Initiative Measure No. 1063

FILED
JAN 28 2010
SECRETARY OF STATE
STATE OF WASHINGTON

AN ACT Relating to adopting the Washington state health care freedom act of 2010; and adding new sections to chapter 48.44 RCW.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec. 1.** This act may be known and cited as the Washington state health care freedom act of 2010.

NEW SECTION. **Sec. 2.** (1) A law or rule pertaining to health care shall not directly or indirectly compel any person, employer, or health care provider to participate in any health care system.

(2) A person or employer may pay directly for lawful health care services and shall not be required to pay any penalty, fine, or other sanction for paying directly for lawful health care services.

(3) A health care provider may accept direct payment for lawful health care services and shall not be required to pay any penalty, fine, or other sanction for accepting direct payment from a person or employer for lawful health care services.

(4) Subject to reasonable and necessary rules that do not significantly and substantially limit a person's or employer's options to participate in any health care system or obtain lawful health care services, the purchase or sale of health insurance in private health care systems shall not be prohibited by law or rule.

(5) The provisions of this section do not affect:

(a) Health care services a health care provider or facility is required to perform or provide;

(b) Health care services permitted by law;

(c) The terms or conditions of any health care system to the extent that those terms and conditions do not have the effect of sanctioning a person or employer for paying directly for lawful health care services or a health care provider or facility for accepting direct payment from a person or employer for lawful health care services.

(6) For the purposes of this section:

(a) "Compel" includes penalties, fines, or other sanctions.

(b) "Direct payment or pay directly" means payment for lawful health care services without a public or private third party, not including an employer, paying for any portion of the service.

(c) "Health care system" means any public or private entity whose function or purpose is the management of, processing of, enrollment of individuals for or

payment for, in full or in part, health care services or health care data or health care information for its participants.

(d) "Lawful health care services" means any health-related service or treatment to the extent that the service or treatment is permitted or not prohibited by law or rule that may be provided by persons or entities otherwise permitted or not prohibited by law to offer such services.

(e) "Penalties, fines, or other sanctions" means any civil or criminal penalty, fine, tax, salary or wage withholding, surcharge, or any other sanction with a similar effect established by law or rule by a government established, created, controlled, or regulated agency that is used to sanction or discourage the exercise of rights protected under this section.

(7) Any federal law, rule, order, or other act by the federal government violating the provisions of this section is hereby declared to be invalid in this state, is not recognized by and is specifically rejected by this state, and is considered as null and void and of no effect in this state.

NEW SECTION. Sec. 3. Sections 1 and 2 of this act are each added to chapter 48.44 RCW.

--- END ---