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- 1 (e) Coverage for active duty members of the military, military 2 retirees, and their dependents;
- 3 (f) Coverage provided for federal, state, and local government 4 employees and their dependents; and
- 5 (g) Uninsured.
- NEW SECTION. **Sec. 5.** The joint select committee on health care oversight created under Engrossed Substitute Senate Concurrent Resolution No. 8401 in 2013 is hereby abolished.
- 9 <u>NEW SECTION.</u> **Sec. 6.** This act expires December 31, 2017.

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