

E2SSB 5399 - H COMM AMD
By Committee on Appropriations

ADOPTED 04/07/2021

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

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

4 (a) Healthy Washingtonians contribute to the economic well-being
5 of their families and communities, and access to appropriate health
6 services and improved health outcomes allow all Washingtonian
7 families to enjoy productive and satisfying lives;

8 (b) Washington and the United States are experiencing the deepest
9 economic crisis since the Great Depression, caused by a public health
10 crisis;

11 (c) Skyrocketing unemployment rates due to COVID-19 have exposed
12 the frailties and inequalities of the current health care system
13 while causing unsustainable strain to the state's medicaid system;

14 (d) Thousands of union and nonunion workers are unemployed and
15 without health insurance;

16 (e) Approximately 125,000 undocumented people live in the state
17 with no access to health care during a global pandemic;

18 (f) Multiple economic analyses show that a universal system is
19 less expensive, more equitable, and will produce billions in savings
20 per year; and

21 (g) While a unified health care financing system can provide
22 universal coverage, increase access to care, decrease costs, and
23 improve quality, implementing such a system in the state is dependent
24 on foundational legal, financial, and programmatic changes from the
25 federal government.

26 (2) The legislature intends to create a permanent universal
27 health care commission to:

28 (a) Implement immediate and impactful changes in the state's
29 current health care system to increase access to quality, affordable
30 health care by streamlining access to coverage, reducing
31 fragmentation of health care financing across multiple public and
32 private health insurance entities, reducing unnecessary

1 administrative costs, reducing health disparities, and establishing
2 mechanisms to expeditiously link residents with their chosen
3 providers; and

4 (b) Establish the preliminary infrastructure to create a
5 universal health system, including a unified financing system, that
6 controls health care spending so that the system is affordable to the
7 state, employers, and individuals, once the necessary federal
8 authorities have been realized.

9 (3) The legislature further intends that the state, in
10 collaboration with all communities, health plans, and providers,
11 should take steps to improve health outcomes for all residents of the
12 state.

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

15 (1) The universal health care commission is established to create
16 immediate and impactful changes in the health care access and
17 delivery system in Washington and to prepare the state for the
18 creation of a health care system that provides coverage and access
19 for all Washington residents through a unified financing system once
20 the necessary federal authority has become available. The authority
21 must begin any necessary federal application process within 60 days
22 of its availability.

23 (2) The commission includes the following voting members:

24 (a) One member from each of the two largest caucuses of the house
25 of representatives, appointed by the speaker of the house of
26 representatives;

27 (b) One member from each of the two largest caucuses of the
28 senate, appointed by the president of the senate;

29 (c) The secretary of the department of health, or the secretary's
30 designee;

31 (d) The director of the health care authority, or the director's
32 designee;

33 (e) The chief executive officer of the Washington health benefit
34 exchange, or the chief executive officer's designee;

35 (f) The insurance commissioner, or the commissioner's designee;

36 (g) The director of the office of equity, or the director's
37 designee; and

38 (h) Six members appointed by the governor, using an equity lens,
39 with knowledge and experience regarding health care coverage, access,

1 and financing, or other relevant expertise, including at least one
2 consumer representative and at least one invitation to an individual
3 representing tribal governments with knowledge of the Indian health
4 care delivery in the state.

5 (3) (a) The governor must appoint the chair of the commission from
6 any of the members identified in subsection (2) of this section for a
7 term of no more than three years. A majority of the voting members of
8 the commission shall constitute a quorum for any votes of the
9 commission.

10 (b) The commission's meetings shall be open to the public
11 pursuant to chapter 42.30 RCW. The authority must publish on its
12 website the dates and locations of commission meetings, agendas of
13 prior and upcoming commission meetings, and meeting materials for
14 prior and upcoming commission meetings.

15 (4) The health care authority shall staff the commission.

16 (5) Members of the commission shall serve without compensation
17 but must be reimbursed for their travel expenses while on official
18 business in accordance with RCW 43.03.050 and 43.03.060.

19 (6) The commission may establish advisory committees that include
20 members of the public with knowledge and experience in health care,
21 in order to support stakeholder engagement and an analytical process
22 by which key design options are developed. A member of an advisory
23 committee need not be a member of the commission.

24 (7) By November 1, 2022, the commission shall submit a baseline
25 report to the legislature and the governor, and post it on the
26 authority's website. The report must include:

27 (a) A complete synthesis of analyses done on Washington's
28 existing health care finance and delivery system, including cost,
29 quality, workforce, and provider consolidation trends and how they
30 impact the state's ability to provide all Washingtonians with timely
31 access to high quality, affordable health care;

32 (b) A strategy for developing implementable changes to the
33 state's health care financing and delivery system to increase access
34 to health care services and health coverage, reduce health care
35 costs, reduce health disparities, improve quality, and prepare for
36 the transition to a unified health care financing system by actively
37 examining data and reports from sources that are monitoring the
38 health care system. Such sources shall include data or reports from
39 the health care cost transparency board under RCW 70.390.070, the
40 public health advisory board, the governor's interagency coordinating

1 council on health disparities under RCW 43.20.275, the all-payer
2 health care claims database established under chapter 43.371 RCW,
3 prescription drug price data, performance measure data under chapter
4 70.320 RCW, and other health care cost containment programs;

5 (c) An inventory of the key design elements of a universal health
6 care system including:

7 (i) A unified financing system including, but not limited to, a
8 single-payer financing system;

9 (ii) Eligibility and enrollment processes and requirements;

10 (iii) Covered benefits and services;

11 (iv) Provider participation;

12 (v) Effective and efficient provider payments, including
13 consideration of global budgets and health plan payments;

14 (vi) Cost containment and savings strategies that are designed to
15 assure that total health care expenditures do not exceed the health
16 care cost growth benchmark established under chapter 70.390 RCW;

17 (vii) Quality improvement strategies;

18 (viii) Participant cost sharing, if appropriate;

19 (ix) Quality monitoring and disparities reduction;

20 (x) Initiatives for improving culturally appropriate health
21 services within public and private health-related agencies;

22 (xi) Strategies to reduce health disparities including, but not
23 limited to, mitigating structural racism and other determinants of
24 health as set forth by the office of equity;

25 (xii) Information technology systems and financial management
26 systems;

27 (xiii) Data sharing and transparency; and

28 (xiv) Governance and administration structure, including
29 integration of federal funding sources;

30 (d) An assessment of the state's current level of preparedness to
31 meet the elements of (c) of this subsection and steps Washington
32 should take to prepare for a just transition to a unified health care
33 financing system, including a single-payer financing system.
34 Recommendations must include, but are not limited to, administrative
35 changes, reorganization of state programs, retraining programs for
36 displaced workers, federal waivers, and statutory and constitutional
37 changes;

38 (e) Recommendations for implementing reimbursement rates for
39 health care providers serving medical assistance clients who are
40 enrolled in programs under chapter 74.09 RCW at a rate that is no

1 less than 80 percent of the rate paid by medicare for similar
2 services;

3 (f) Recommendations for coverage expansions to be implemented
4 prior to and consistent with a universal health care system,
5 including potential funding sources; and

6 (g) Recommendations for the creation of a finance committee to
7 develop a financially feasible model to implement universal health
8 care coverage using state and federal funds.

9 (8) Following the submission of the baseline report on November
10 1, 2022, the commission must structure its work to continue to
11 further identify opportunities to implement reforms consistent with
12 subsection (7)(b) of this section and to implement structural changes
13 to prepare the state for a transition to a unified health care
14 financing system. The commission must submit annual reports to the
15 governor and the legislature each November 1st, beginning in 2023.
16 The reports must detail the work of the commission, the opportunities
17 identified to advance the goals under subsection (7) of this section,
18 which, if any, of the opportunities a state agency is implementing,
19 which, if any, opportunities should be pursued with legislative
20 policy or fiscal authority, and which opportunities have been
21 identified as beneficial, but lack federal authority to implement.

22 (9) Subject to sufficient existing agency authority, state
23 agencies may implement specific elements of any report issued under
24 this section. This section shall not be construed to authorize the
25 commission to implement a universal health care system through a
26 unified financing system until there is further action by the
27 legislature and the governor.

28 (10) The commission must hold its first meeting within 90 days of
29 the effective date of this section."

30 Correct the title.

EFFECT: Reduces the membership of the Universal Health Care Commission (Commission) by removing four of the eight legislators, the representative of local health jurisdictions, the representative of the Department of Social and Health Services, two of the eight members with experience in health care administration, and the representative of the Department of Retirement Systems. Requires the Governor appoint the six members with health care experience using an equity lens and that at least one of the six members be a consumer. Authorizes the Governor to appoint the chair for terms up to three years.

Removes the expiration date for the Commission and makes it permanent. Removes the Commission's responsibility to develop a plan

to create a health care system with a universal financing system, and instead assigns the Commission with creating immediate changes in the health care access and delivery system in Washington and preparing the state for the creation of a health care system with a universal financing system once the necessary federal authority has been obtained. Directs the Health Care Authority (Authority) to begin any necessary federal application process within 60 days of its availability.

Replaces reporting requirements with a baseline report to be submitted by November 1, 2022, and subsequent annual reports every November 1st. Requires the baseline report to include the same topics as the report in the underlying bill and: (1) Adds a strategy for developing implementable changes to increase health care access, reduce health care costs, reduce health disparities, improve quality, and prepare for the transition to a unified health care financing system; (2) changes the recommendations of key design elements of a universal health care system to an inventory of such design elements; (3) adds an assessment of the state's current level of preparedness to meet the design elements; (4) removes a reference to coverage expansions for Medicaid for persons regardless of immigration status; and (5) adds recommendations for implementing reimbursement rates for health care providers serving medical assistance requirements at a rate that is no less than 80 percent of the rate paid by Medicare. Removes a reference to home and community-based services as one of the key design elements of a universal health care system. Requires subsequent annual reports to detail the Commission's work, opportunities to advance the Commission's goals, which opportunities are being implemented by a state agency, which opportunities should be pursued with legislative authority, and which opportunities are beneficial, but lacking federal authority.

Provides that the Commission's meetings are subject to the Open Public Meetings Act. Requires the Authority to publish meeting dates, agendas, and meeting materials on its website.

Removes intent language that all Washington residents have health coverage under a publicly financed and privately and publicly delivered health care system by 2026. Adds legislative finding regarding the implementation of a unified health care financing system being dependent on the changes from the federal government. Adds legislative intent to implement immediate changes in the state's health care system and to establish the preliminary infrastructure to create a universal health system once federal authorities have been realized.

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