## CERTIFICATION OF ENROLLMENT

## ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1686

69th Legislature 2025 Regular Session

Yeas 86 Nays 7	CERTIFICATE
Speaker of the House of Representatives	I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is <b>ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1686</b> as passed by the House of Representatives and the Senate on the dates hereon set forth.
Passed by the Senate April 14, 2025 Yeas 49 Nays 0	
	Chief Clerk
President of the Senate	
Approved	FILED
Governor of the State of Washington	Secretary of State _ State of Washington

## ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1686

Passed Legislature - 2025 Regular Session

State of Washington 69th Legislature 2025 Regular Session

By House Appropriations (originally sponsored by Representatives Bronoske, Fosse, Reed, Scott, Nance, Hill, and Macri)

READ FIRST TIME 02/28/25.

- AN ACT Relating to creating a health care entity registry; adding 1
- 2 a new section to chapter 43.70 RCW; and creating new sections.
- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON: 3
- <u>NEW SECTION.</u> **Sec. 1.** (1) The legislature finds that: 4
- 5 (a) Washington's health care landscape is changing rapidly. A 6 2023 report by the office of the insurance commissioner identified 7 that Washington has experienced substantial horizontal consolidation 8 and vertical integration across health care providers, facilities,
- 9 and insurers;

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- 10 Washington's health care market is also experiencing 11 investment from new for-profit entities such as private equity 12 firms. While there were only four private equity acquisitions in Washington in 2014, this number had grown to 97 by 2023; 13
- (c) These changes to Washington's health care landscape have not 15 resolved access and affordability challenges. A 2024 survey of over 16 1,000 Washingtonians found that over half skipped needed care due to 17 Department of health data indicates substantial 18 disparities based on geographic location. Many rural Washingtonians 19 experience health care deserts for essential care; and
- 20 (d) Washington is currently unable to evaluate how changes in the 21 health care landscape are impacting access and affordability because

- 1 the state lacks a complete and transparent registry of health care
- 2 systems and entities. While the state collects some information about 3 health insurers through annual financial statement filing
- 4 requirements, there is no similar information available for other
- 5 kinds of health care systems and entities. The office of financial
- 6 management identified this critical data infrastructure gap in 2010,
- 7 but it has not yet been resolved. Recent reports in 2023 and 2024 by
- 8 the office of financial management, the office of the insurance
- 9 commissioner, and the health care cost transparency board have
- 10 indicated this data gap continues to prevent effective stewardship of
- 11 health care resources and state health planning.

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- 12 (2) Therefore, the legislature intends to develop a plan and recommendations with the goal of establishing a complete and interactive registry that will allow for the monitoring and measuring of changes in the health care landscape to better understand trends in health care market consolidation, with the goal of improving access and affordability.
- NEW SECTION. Sec. 2. A new section is added to chapter 43.70 RCW to read as follows:
  - (1) The department, in consultation with the health care authority, the office of the insurance commissioner, the office of the governor, and the office of financial management, and with input from stakeholders shall develop a plan and provide recommendations to the legislature as to how to create a complete and interactive registry of the health care landscape in Washington. The plan and recommendations must identify:
    - (a) The health care entities, including but not limited to licensed and unlicensed facilities, providers, provider groups, systems, carriers, and health care benefit managers, that must report;
      - (b) The information that each entity must report; and
- 32 (c) The fee to be charged to the registering entities, which may 33 be tiered, to support the registration process and creation of the 34 registry.
- 35 (2) In developing the plan and recommendations, the department 36 must consider:
- 37 (a) Opportunities to streamline reporting and consider 38 opportunities to allow for information sharing between state agencies

- 1 for health care entities and health care providers licensed or 2 certified by a state agency; and
- 3 (b) Strategies to fully understand and monitor the business structure, funding, and contractual relationships of health care entities in Washington, including the current status and future changes in the direct or indirect ownership, control, or affiliation of and between health care entities and other entities and organizations, including private equity investment, that serve Washingtonians.
- 10 (3) The department shall provide a progress update to the 11 relevant health and fiscal committees of the legislature by December 12 31, 2027, and a final report by November 1, 2028. The final report 13 must identify any remaining data gaps and recommend an implementation 14 plan for the registry.
- NEW SECTION. Sec. 3. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2025, in the omnibus appropriations act, this act is null and void.

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