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SENATE BILL 5957

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State of Washington                      65th Legislature      2017 2nd Special Session

By Senators Chase, Hasegawa, and Saldaña

Read first time 06/16/17. Referred to Committee on Health Care.

1            AN ACT Relating to establishing the healthy Washington program to  
2 provide comprehensive universal single-payer health care coverage for  
3 all residents of the state; adding a new chapter to Title 43 RCW; and  
4 providing a contingent effective date.

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

6            NEW SECTION.    **Sec. 1.** The legislature finds and declares all of  
7 the following:

8            (1) All residents of this state have the right to health care.  
9 While the federal patient protection and affordable care act brought  
10 many improvements in health care and health care coverage, it still  
11 leaves many residents without coverage or with inadequate coverage.

12            (2) Individuals, employers, and taxpayers have experienced a rise  
13 in the cost of health care and health care coverage in recent years,  
14 including rising premiums, deductibles, and copays, as well as  
15 restricted provider networks and high out-of-network charges.

16            (3) Businesses have also experienced increases in the costs of  
17 health care benefits for their employees, and many employers are  
18 shifting a larger share of the cost of coverage to their employees or  
19 dropping coverage entirely.

20            (4) Individuals often find that they are deprived of affordable  
21 care and choice because of decisions by health benefit plans guided

1 by the plan's economic needs rather than consumers' health care  
2 needs.

3 (5) To address the fiscal crisis facing the health care system  
4 and the state, and to ensure all residents can exercise their right  
5 to health care, comprehensive health care coverage needs to be  
6 provided.

7 (6) It is the intent of the legislature to establish a  
8 comprehensive universal single-payer health care coverage program and  
9 a health care cost control system for the benefit of all residents of  
10 the state. It is further the intent of the legislature to establish  
11 the healthy Washington program to provide universal health coverage  
12 for every resident based on his or her ability to pay and funded by  
13 broad-based revenue.

14 (7) The state shall work to obtain waivers and other approvals  
15 relating to medicaid, the state's children's health insurance  
16 program, medicare, the exchange marketplace, and any other federal  
17 programs so that any federal funds and other subsidies that would  
18 otherwise be paid to the state, residents, and health care providers  
19 would be paid by the federal government to the state of Washington  
20 and deposited in the healthy Washington trust fund. Under those  
21 waivers and approvals, the funds would be used for health coverage  
22 that provides health benefits equal to or exceeded by those programs  
23 as well as other program modifications, including elimination of cost  
24 sharing and insurance premiums. Those programs would be replaced and  
25 merged into the healthy Washington program, which will operate as a  
26 true single-payer program.

27 (8) If any necessary waivers or approvals are not obtained, it is  
28 the intent of the legislature that the state use state plan  
29 amendments and seek waivers and approvals to maximize, and make as  
30 seamless as possible, the use of federally matched public health  
31 programs and federal health programs in the healthy Washington  
32 program. Thus, even if other programs such as medicaid or medicare  
33 may contribute to paying for care, it is the goal of this act that  
34 the coverage be delivered by the healthy Washington program, and, as  
35 much as possible, that the multiple sources of funding be pooled with  
36 other healthy Washington program funds and not be apparent to program  
37 members or participating providers.

38 (9) This act does not create any employment benefit or require,  
39 prohibit, or limit the provision of any employment benefit.

1 (10) It is the intent of the legislature not to change or impact  
2 in any way the role or authority of any licensing board or state  
3 agency that regulates the standards for or provision of health care  
4 and the standards for health care providers as established under  
5 current law. This act would in no way authorize the healthy  
6 Washington board, the healthy Washington program, or the department  
7 of health to establish or revise licensure standards for health care  
8 providers.

9 (11) It is the intent of the legislature that neither health  
10 information technology nor clinical practice guidelines limit the  
11 effective exercise of the professional judgment of physicians and  
12 registered nurses. Physicians and registered nurses will be free to  
13 override health information technology and clinical practice  
14 guidelines if, in their professional judgment, it is in the best  
15 interest of the patient and consistent with the patient's wishes.

16 (12) It is the intent of the legislature to prohibit the program,  
17 a state agency, a local agency, or a public employee acting under  
18 color of law from providing or disclosing to anyone including, but  
19 not limited to, the federal government, any personally identifiable  
20 information obtained including, but not limited to, a person's  
21 religious beliefs, practices, or affiliation, national origin,  
22 ethnicity, or immigration status, for law enforcement or immigration  
23 purposes.

24 (13) It is the intent of the legislature to prohibit law  
25 enforcement agencies from using the program's funds, facilities,  
26 property, equipment, or personnel to investigate, enforce, or assist  
27 in the investigation or enforcement of any criminal, civil, or  
28 administrative violation or warrant for a violation of any  
29 requirement that individuals register with the federal government or  
30 any federal agency based on religion, national origin, ethnicity, or  
31 immigration status.

32 (14) It is further the intent of the legislature to address the  
33 high cost of prescription drugs and ensure they are affordable for  
34 patients.

35 NEW SECTION. **Sec. 2.** This chapter may be known and cited as the  
36 healthy Washington act.

1        NEW SECTION.        **Sec. 3.**        The healthy Washington program is  
2 established to be governed by the healthy Washington board created in  
3 section 7 of this act.

4        NEW SECTION.        **Sec. 4.**        Unless otherwise specifically provided,  
5 the definitions in this section apply throughout this chapter.

6        (1) "Affordable care act" means the federal patient protection  
7 and affordable care act (P.L. 111-148), as amended by the federal  
8 health care and education reconciliation act of 2010 (P.L. 111-152),  
9 and any amendments to or regulations or guidance issued under those  
10 acts, and any programs created by the affordable care act.

11        (2) "Allied health practitioner" means a group of health  
12 professionals that applies its expertise to prevent disease  
13 transmission, diagnose, treat, and rehabilitate people of all ages  
14 and in all specialties. Together with a range of technical and  
15 support staff, the group may deliver direct patient care,  
16 rehabilitation, treatment, diagnostics, and health improvement  
17 interventions to restore and maintain optimal physical, sensory,  
18 psychological, cognitive, and social functions. Examples of such  
19 groups include, but are not limited to, audiologists, occupational  
20 therapists, social workers, and radiographers.

21        (3) "Board" means the healthy Washington board created in section  
22 7 of this act.

23        (4) "Care coordination" means services provided by a care  
24 coordinator as outlined in section 18 of this act.

25        (5) "Care coordinator" means an individual or entity approved by  
26 the board to provide care coordination under section 18 of this act.

27        (6) "Carrier" means a private health insurer licensed under Title  
28 48 RCW.

29        (7) "Committee" means the public advisory committee established  
30 in section 8 of this act.

31        (8) "Essential community providers" means persons or entities  
32 acting as safety net clinics, safety net health care providers, or  
33 rural hospitals.

34        (9) "Federally matched public health program" means the state's  
35 medicaid program under Title XIX of the federal social security act  
36 (42 U.S.C. Sec. 1396 et seq.) and the state's children's health  
37 insurance program (CHIP) under Title XXI of the federal social  
38 security act (42 U.S.C. Sec. 1397aa et seq.).

1 (10) "Fund" means the healthy Washington trust fund established  
2 under section 23 of this act.

3 (11) "Health care organization" means an entity that is approved  
4 by the board to provide health care services to members under the  
5 program.

6 (12) "Health care service" means any health care service,  
7 including care coordination, that is included as a benefit under the  
8 program established under section 16 of this act.

9 (13) "Healthy Washington" or "program" means the healthy  
10 Washington program established in section 3 of this act.

11 (14) "Implementation period" means the period during which the  
12 program is subject to special eligibility and financing provisions  
13 until it is fully implemented.

14 (15) "Integrated health care delivery system" means a provider  
15 organization that meets both of the following criteria:

16 (a) Is fully integrated operationally and clinically to provide a  
17 broad range of health care services, including preventive care,  
18 prenatal and well-baby care, immunizations, screening diagnostics,  
19 emergency services, hospital and medical services, surgical services,  
20 and ancillary services; and

21 (b) Is compensated by healthy Washington using capitation  
22 payments or a similar payment methodology for the provision of health  
23 care services.

24 (16) "Long-term care" means long-term care, treatment,  
25 maintenance, or services not covered under the state's children's  
26 health insurance program, as appropriate, with the exception of  
27 short-term rehabilitation, and as defined by the board.

28 (17) "Medicaid" or "medical assistance" means the state's  
29 medicaid program under Title XIX of the federal social security act  
30 (42 U.S.C. Sec. 1396 et seq.), or the state's children's health  
31 insurance program under Title XXI of the federal social security act  
32 (42 U.S.C. Sec. 1397aa et seq.).

33 (18) "Medicare" means Title XVIII of the federal social security  
34 act (42 U.S.C. Sec. 1395 et seq.) and the programs under that act.

35 (19) "Member" means an individual who is enrolled in the program.

36 (20) "Out-of-state health care service" means a health care  
37 service provided in person to a member while the member is physically  
38 located out of the state under either of the following circumstances:

39 (a) It is medically necessary that the health care service be  
40 provided while the member is physically out of the state; or

1 (b) It is clinically appropriate and necessary, and cannot be  
2 provided in the state, because the health care service can only be  
3 provided by a particular health care provider physically located out  
4 of the state. However, any health care service provided to a member  
5 by a health care provider qualified by the board that is located  
6 outside the state is not considered an out-of-state service and is  
7 covered as otherwise provided in this chapter.

8 (21) "Participating provider" means any individual or entity that  
9 is a health care provider qualified by the board that provides health  
10 care services to members under the program, or a health care  
11 organization.

12 (22) "Resident" means an individual whose primary place of abode  
13 is in the state, without regard to the individual's immigration  
14 status.

15 NEW SECTION. **Sec. 5.** This chapter does not preempt any city,  
16 county, or city and county from adopting additional health care  
17 coverage for residents in that city, county, or city and county that  
18 provides more protections and benefits to Washington residents than  
19 this chapter.

20 NEW SECTION. **Sec. 6.** To the extent any provision of Washington  
21 law is inconsistent with this chapter or the legislative intent of  
22 the healthy Washington act, this chapter applies and prevails, except  
23 when explicitly provided otherwise under this chapter.

24 NEW SECTION. **Sec. 7.** (1) The healthy Washington board is  
25 established as an independent public entity to provide governance for  
26 the healthy Washington program. The board must consist of nine  
27 members who are residents of Washington. Of the members of the board,  
28 four must be appointed by the governor, two must be appointed by the  
29 senate, and two must be appointed by the house of representatives.  
30 The director of the health care authority or his or her designee  
31 shall serve as a voting, ex officio member of the board.

32 (2) Members of the board, other than an ex officio member, are  
33 appointed for a term of four years. Appointments by the governor are  
34 subject to confirmation by the senate. A member of the board may  
35 continue to serve until the appointment and qualification of his or  
36 her successor. Vacancies are filled by appointment for the unexpired  
37 term. The board shall elect a chairperson on an annual basis.

1 (3)(a) Each person appointed to the board shall have demonstrated  
2 and acknowledged expertise in health care. Appointing authorities  
3 shall also consider the expertise of the other members of the board  
4 and attempt to make appointments so that the board's composition  
5 reflects a diversity of expertise in the various aspects of health  
6 care.

7 (b) Appointments to the board by the governor, the senate, and  
8 the house of representatives must be composed of:

9 (i) At least one representative of a labor organization  
10 representing registered nurses;

11 (ii) At least one representative of the general public;

12 (iii) At least one representative of a labor organization; and

13 (iv) At least one representative of the medical provider  
14 community.

15 (4) Each member of the board has the responsibility and duty to  
16 meet the requirements of this chapter, the affordable care act, and  
17 all applicable state and federal laws and regulations, to serve the  
18 public interest of the individuals, employers, and taxpayers seeking  
19 health care coverage through the program, and to ensure the  
20 operational well-being and fiscal solvency of the program.

21 (5) In making appointments to the board, the appointing  
22 authorities shall take into consideration the cultural, ethnic, and  
23 geographical diversity of the state so that the board's composition  
24 reflects the communities of Washington.

25 (6) A member of the board or of the staff of the board must not  
26 be employed by, a consultant to, a member of the board of directors  
27 of, affiliated with, or otherwise a representative of a health care  
28 provider, a health care facility, or a health clinic while serving on  
29 the board or on the staff of the board. A member of the board or of  
30 the staff of the board must not be a member, a board member, or an  
31 employee of a trade association of health facilities, health clinics,  
32 or health care providers while serving on the board or on the staff  
33 of the board. A member of the board or of the staff of the board must  
34 not be a health care provider unless he or she receives no  
35 compensation for rendering services as a health care provider and  
36 does not have an ownership interest in a health care practice.

37 (7) A board member must not receive compensation for his or her  
38 service on the board, but may receive a per diem and reimbursement  
39 for travel and other necessary expenses while engaged in the  
40 performance of official duties of the board.

1 (8) A member of the board must not make, participate in making,  
2 or in any way attempt to use his or her official position to  
3 influence the making of a decision that he or she knows, or has  
4 reason to know, will have a reasonably foreseeable material financial  
5 effect, distinguishable from its effect on the public generally, on  
6 him or her or a member of his or her immediate family, or on either  
7 of the following:

8 (a) Any source of income, other than gifts and other than loans  
9 by a commercial lending institution in the regular course of business  
10 on terms available to the public without regard to official status  
11 aggregating two hundred fifty dollars or more in value provided to,  
12 received by, or promised to the member within twelve months before  
13 the time when the decision is made; or

14 (b) Any business entity in which the member is a director,  
15 officer, partner, trustee, employee, or holds any position of  
16 management.

17 (9) There is no liability in a private capacity on the part of  
18 the board or a member of the board, or an officer or employee of the  
19 board, for or on account of an act performed or obligation entered  
20 into in an official capacity, when done in good faith, without intent  
21 to defraud, and in connection with the administration, management, or  
22 conduct of this chapter or affairs related to this chapter.

23 (10) The board shall hire an executive director to organize,  
24 administer, and manage the operations of the board. The executive  
25 director is exempt from civil service and shall serve at the pleasure  
26 of the board.

27 (11) The board is subject to open public meetings, except that  
28 the board may hold closed sessions when considering matters related  
29 to litigation, personnel, contracting, and rates.

30 (12) The board may adopt rules as necessary to implement and  
31 administer this chapter.

32 (13) For purposes of this section, "health care provider" means a  
33 person licensed or certified in Washington under Title 18 RCW.

34 NEW SECTION. **Sec. 8.** (1) The executive director shall establish  
35 a public advisory committee to advise the board on all matters of  
36 policy for the program. The members of the committee must include all  
37 of the following:

38 (a) Four physicians, all of whom must be board certified in their  
39 fields, and at least one of whom must be a psychiatrist. The senate



1 and the governor shall each appoint one member. The house of  
2 representatives shall appoint two of these members, both of whom must  
3 be primary care providers;

4 (b) Two registered nurses, to be appointed by the senate;

5 (c) One licensed allied health practitioner, to be appointed by  
6 the house of representatives;

7 (d) One mental health care provider, to be appointed by the  
8 senate;

9 (e) One dentist, to be appointed by the governor;

10 (f) One representative of private hospitals, to be appointed by  
11 the governor;

12 (g) One representative of public hospitals, to be appointed by  
13 the governor;

14 (h) One representative of an integrated health care delivery  
15 system, to be appointed by the governor;

16 (i) Four consumers of health care. The governor shall appoint two  
17 of these members, one of whom must be a person with disabilities. The  
18 senate shall appoint a member who is sixty-five years of age or  
19 older. The house of representatives shall appoint the fourth member;

20 (j) One representative of organized labor, to be appointed by the  
21 house of representatives;

22 (k) One representative of essential community providers, to be  
23 appointed by the senate;

24 (l) One member of organized labor, to be appointed by the senate;

25 (m) One representative of a small business, which is a business  
26 that employs less than twenty-five people, to be appointed by the  
27 governor;

28 (n) One representative of a large business, which is a business  
29 that employs more than two hundred fifty people, to be appointed by  
30 the house of representatives; and

31 (o) One pharmacist, to be appointed by the house of  
32 representatives.

33 (2) In making appointments under this section, the governor, the  
34 senate, and the house of representatives shall make good faith  
35 efforts to ensure that their appointments, as a whole, reflect, to  
36 the greatest extent feasible, the social and geographic diversity of  
37 the state.

38 (3) A committee member serves a four-year term. Committee members  
39 may be reappointed for succeeding four-year terms.

1 (4) Vacancies that occur must be filled within thirty days after  
2 the occurrence of the vacancy and in the same manner in which the  
3 vacating member was initially selected or appointed. The executive  
4 director shall notify the appropriate appointing authority of any  
5 expected vacancies on the public advisory committee.

6 (5) Members of the committee serve without compensation, but must  
7 be reimbursed for actual and necessary expenses incurred in the  
8 performance of their duties to the extent that reimbursement for  
9 those expenses is not otherwise provided or payable by another public  
10 agency or agencies, and receive one hundred dollars for each full day  
11 of attending a meeting of the committee. For purposes of this  
12 subsection, "full day of attending a meeting" means present at, and  
13 participation in, not less than seventy-five percent of the total  
14 meeting time of the committee during any particular twenty-four hour  
15 period.

16 (6) The public advisory committee shall meet at least six times  
17 per year in a place convenient to the public. All meetings of the  
18 committee are open, public meetings.

19 (7) The public advisory committee shall elect a chairperson who  
20 serves for two years and who may be reelected for an additional two  
21 years.

22 (8) Appointed committee members must have worked in the field  
23 they represent on the committee for a period of at least two years  
24 before being appointed to the committee.

25 (9) It is unlawful for the committee members or any of their  
26 assistants, clerks, or deputies to use for personal benefit any  
27 information that is filed with, or obtained by, the committee and  
28 that is not generally available to the public.

29 NEW SECTION. **Sec. 9.** (1) The board may establish and implement  
30 healthy Washington under this chapter. The program must provide  
31 comprehensive universal single-payer health care coverage and a  
32 health care cost control system for the benefit of all residents of  
33 the state.

34 (2) The board shall, to the extent possible, organize,  
35 administer, and market the program and services as a single-payer  
36 program under the name "Healthy Washington," or any other name as the  
37 board determines, regardless of which law or source the definition of  
38 a benefit is found including, on a voluntary basis, retiree health  
39 benefits. In implementing this chapter, the board shall avoid

1 jeopardizing federal financial participation in the programs that are  
2 incorporated into healthy Washington and shall promote public  
3 understanding and awareness of available benefits and programs.

4 (3) The board shall consider any matter to effectuate the  
5 provisions and purposes of this chapter. The board has no executive,  
6 administrative, or appointive duties except as otherwise provided  
7 under law.

8 (4) The board shall employ necessary staff and authorize  
9 reasonable expenditures, as necessary, from the healthy Washington  
10 trust fund to pay program expenses and to administer the program.

11 (5) The board may:

12 (a) Negotiate and enter into any necessary contracts including,  
13 but not limited to, contracts with health care providers, integrated  
14 health care delivery systems, and care coordinators;

15 (b) Sue and be sued;

16 (c) Receive and accept gifts, grants, or donations of moneys from  
17 any agency of the federal government, any agency of the state, and  
18 any municipality, county, or other political subdivision of the  
19 state;

20 (d) Receive and accept gifts, grants, or donations from  
21 individuals, associations, private foundations, and corporations, in  
22 compliance with the conflict of interest provisions to be adopted by  
23 the board by rule; and

24 (e) Share information with relevant state departments, consistent  
25 with the confidentiality provisions in this chapter, necessary for  
26 the administration of the program.

27 (6) The board shall determine when individuals may begin  
28 enrolling in the program. There must be an implementation period that  
29 begins on the date that individuals may begin enrolling in the  
30 program and ends on a date determined by the board.

31 (7) A carrier may not offer benefits or cover any services for  
32 which coverage is offered to individuals under the program, but may,  
33 if otherwise authorized, offer benefits to cover health care services  
34 that are not offered to individuals under the program. However, this  
35 chapter does not prohibit a carrier from offering either of the  
36 following:

37 (a) Any benefits to or for individuals, including their families,  
38 who are employed or self-employed in the state but who are not  
39 residents of the state; or

1 (b) Any benefits during the implementation period to individuals  
2 who enrolled or may enroll as members of the program.

3 (8) After the end of the implementation period, a person is not a  
4 board member unless he or she is a member of the program, except the  
5 ex officio member.

6 (9) No later than two years after the effective date of this  
7 section, the board shall develop the following proposals:

8 (a) A proposal, consistent with this chapter, for provision by  
9 the program of long-term care coverage, including the development of  
10 a proposal, consistent with this chapter, for its funding. In  
11 developing the proposal, the board shall consult with an advisory  
12 committee, appointed by the chairperson of the board, including  
13 representatives of consumers and potential consumers of long-term  
14 care, providers of long-term care, members of organized labor, and  
15 other interested parties;

16 (b) Proposals for (i) accommodating employer retiree health  
17 benefits for people who have been members of healthy Washington but  
18 live as retirees out of the state, and (ii) accommodating employer  
19 retiree health benefits for people who earned or accrued those  
20 benefits while residing in the state before the implementation of  
21 healthy Washington and live as retirees out of the state; and

22 (c) A proposal for healthy Washington coverage of health care  
23 services currently covered under the workers' compensation system,  
24 including whether and how to continue funding for those services  
25 under that system and whether and how to incorporate an element of  
26 experience rating.

27 NEW SECTION. **Sec. 10.** The board may contract with not-for-  
28 profit organizations to provide both of the following:

29 (1) Assistance to consumers with respect to selecting a care  
30 coordinator or health care organization, enrolling, obtaining health  
31 care services, disenrolling, and other matters relating to the  
32 program; and

33 (2) Assistance to health care providers providing, seeking, or  
34 considering whether to provide health care services under the  
35 program, with respect to participating in a health care organization  
36 and interacting with a health care organization.

37 NEW SECTION. **Sec. 11.** The board shall provide grants from funds  
38 in the healthy Washington trust fund or from funds otherwise

1 appropriated for this purpose to health planning agencies to support  
2 the operation of those health planning agencies.

3 NEW SECTION. **Sec. 12.** The board shall provide funds from the  
4 healthy Washington trust fund or funds otherwise appropriated for  
5 this purpose for a program for retraining and assisting job  
6 transition for individuals employed or previously employed in the  
7 fields of health insurance, health care service plans, and other  
8 third-party payments for health care or those individuals providing  
9 services to health care providers to deal with third-party payers for  
10 health care, whose jobs may be ending or have been ended as a result  
11 of the implementation of the program, consistent with otherwise  
12 applicable law.

13 NEW SECTION. **Sec. 13.** (1) The board shall provide for the  
14 collection and availability of all of the following data to promote  
15 transparency, assess adherence to patient care standards, compare  
16 patient outcomes, and review utilization of health care services paid  
17 for by the program:

18 (a) Inpatient discharge data, including acuity and risk of  
19 mortality;

20 (b) Emergency department and ambulatory surgery data, including  
21 charge data, length of stay, and patients' unit of observation; and

22 (c) Hospital annual financial data, including all of the  
23 following:

24 (i) Community benefits by hospital in dollar value;

25 (ii) Number of employees and classification by hospital unit;

26 (iii) Number of hours worked by hospital unit;

27 (iv) Employee wage information by job title and hospital unit;

28 (v) Number of registered nurses per staffed bed by hospital unit;

29 (vi) Type and value of healthy information technology; and

30 (vii) Annual spending on health information technology, including  
31 purchases, upgrades, and maintenance.

32 (2) The board shall make all disclosed data collected under  
33 subsection (1) of this section publicly available and searchable  
34 through an internet web site.

35 (3) The board shall, directly and through grants to not-for-  
36 profit entities, conduct programs using data collected through the  
37 healthy Washington program to promote and protect public,

1 environmental, and occupational health, including cooperation with  
2 other data collection and research programs.

3 (4) Before full implementation of the program, the board shall  
4 provide for the collection and availability of data on the number of  
5 patients served by hospitals and the dollar value of the care  
6 provided, at cost, for all of the following categories:

7 (a) Patients receiving charity care;

8 (b) Contractual adjustments of county and indigent programs,  
9 including traditional and managed care; and

10 (c) Bad debts.

11 NEW SECTION. **Sec. 14.** (1) Healthy Washington, any state or  
12 local agency, or a public employee acting under color of law must not  
13 provide or disclose to anyone including, but not limited to, the  
14 federal government any personally identifiable information obtained  
15 including, but not limited to, a person's religious beliefs,  
16 practices, or affiliation, national origin, ethnicity, or immigration  
17 status for law enforcement or immigration purposes.

18 (2) Law enforcement agencies must not use healthy Washington  
19 moneys, facilities, property, equipment, or personnel to investigate,  
20 enforce, or assist in the investigation or enforcement of any  
21 criminal, civil, or administrative violation or warrant for a  
22 violation of any requirement that individuals register with the  
23 federal government or any federal agency based on religion, national  
24 origin, ethnicity, or immigration status.

25 NEW SECTION. **Sec. 15.** (1) Every resident of the state is  
26 eligible and entitled to enroll as a member under the healthy  
27 Washington program.

28 (2)(a) A member is not required to pay any fee, payment, or other  
29 charge for enrolling in or being a member under the program.

30 (b) A member is not required to pay any premium, copayment,  
31 coinsurance, deductible, or any other form of cost sharing for all  
32 covered benefits.

33 (3) A college, university, or other institution of higher  
34 education in the state may purchase coverage under the program for a  
35 student, or a student's dependent, who is not a resident of the  
36 state.

1        NEW SECTION.    **Sec. 16.**    Covered health care benefits under the  
2 program include all medical care determined to be medically  
3 appropriate by the member's health care provider. Covered health care  
4 benefits for members include, but are not limited to, all of the  
5 following:

- 6        (1) Licensed inpatient and licensed outpatient medical and health  
7 facility services;
- 8        (2) Inpatient and outpatient professional health care provider  
9 medical services;
- 10       (3) Diagnostic imaging, laboratory services, and other diagnostic  
11 and evaluative services;
- 12       (4) Medical equipment, appliances, and assistive technology,  
13 including prosthetics, eyeglasses, and hearing aids and the repair,  
14 technical support, and customization needed for individual use;
- 15       (5) Inpatient and outpatient rehabilitative care;
- 16       (6) Emergency care services;
- 17       (7) Emergency transportation;
- 18       (8) Necessary transportation for health care services for persons  
19 with disabilities or who may qualify as low income;
- 20       (9) Child and adult immunizations and preventive care;
- 21       (10) Health and wellness education;
- 22       (11) Hospice care;
- 23       (12) Care in a skilled nursing facility;
- 24       (13) Home health care, including health care provided in an  
25 assisted living facility;
- 26       (14) Mental health services;
- 27       (15) Substance abuse treatment;
- 28       (16) Dental care;
- 29       (17) Vision care;
- 30       (18) Prescription drugs;
- 31       (19) Pediatric care;
- 32       (20) Prenatal and postnatal care;
- 33       (21) Podiatric care;
- 34       (22) Chiropractic care;
- 35       (23) Acupuncture;
- 36       (24) Therapies that are shown by the national institutes of  
37 health and national center for complementary and integrative health  
38 to be safe and effective;
- 39       (25) Blood and blood products;
- 40       (26) Dialysis;

- 1 (27) Adult day care;
- 2 (28) Rehabilitative and habilitative services;
- 3 (29) Ancillary health care or social services previously covered  
4 by a behavioral health organization;
- 5 (30) Ancillary health care or social services previously covered  
6 for persons with developmental disabilities;
- 7 (31) Case management and care coordination;
- 8 (32) Language interpretation and translation for health care  
9 services, including sign language and Braille or other services  
10 needed for individuals with communication barriers;
- 11 (33) Health care and long-term supportive services currently  
12 covered under medicaid or the state's children's health insurance  
13 program; and
- 14 (34) All health care services required to be covered under any of  
15 the following provisions, without regard to whether the member would  
16 otherwise be eligible for or covered by the program or source  
17 referred to:
- 18 (a) The state's children's health insurance program;
- 19 (b) Medicaid or medical assistance programs;
- 20 (c) The federal medicare program;
- 21 (d) Health insurers or carriers licensed under Title 48 RCW;
- 22 (e) Any additional health care services authorized to be added to  
23 the program's benefits by the program; and
- 24 (f) All essential health benefits mandated by the affordable care  
25 act as of January 1, 2017.

26 NEW SECTION. **Sec. 17.** (1) Any health care provider who is  
27 licensed to practice in this state and is otherwise in good standing  
28 is qualified to participate in the program as long as the health care  
29 provider's services are performed within the state of Washington.

30 (2) The board shall establish and maintain procedures and  
31 standards for recognizing health care providers located out of the  
32 state for purposes of providing coverage under the program for  
33 members who require out-of-state health care services while the  
34 member is temporarily located out of the state.

35 (3) Any health care provider qualified to participate under this  
36 section may provide covered health care services under the program,  
37 as long as the health care provider is legally authorized to perform  
38 the health care service for the individual and under the  
39 circumstances involved.



1 (4) A member may choose to receive health care services under the  
2 program from any participating provider, consistent with this  
3 chapter, the willingness or availability of the provider, subject to  
4 provisions of this chapter relating to discrimination, and the  
5 appropriate clinically relevant circumstances.

6 (5) A person who chooses to enroll with an integrated health care  
7 delivery system, group medical practice, or essential community  
8 provider that offers comprehensive services shall retain membership  
9 for at least one year after an initial three-month evaluation period  
10 during which time the person may withdraw for any reason.

11 (a) The three-month period commences on the date when a member  
12 first sees a primary care provider.

13 (b) A person who wants to withdraw after the initial three-month  
14 period shall request a withdrawal pursuant to the dispute resolution  
15 procedures established by the board and may request assistance from  
16 the patient advocate, which must be provided for in the dispute  
17 resolution procedures, in resolving the dispute. The dispute must be  
18 resolved in a timely fashion and not have an adverse effect on the  
19 care a patient receives.

20 NEW SECTION. **Sec. 18.** (1) Care coordination must be provided to  
21 the member by his or her care coordinator. A care coordinator may  
22 employ or utilize the services of other individuals or entities to  
23 assist in providing care coordination for the member, consistent with  
24 rules of the board and with the statutory requirements and rules of  
25 the care coordinator's licensure.

26 (2) Care coordination includes administrative tracking and  
27 medical recordkeeping services for members, except as otherwise  
28 specified for integrated health care delivery systems.

29 (3) Care coordination administrative tracking and medical  
30 recordkeeping services for members are not required to utilize a  
31 certified electronic health record, meet any other requirements of  
32 the federal health information technology for economic and clinical  
33 health act, enacted under the federal American recovery and  
34 reinvestment act of 2009 (P.L. 111-5), or meet certification  
35 requirements of the federal centers for medicare and medicaid  
36 services' electronic health records incentive programs, including  
37 meaningful use requirements.

38 (4) The care coordinator shall comply with all federal and state  
39 privacy laws including, but not limited to, the federal health

1 insurance portability and accountability act (HIPAA; 42 U.S.C. Sec.  
2 1320d et seq.) and its implementing regulations.

3 (5) Referrals from a care coordinator are not required for a  
4 member to see any eligible provider.

5 (6) A care coordinator may be an individual or entity that is  
6 approved by the program and is any of the following:

7 (a) A health care practitioner that is the member's primary care  
8 provider, the member's provider of primary gynecological care, or, at  
9 the option of a member who has a chronic condition that requires  
10 specialty care, a specialist health care practitioner who regularly  
11 and continually provides treatment to the member for that condition;

12 (b) An entity licensed by the state of Washington, such as the  
13 following: Health facility; health care service plan; long-term  
14 health care facility; residential care facility for persons with  
15 chronic, life-threatening illness; residential care facility for the  
16 elderly; home health agency; private duty nursing agency; hospice;  
17 pediatric day health and respite care facility; home care service; or  
18 mental health care provider;

19 (c) A health care organization;

20 (d) A Taft-Hartley health and welfare fund, with respect to its  
21 members and their family members. This provision does not preclude a  
22 Taft-Hartley health and welfare fund from becoming a care coordinator  
23 or a health care organization; or

24 (e) Any not-for-profit or governmental entity approved by the  
25 program.

26 (7)(a) A health care provider may only be reimbursed for services  
27 if the member is enrolled with a care coordinator at the time the  
28 health care service is provided.

29 (b) Every member is encouraged to enroll with a care coordinator  
30 that agrees to provide care coordination before receiving health care  
31 services to be paid for under the program. If a member receives  
32 health care services before choosing a care coordinator, the program  
33 must assist the member, when appropriate, with choosing a care  
34 coordinator.

35 (c) The member remains enrolled with that care coordinator until  
36 the member becomes enrolled with a different care coordinator or  
37 ceases to be a member. Members may change their care coordinators on  
38 terms at least as permissive as medicaid relating to an individual  
39 changing his or her primary care provider or managed care provider.

1 (8) A health care organization may establish rules relating to  
2 care coordination for members in the health care organization that  
3 are different from this section but otherwise consistent with this  
4 chapter and other applicable laws.

5 (9) An individual or entity may not be a care coordinator unless  
6 the services included in care coordination are within the  
7 individual's professional scope of practice or the entity's legal  
8 authority.

9 (10)(a) The board shall develop and implement procedures and  
10 standards, by rule, for an individual or entity to be approved as a  
11 care coordinator in the program including, but not limited to,  
12 procedures and standards relating to the revocation, suspension,  
13 limitation, or annulment of approval on a determination that the  
14 individual or entity is incompetent to be a care coordinator or has  
15 exhibited a course of conduct that is inconsistent with program  
16 standards and rules, that exhibits an unwillingness to meet those  
17 standards and rules, or is a potential threat to the public health or  
18 safety.

19 (b) The procedures and standards adopted by the board must be  
20 consistent with professional practice, licensure standards, and  
21 rules, as applicable.

22 (11) To maintain approval under the program, a care coordinator  
23 shall:

24 (a) Renew its status every three years pursuant to rules adopted  
25 by the board; and

26 (b) Provide to the program any data required that would enable  
27 the board to evaluate the impact of care coordinators on quality,  
28 outcomes, and cost of health care.

29 NEW SECTION. **Sec. 19.** (1) The board shall adopt rules regarding  
30 contracting for, and establishing payment methodologies for, covered  
31 health care services and care coordination provided to members under  
32 the program by participating providers, care coordinators, and health  
33 care organizations. There may be a variety of different payment  
34 methodologies, including those established on a demonstration basis.  
35 All payment rates under the program must be reasonable and reasonably  
36 related to the cost of efficiently providing the health care service  
37 and ensuring an adequate and accessible supply of health care  
38 services.

1 (2) Except as provided in subsection (3) of this section, health  
2 care services provided to members under the program, except for care  
3 coordination, must be paid for on a fee-for-service basis unless and  
4 until another payment methodology is established by the board.

5 (3) Integrated health care delivery systems, essential community  
6 providers, and group medical practices that provide comprehensive,  
7 coordinated services may choose to be reimbursed on a capitated basis  
8 or similar methodology that covers all costs of providing health care  
9 services.

10 (4) The program must engage in good faith negotiations with  
11 health care providers' representatives including, but not limited to,  
12 in relation to rates of payment for health care services, rates of  
13 payment for prescription and nonprescription drugs, and payment  
14 methodologies. Those negotiations must be through a single entity on  
15 behalf of the entire program for prescription and nonprescription  
16 drugs.

17 (5)(a) Payment for health care services established under this  
18 chapter are considered payment in full.

19 (b) A participating provider must not charge any rate in excess  
20 of the payment established under this chapter for any health care  
21 service provided to a member under the program and not solicit or  
22 accept payment from any member or third party for any health care  
23 service, except as provided under a federal program.

24 (c) This section does not preclude the program from acting as a  
25 primary or secondary payer in conjunction with another third-party  
26 payer when permitted by a federal program.

27 (6) The program may adopt, by rule, payment methodologies for the  
28 payment of capital-related expenses for specifically identified  
29 capital expenditures incurred by not-for-profit or governmental  
30 entities that are licensed health facilities. Any capital-related  
31 expense generated by a capital expenditure that requires prior  
32 approval must have received that approval to be paid by the program.

33 (7) Payment methodologies and payment rates must include a  
34 distinct component of reimbursement for direct and indirect graduate  
35 medical education.

36 (8) The board shall adopt, by rule, payment methodologies and  
37 procedures for paying for health care services provided to a member  
38 while the member is located out of the state.

1        NEW SECTION.    **Sec. 20.**    (1) A member may choose to enroll with  
2 and receive program care coordination and ancillary health care  
3 services from a health care organization.

4        (2) A health care organization must be a not-for-profit or  
5 governmental entity that is approved by the board.

6        (3)(a) The board shall develop and implement procedures and  
7 standards, by rule, for an entity to be approved as a health care  
8 organization in the program including, but not limited to, procedures  
9 and standards relating to the revocation, suspension, limitation, or  
10 annulment of approval on a determination that the entity is  
11 incompetent to be a health care organization or has exhibited a  
12 course of conduct that is inconsistent with program standards and  
13 rules, that exhibits an unwillingness to meet those standards and  
14 rules, or is a potential threat to the public health or safety.

15        (b) The procedures and standards adopted by the board must be  
16 consistent with professional practice and licensure standards as  
17 applicable.

18        (c) In developing and implementing standards of approval of  
19 health care organizations, the board shall consult with the  
20 department of health and department of social and health services.

21        (4) To maintain approval under the program, a health care  
22 organization shall:

23            (a) Renew its status at a frequency determined by the board; and

24            (b) Provide data to the department of social and health services,  
25 as required by the board, to enable the board to evaluate the health  
26 care organization in relation to the quality of health care services,  
27 health care outcomes, and cost.

28        (5) The board may adopt narrowly focused rules relating solely to  
29 health care organizations for the sole and specific purpose of  
30 ensuring consistent compliance with this chapter.

31        (6) This section may not be construed to alter the professional  
32 practice of health care providers or their licensure standards  
33 established in Title 18 RCW.

34        (7) Health care organizations must not use health information  
35 technology or clinical practice guidelines that limit the effective  
36 exercise of the professional judgment of physicians and registered  
37 nurses. Physicians and registered nurses may override health  
38 information technology and clinical practice guidelines if, in their  
39 professional judgment, it is in the best interest of the patient and  
40 consistent with the patient's wishes.

1        NEW SECTION.        **Sec. 21.**        Healthy Washington shall establish a  
2 single standard of safe, therapeutic care for all residents of the  
3 state by the following means:

4        (1) The board shall establish requirements and standards, by  
5 rule, for the program and for health care organizations, care  
6 coordinators, and health care providers, consistent with this chapter  
7 and consistent with the applicable professional practice and  
8 licensure standards as applicable:

9        (a) The scope, quality, and accessibility of health care  
10 services;

11        (b) Relations between health care organizations or health care  
12 providers and members; and

13        (c) Relations between health care organizations and health care  
14 providers, including credentialing and participation in the health  
15 care organization, and terms, methods, and rates of payment.

16        (2) The board shall establish requirements and standards, by  
17 rule, under the program that include, but are not limited to,  
18 provisions to promote all of the following:

19        (a) Simplification, transparency, uniformity, and fairness in  
20 health care provider credentialing and participation in health care  
21 organization networks, referrals, payment procedures and rates,  
22 claims processing, and approval of health care services, as  
23 applicable;

24        (b) In-person primary and preventive care, care coordination,  
25 efficient and effective health care services, quality assurance, and  
26 promotion of public, environmental, and occupational health;

27        (c) Elimination of health care disparities;

28        (d) Nondiscrimination with respect to members and health care  
29 providers on the basis of race, color, ancestry, national origin,  
30 religion, citizenship, immigration status, primary language, mental  
31 or physical disability, age, sex, gender, sexual orientation, gender  
32 identity or expression, medical condition, genetic information,  
33 marital status, familial status, military or veteran status, or  
34 source of income; however, health care services provided under the  
35 program must be appropriate to the patient's clinically relevant  
36 circumstances;

37        (e) Accessibility of care coordination, health care organization  
38 services, and health care services, including accessibility for  
39 persons with disabilities and persons with limited ability to speak  
40 or understand English; and

1 (f) Provision of care coordination, health care organization  
2 services, and health care services in a culturally competent manner.

3 (3) The board shall establish requirements and standards, to the  
4 extent authorized by federal law, by rule, for replacing and merging  
5 with the healthy Washington program health care services and  
6 ancillary services currently provided by other programs including,  
7 but not limited to, medicare, programs offered under the affordable  
8 care act, and federally matched public health programs.

9 (4) Any participating provider or care coordinator that is  
10 organized as a for-profit entity is required to meet the same  
11 requirements and standards as entities organized as not-for-profit  
12 entities, and payments under the program paid to those entities must  
13 not be calculated to accommodate the generation of profit, revenue  
14 for dividends, or other return on investment or the payment of taxes  
15 that would not be paid by a not-for-profit entity.

16 (5) Every participating provider shall furnish information as  
17 required by the board to permit examination of that information by  
18 the program as may be reasonably required for purposes of reviewing  
19 accessibility and utilization of health care services, quality  
20 assurance, cost containment, the making of payments, and statistical  
21 or other studies of the operation of the program or for protection  
22 and promotion of public, environmental, and occupational health.

23 (6) In developing requirements and standards and making other  
24 policy determinations under this chapter, the board shall consult  
25 with representatives of members, health care providers, care  
26 coordinators, health care organizations, labor organizations  
27 representing health care employees, and other interested parties.

28 NEW SECTION. **Sec. 22.** (1) The board shall seek all federal  
29 waivers and other federal approvals and arrangements and submit state  
30 plan amendments as necessary to operate the program consistent with  
31 this chapter.

32 (2)(a) The board shall apply to the United States secretary of  
33 health and human services or other appropriate federal official for  
34 all waivers of requirements, and make other arrangements, under  
35 medicare, any federally matched public health program, programs  
36 offered under the affordable care act, and any other federal programs  
37 that provide federal funds for payment for health care services that  
38 are necessary to enable all healthy Washington members to receive all  
39 benefits under the program through the program, to enable the state

1 to implement this chapter, and to allow the state to receive and  
2 deposit all federal payments under those programs, including funds  
3 that may be provided in lieu of premium tax credits, cost-sharing  
4 subsidies, and small business tax credits, in the state treasury to  
5 the credit of the healthy Washington trust fund and to use those  
6 funds for the program and other provisions under this chapter.

7 (b) To the fullest extent possible, the board shall negotiate  
8 arrangements with the federal government to ensure that federal  
9 payments are paid to healthy Washington in place of federal funding  
10 of, or tax benefits for, federally matched public health programs or  
11 federal health programs.

12 (c) The board may require members or applicants to provide  
13 information necessary for the program to comply with any waiver or  
14 arrangement under this chapter. Information provided by members to  
15 the board for the purposes of this subsection (2)(c) must not be used  
16 for any other purpose.

17 (d) The board may take any additional actions necessary to  
18 effectively implement healthy Washington to the maximum extent  
19 possible as a single-payer program consistent with this chapter.

20 (3) The board may take actions consistent with this chapter to  
21 enable the program to administer medicare in Washington, and the  
22 program must be a provider of supplemental insurance coverage  
23 (medicare part B) and provide premium assistance drug coverage under  
24 medicare part D for eligible members of the program.

25 (4) The board may waive or modify the applicability of any  
26 provisions of this section relating to any federally matched public  
27 health program or medicare, as necessary, to implement any waiver or  
28 arrangement under this section or to maximize the federal benefits to  
29 the program under this section, provided that the board, in  
30 consultation with the office of financial management, determines that  
31 the waiver or modification is in the best interest of the state and  
32 members affected by the action.

33 (5) The board may apply for coverage for, and enroll, any  
34 eligible member under any federally matched public health program or  
35 medicare. Enrollment in a federally matched public health program or  
36 medicare must not cause any member to lose any health care service  
37 provided by the program or diminish any right the member would  
38 otherwise have.

39 (6)(a) The board, by rule, shall increase the income eligibility  
40 level, increase or eliminate the resource test for eligibility,



1 simplify any procedural or documentation requirement for enrollment,  
2 and increase the benefits for any federally matched public health  
3 program and for any program to reduce or eliminate an individual's  
4 coinsurance, cost sharing, or premium obligations or increase an  
5 individual's eligibility for any federal financial support related to  
6 medicare or any program created under the affordable care act.

7 (b) The board may act under this subsection (6) upon a finding  
8 approved by the office of financial management and the board that the  
9 action does all of the following:

10 (i) Will help to increase the number of members who are eligible  
11 for and enrolled in federally matched public health programs, or for  
12 any program to reduce or eliminate an individual's coinsurance, cost  
13 sharing, or premium obligations or increase an individual's  
14 eligibility for any federal financial support related to medicare or  
15 any program created under the affordable care act;

16 (ii) Will not diminish any individual's access to any health care  
17 service or right the individual would otherwise have;

18 (iii) Is in the interest of the program;

19 (iv) Does not require or has received any necessary federal  
20 waivers or approvals to ensure federal financial participation;

21 (c) Actions under this subsection (6) do not apply to eligibility  
22 for payment for long-term care;

23 (7) To enable the board to apply for coverage for, and enroll,  
24 any eligible member under any federally matched public health program  
25 or medicare, the board may require that every member or applicant  
26 provide the information necessary to enable the board to determine  
27 whether the applicant is eligible for a federally matched public  
28 health program or for medicare, or any program or benefit under  
29 medicare.

30 (8) As a condition of continued eligibility for health care  
31 services under the program, a member who is eligible for benefits  
32 under medicare shall enroll in medicare, including parts A, B, and D.

33 (9) The program must provide premium assistance for all members  
34 enrolling in a medicare part D drug coverage plan under section 1860D  
35 of Title XVIII of the federal social security act (42 U.S.C. Sec.  
36 1395w-101 et seq.), limited to the low-income benchmark premium  
37 amount established by the federal centers for medicare and medicaid  
38 services and any other amount the federal agency establishes under  
39 its de minimis premium policy, except that those payments made on  
40 behalf of members enrolled in a medicare advantage plan may exceed

1 the low-income benchmark premium amount if determined to be cost-  
2 effective to the program.

3 (10) If the board has reasonable grounds to believe that a member  
4 may be eligible for an income-related subsidy under section 1860D-14  
5 of Title XVIII of the federal social security act (42 U.S.C. Sec.  
6 1395w-114), the member shall provide, and authorize the program to  
7 obtain, any information or documentation required to establish the  
8 member's eligibility for that subsidy; however, the board shall  
9 attempt to obtain as much of the information and documentation as  
10 possible from records that are available to it.

11 (11) The program must make a reasonable effort to notify members  
12 of their obligations under this section. After a reasonable effort  
13 has been made to contact the member, the member must be notified in  
14 writing that he or she has sixty days to provide the required  
15 information. If the required information is not provided within the  
16 sixty-day period, the member's coverage under the program may be  
17 terminated. Information provided by members to the board for the  
18 purposes of this section must not be used for any other purpose. The  
19 board shall assume responsibility for all benefits and services paid  
20 for by the federal government with those funds.

21 NEW SECTION. **Sec. 23.** (1) The healthy Washington trust fund is  
22 created in the state treasury. All moneys in the fund must be  
23 continuously appropriated without regard to fiscal year for the  
24 purposes of this chapter. Any moneys in the fund that are unexpended  
25 or unencumbered at the end of a fiscal year may be carried forward to  
26 the next succeeding fiscal year.

27 (2) Moneys deposited in the fund must not be loaned to, or  
28 borrowed by, any other special fund or the general fund, a county  
29 general fund, or any other county fund.

30 (3) The board shall establish and maintain a prudent reserve in  
31 the fund.

32 (4) The board or staff of the board shall not utilize any funds  
33 intended for the administrative and operational expenses of the board  
34 for staff retreats, promotional giveaways, excessive executive  
35 compensation, or promotion of federal or state legislative or  
36 regulatory modifications.

37 (5) All interest earned on the moneys that have been deposited  
38 into the fund must be retained in the fund and used for purposes  
39 consistent with the fund.

1 (6) The fund consists of all of the following:

2 (a) All moneys obtained pursuant to legislation enacted as  
3 proposed under section 24 of this act;

4 (b) Federal payments received as a result of any waiver of  
5 requirements granted or other arrangements agreed to by the United  
6 States secretary of health and human services or other appropriate  
7 federal officials for health care programs established under  
8 medicare, any federally matched public health program, or programs  
9 established under the affordable care act;

10 (c) The amounts paid by the state that are equivalent to those  
11 amounts that are paid on behalf of residents of this state under  
12 medicare, any federally matched public health program, or programs  
13 established under the affordable care act for health benefits that  
14 are equivalent to health benefits covered under healthy Washington;

15 (d) Federal and state funds for purposes of the provision of  
16 services authorized under Title XX of the federal social security act  
17 (42 U.S.C. Sec. 1397 et seq.) that would otherwise be covered under  
18 healthy Washington; and

19 (e) State moneys that would otherwise be appropriated to any  
20 governmental agency, office, program, instrumentality, or institution  
21 that provides health care services for services and benefits covered  
22 under healthy Washington. Payments to the fund under this section  
23 must be in an amount equal to the money appropriated for those  
24 purposes in the fiscal year beginning immediately preceding the  
25 effective date of this section.

26 (7) All federal moneys must be placed into the healthy Washington  
27 federal funds account, which is hereby created within the healthy  
28 Washington trust fund.

29 (8) Moneys in the fund may only be used for the purposes  
30 established in this chapter.

31 NEW SECTION. **Sec. 24.** (1) It is the intent of the legislature  
32 to enact legislation that would develop a revenue plan, taking into  
33 consideration anticipated federal revenue available for the program.  
34 In developing the revenue plan, it is the intent of the legislature  
35 to consult with appropriate officials and stakeholders.

36 (2) It is the intent of the legislature to enact legislation that  
37 would require all state revenues from the program to be deposited in  
38 an account within the healthy Washington trust fund to be established  
39 and known as the healthy Washington trust fund account.

1        NEW SECTION.    **Sec. 25.** For purposes of this section and sections  
2 26 through 28 of this act, the following definitions apply:

3        (1)(a) "Health care provider" means a person who is licensed,  
4 certified, registered, or authorized to practice a health care  
5 profession pursuant to Title 18 RCW and who is any of the following:

6        (i) An individual who practices that profession as a health care  
7 provider or as an independent contractor;

8        (ii) An owner, officer, shareholder, or proprietor of a health  
9 care provider; or

10       (iii) An entity that employs or utilizes health care providers to  
11 provide health care services including, but not limited to, a health  
12 facility licensed in Washington state.

13       (b) A health care provider who practices as an employee of a  
14 health care provider is not a health care provider for purposes of  
15 this subchapter.

16       (2) "Health care providers' representative" means a third party  
17 that is authorized by health care providers to negotiate on their  
18 behalf with healthy Washington over terms and conditions affecting  
19 those health care providers.

20       NEW SECTION.    **Sec. 26.** (1) Health care providers may meet and  
21 communicate for the purpose of collectively negotiating with healthy  
22 Washington on any matter relating to healthy Washington including,  
23 but not limited to, rates of payment for health care services, rates  
24 of payment for prescription and nonprescription drugs, and payment  
25 methodologies.

26       (2) This subchapter must not be construed to:

27       (a) Allow or authorize an alteration of the terms of the internal  
28 and external review procedures set forth in law;

29       (b) Allow a strike of healthy Washington by health care providers  
30 related to the collective negotiations; or

31       (c) Allow or authorize terms or conditions that would impede the  
32 ability of healthy Washington to obtain or retain accreditation by  
33 the national committee for quality assurance or a similar body, or to  
34 comply with applicable state or federal law.

35       NEW SECTION.    **Sec. 27.** (1) Collective negotiation rights granted  
36 under this subchapter must meet all of the following requirements:

1 (a) Health care providers may communicate with other health care  
2 providers regarding the terms and conditions to be negotiated with  
3 healthy Washington.

4 (b) Health care providers may communicate with health care  
5 providers' representatives.

6 (c) A health care providers' representative is the only party  
7 authorized to negotiate with healthy Washington on behalf of the  
8 health care providers as a group.

9 (d) A health care provider can be bound by the terms and  
10 conditions negotiated by the health care providers' representatives.

11 (e) In communicating or negotiating with the health care  
12 providers' representative, healthy Washington is entitled to offer  
13 and provide different terms and conditions to individual competing  
14 health care providers.

15 (2) This subchapter does not affect or limit:

16 (a) The right of a health care provider or group of health care  
17 providers to collectively petition a governmental entity for a change  
18 in a law, rule, or regulation; or

19 (b) Collective action or collective bargaining on the part of a  
20 health care provider with his or her employer or any other lawful  
21 collective action or collective bargaining.

22 (3) Before engaging in collective negotiations with healthy  
23 Washington on behalf of health care providers, a health care  
24 providers' representative shall file with the board, in the manner  
25 prescribed by the board, information identifying the representative,  
26 the representative's plan of operation, and the representative's  
27 procedures to ensure compliance with this subchapter.

28 (4) Each person who acts as the representative of negotiating  
29 parties under this subchapter shall pay a fee to the board to act as  
30 a representative. The board, by rule, shall set fees in amounts  
31 deemed reasonable and necessary to cover the costs incurred by the  
32 board in administering this subchapter.

33 NEW SECTION. **Sec. 28.** (1) This subchapter does not authorize  
34 competing health care providers to act in concert in response to a  
35 health care providers' representative's discussions or negotiations  
36 with healthy Washington, except as authorized by other law.

37 (2) A health care providers' representative must not negotiate  
38 any agreement that excludes, limits the participation or  
39 reimbursement of, or otherwise limits the scope of services to be

1 provided by any health care provider or group of health care  
2 providers with respect to the performance of services that are within  
3 the health care provider's scope of practice, license, registration,  
4 or certificate.

5 NEW SECTION. **Sec. 29.** The legislature finds and declares that  
6 this chapter imposes a limitation on the public's right of access to  
7 the meetings of public bodies or the writings of public officials and  
8 agencies. The legislature declares it is necessary for that  
9 information to remain confidential to protect private, confidential,  
10 and proprietary information.

11 NEW SECTION. **Sec. 30.** If any provision of this act or its  
12 application to any person or circumstance is held invalid, the  
13 remainder of the act or the application of the provision to other  
14 persons or circumstances is not affected.

15 NEW SECTION. **Sec. 31.** Sections 1 through 29 of this act  
16 constitute a new chapter in Title 43 RCW.

17 NEW SECTION. **Sec. 32.** (1) This act takes effect when the  
18 executive director of the healthy Washington board notifies the  
19 secretary of the senate and the chief clerk of the house of  
20 representatives in writing that he or she has determined that the  
21 healthy Washington trust fund has the revenues to fund the costs of  
22 implementing this act.

23 (2) The board shall publish a copy of the notice on its internet  
24 web site.

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