

Multiple Agency Fiscal Note Summary

Bill Number: 1263 HB	Title: Health care marketplace
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Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Office of Attorney General	0	0	3,919,000	0	0	5,224,000	0	0	5,224,000
Total \$	0	0	3,919,000	0	0	5,224,000	0	0	5,224,000

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of the Secretary of State	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Attorney General	10.9	0	0	3,919,000	14.5	0	0	5,224,000	14.5	0	0	5,224,000
Washington State Health Care Authority	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Insurance Commissioner	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	10.9	0	0	3,919,000	14.5	0	0	5,224,000	14.5	0	0	5,224,000

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of the Secretary of State	.0	0	0	.0	0	0	.0	0	0
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Washington State Health Care Authority	.0	0	0	.0	0	0	.0	0	0
Office of Insurance Commissioner	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

NONE

Prepared by: Cheri Keller, OFM	Phone: (360) 584-2207	Date Published: Final
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Individual State Agency Fiscal Note

Bill Number: 1263 HB	Title: Health care marketplace	Agency: 085-Office of the Secretary of State
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 01/18/2023
Agency Preparation: Mike Woods	Phone: (360) 704-5215	Date: 01/19/2023
Agency Approval: Mike Woods	Phone: (360) 704-5215	Date: 01/19/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 01/20/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Section 14 of the bill prohibits OSOS from accepting “any forms or documents in connection with any material change transaction if the attorney general...disapproved the material change transaction or the parties ... have not agreed to any conditions or modifications imposed by the attorney general ...”

Forms and documents pertaining to “material change transactions” as defined in Section 4(2) of the bill cannot be filed online, do not have standard forms provided by OSOS, and are manually reviewed in-house by OSOS staff. The bill would require a change in the review procedures and checklist used by OSOS staff in reviewing such documents but would not otherwise necessitate any changes to our filing system or forms.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

There are no costs to OSOS associated with implementing this bill.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 1263 HB	Title: Health care marketplace	Agency: 100-Office of Attorney General
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
General Fund-Private/Local 001-7	1,307,000	2,612,000	3,919,000	5,224,000	5,224,000
Total \$	1,307,000	2,612,000	3,919,000	5,224,000	5,224,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	7.3	14.5	10.9	14.5	14.5
Account					
General Fund-Private/Local 001-7	1,307,000	2,612,000	3,919,000	5,224,000	5,224,000
Total \$	1,307,000	2,612,000	3,919,000	5,224,000	5,224,000

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 01/18/2023
Agency Preparation: Amy Flanigan	Phone: 509-456-3123	Date: 01/23/2023
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 01/23/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 01/24/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Section 1 – New Section – Findings/Intent – Ensure existence of accessible and affordable healthcare with full range of coverage.

Section 2 – Amends RCW 19.390.010 – Adds a clause requiring material change transactions result in affected communities have the same or greater access to quality affordable health care. Gives the Attorney General’s Office (AGO) authority to conduct an investigation under 19.86.

Section 3 – Amends RCW 19.390.020 – Definitions – Adds a definition for gender affirming care, reproductive health care, and successor persons.

Section 4 – Amends RCW 19.390.030 – Changes requirement for 60 days’ notice to 120 days for material change transaction.

Section 5 – Amends RCW 19.390.040 – Changes what must be included in material change notices, sets forth what policies must exist and apply to material change notices, and requires descriptions of measured to mitigate and/or eliminate adverse effects of changes. Requires the AGO to charge an applicant fee to cover cost of implementing chapter and the right to request additional information in implementing goals of the chapter.

Section 6 – Amends RCW 19.390.050 – Investigations can be done under RCW 19.86 or federal anti-trust law.

Section 7 – New Section – The AGO will determine if notices required are complete and sets for notification requirements for complete and incomplete notices.

Section 8 – Amends RCW 19.390.080 – Imposes civil penalties with the AGO having the discretion to impose.

Section 9 – New Section – When material change transactions cannot occur and what results may and may not occur.

Section 10 – New Section – AGO review requirement – AGO has 120 days to review and determine if material change transaction fulfils requirements of act. AGO may impose conditions, modification or disapprove of the transaction.

Section 11 – New Section – Requires Public Hearings for review of notices and sets out requirements for hearings.

Section 12 – New Section – Requires AGO to hire independent contractor to prepare health equity assessment for any material change transaction. Also sets out requirement for this assessment.

Section 13 – New Section – Gives AGO discretion to appoint a review board to conduct review and determine if material change transaction meets requirement of this Act. Sets for rules for composition of review board.

Section 14 – New Section – Secretary of State may not accept documents if AGO disapproves of material change transaction. Gives AGO authority to seek injunctions.

Section 15 – New Section – Requirements for material change transactions included under RCW 19.390.040(3), includes AGO monitoring and reporting for ten years.

Section 16 – New Section – AGO to develop form that will be submitted yearly.

Section 17 – New Section – AGO has authority to ensure compliance and take legal action to enforce chapter.

Section 18 – Amends RCW 19.390.070 – What documents are deemed public records for purposes of the Public Records Act.

Section 19 – New Section – No provision of this chapter derogates from the common law or statutory authority of AGO.

Section 20 – New Section – Permits AGO to make rules and enter contract with parties as needed.

Section 21 – New Section – Concurrent review with chapter 70.38 and 70.45 RCW.

Section 22 – New Section – Every four years AGO shall commission a study of the impact of these material changes.

Section 23 – New Section – By January 2025, AGO shall complete a study on impact of health care mergers and acquisitions and what the study must include.

Section 24 – New Section – Entitles act keep our care act.

Section 25 – New Section – Sections 7, 9 through 17, and 19 through 23 are added to chapter 19.390 RCW.

Section 25 – Effective date January 1, 2024.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

Attorney General's Office (AGO) Agency Assumptions:

The AGO assumes the start date of January 1, 2024 per the bill language.

The estimated cash receipts will be from an initial application fee to implement the bill and billing for reimbursement of costs to meet the ongoing requirement of the bill.

Due to the AGO's billing process, the AGO assumes a one-time application fee needs to cover two months of estimated expenditures (\$352,000) before billing and revenue cover ongoing operational costs. The estimated expenditures for two months is divided by the number of estimated transactions (30) to determine the initial application fee of \$11,733 ($\$352,000 / 30 = \$11,733$).

The remainder of cash receipts will be billed based on the number of hours needed to conduct investigations and hearings as needed, manage documents and discovery, assist with legal pleadings and research, and other investigative tasks as needed by the AGO's Consumer Protection (CPR) division, per Section 15.

For reference, the AGO's billing process occurs after the Fiscal Month (FM) close. For example, July costs are billed after July closes around August 15. This delays the recovery of the costs by at least two FMs. The AGO would monitor billings to ensure to not over recover as the billing rate is set to recover the costs. Future fees could be reduced or eliminated after the program is implemented and ongoing.

The \$500,000 in expert costs to prepare health equity assessments, will be billed to the healthcare organizations involved in the transaction (mergers, acquisitions, and contracting affiliations).

AGO AGENCY ASSUMPTIONS:

Cash receipts details:

FY 2024: \$1,057,000 = \$1,057,000 (application fee) + \$250,000 (billing for remainder of costs).

FY 2025: \$2,612,000 = \$2,112,000 (application fee) + \$500,000 (billing for remainder of costs), and each FY thereafter.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Attorney General's Office (AGO) Agency Assumptions:

The AGO assumes the start date of January 1, 2024 per the bill language.

Location of staffing assumed to be in a Seattle and non-Seattle office building.

Total workload impact in this request includes standard assumption costs for goods & services, travel, and capital outlays for all FTE identified.

Agency administration support FTE are included in the tables, for every 1.0 Assistant Attorney General FTE (AAG), the AGO includes 0.5 FTE for a Legal Assistant 3 (LA) and 0.25 FTE of a Management Analyst 5 (MA). The MA is used as a representative classification.

Totals are rounded to the nearest thousands.

Assumptions for the AGO Consumer Protection Division's (CPR) Legal Services: AAG's will review and analyze submissions, conduct public hearings, retain and work with experts and contractors, draft findings and agreements, conduct compliance reviews, and take legal action to ensure compliance and assist with development of reports.

Paralegals (PL) will manage voluminous documents, work with AGO staff to facilitate public notices and postings, draft contracts with experts, and review and organize constituent feedback.

Investigators (INV) will interview witnesses, review records, and other investigative tasks as assigned.

CPR assumes that significant operational work will be necessary to create and train a team to perform these reviews. The AGO does not currently perform this type of work and expertise will need to be built.

CPR assumes to conduct approximately 30 reviews per FY.

CPR total FTE workload impact for Seattle rates:

FY 2024: \$1,198,000 for 2.5 AAG, 1.0 FTE PL, 1.25 LA, 1.0 FTE INV (this includes direct litigation costs of \$250,000).

FY 2025: \$2,396,000 for 5.0 AAG, 2.0 FTE PL, 2.5 LA, 2.0 FTE INV (this includes direct litigation costs of \$500,000), and in each FY thereafter.

Assumptions for the AGO Administration Division (ADM) for Seattle rate:

The AGO assumes new costs for ADM activities will be distributed among all legal services client agencies following the enactment of this bill. Expenditures of the Financial Services Division (FIS) activities are billed as part of AGO overhead which are billed to all clients proportionate to service levels provided. It is the AGO standard practice to spread these type of costs pro-rata through the Legal Services component of the Central Service Model (CSM). Not including these expenditures in the Legal Services component of the CSM is putting the Legal Services Revolving Account out of balance.

ADM assumes 1.0 FTE Policy Assistant (Exempt). New work includes, but is not limited to:

1. Outreach necessary to meet legislative requirements for these appointments.
2. Facilitate meetings.
3. Ongoing outreach and communications with external stakeholders as needed.
4. Ongoing advice to the bidding process.
5. Ongoing data collection coordination.

FY 2024: \$70,000 for 0.5 FTE Policy Assistant (Exempt).

FY 2025: \$138,000 for 1.0 FTE Policy Assistant (Exempt), and in each FY thereafter.

Assumptions for the AGO FIS:

FIS assumes receipting of application fee and account reconciliation. This includes competitive contracting process and contract monitoring.

FIS assumes 0.5 FTE Fiscal Analyst 3 (FA) and 0.25 FTE Contracts Specialist 2 (CS).

FY 2024: \$39,000 for 0.25 FTE FA and 0.13 FTE CS.

FY 2025: \$78,000 for 0.5 FTE FA and 0.25 FTE CS, and in each FY thereafter.

AGO total FTE workload impact for Seattle and non-Seattle rates:

FY 2024: \$1,307,000 for 2.5 AAG, 1.0 FTE PL, 1.25 LA, 1.0 FTE INV, 0.5 Policy Assistant (Exempt), 0.25 FA, and 0.13 CS (this includes direct litigation costs of \$250,000).

FY 2025: \$2,612,000 for 5.0 AAG, 2.0 FTE PL, 2.5 LA, 2.0 FTE INV, 1.0 Policy Assistant (Exempt), 0.5 FA, and 0.25 CS (this includes direct litigation costs of \$500,000), and in each FY thereafter.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-7	General Fund	Private/Local	1,307,000	2,612,000	3,919,000	5,224,000	5,224,000
Total \$			1,307,000	2,612,000	3,919,000	5,224,000	5,224,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	7.3	14.5	10.9	14.5	14.5
A-Salaries and Wages	699,000	1,397,000	2,096,000	2,794,000	2,794,000
B-Employee Benefits	227,000	453,000	680,000	906,000	906,000
C-Professional Service Contracts	250,000	500,000	750,000	1,000,000	1,000,000
E-Goods and Other Services	124,000	248,000	372,000	496,000	496,000
G-Travel	7,000	14,000	21,000	28,000	28,000
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	1,307,000	2,612,000	3,919,000	5,224,000	5,224,000

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Assistant Attorney General-Seattle	124,635	2.5	5.0	3.8	5.0	5.0
Contract Specialist 2	69,756	0.1	0.3	0.2	0.3	0.3
Fiscal Analyst 3	64,788	0.3	0.5	0.4	0.5	0.5
Legal Assistant 3-Seattle	67,044	1.3	2.5	1.9	2.5	2.5
Management Analyst 5	91,524	0.6	1.3	0.9	1.3	1.3
Paralegal 2-Seattle	75,096	1.0	2.0	1.5	2.0	2.0
Policy Assistant (Exempt)	95,000	0.5	1.0	0.8	1.0	1.0
Senior Investigator-Seattle	98,532	1.0	2.0	1.5	2.0	2.0
Total FTEs		7.3	14.5	10.9	14.5	14.5

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Administration Division (ADM)	70,000	138,000	208,000	276,000	276,000
Consumer Protection Division (CPR)	1,198,000	2,396,000	3,594,000	4,792,000	4,792,000
Financial Services Division (FIS)	39,000	78,000	117,000	156,000	156,000
Total \$	1,307,000	2,612,000	3,919,000	5,224,000	5,224,000

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Per section 20, the Attorney General's Office may implement rulemaking.

Individual State Agency Fiscal Note

Bill Number: 1263 HB	Title: Health care marketplace	Agency: 107-Washington State Health Care Authority
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 01/18/2023
Agency Preparation: Hanh OBrien	Phone: 360-725-1447	Date: 01/19/2023
Agency Approval: Madina Cavendish	Phone: 360-725-0902	Date: 01/19/2023
OFM Review: Jason Brown	Phone: (360) 742-7277	Date: 01/20/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

See attached narrative.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

See attached narrative.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

See attached narrative.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

HCA Fiscal Note

Bill Number: 1263 HB

HCA Request #: 23-047

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

The bill amends Chapter 19.390 RCW to require parties to a material change transaction, to submit additional information to the attorney general (AG) about their services and impacts on those services, including any impacts the transactions could have on reproductive health care services, end-of-life health care services and gender affirming health care services. A material change transaction refers to a merger, acquisition or contracting affiliation between two or more hospitals, hospital systems or provider organizations.

II. B - Cash Receipts Impact

None

II. C – Expenditures

No fiscal impact.

The proposed legislation does not have a direct impact on the Health Care Authority (HCA), but does have an impact on HCA stakeholders. There are some indirect impacts in that hospitals, health care systems or provider organizations that participate in mergers, acquisitions, or contracting affiliations would have to provide additional robust information to the AG.

Part IV: Capital Budget Impact

None

Part V: New Rule Making Require

None

Individual State Agency Fiscal Note

Bill Number: 1263 HB	Title: Health care marketplace	Agency: 160-Office of Insurance Commissioner
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 01/18/2023
Agency Preparation: Shari Maier	Phone: 360-725-7173	Date: 01/23/2023
Agency Approval: Michael Wood	Phone: 360-725-7007	Date: 01/23/2023
OFM Review: Jason Brown	Phone: (360) 742-7277	Date: 01/23/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

This bill amends and adds to chapter 19.390 RCW in relation to health entity mergers, acquisitions, and contracting affiliations. Although the bill does direct the completion of a study on the impact of health care mergers and acquisitions in Washington state between health carriers as defined in RCW 48.43.005 and hospitals, hospital systems, or provider organizations, the bill directs that the Attorney General shall complete the study and does not direct any involvement of the Office of Insurance Commissioner (OIC). The other authority and duties in this bill are placed under the Attorney General as well. Therefore, no fiscal impact to the OIC.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.



Multiple Agency Ten-Year Analysis Summary

Bill Number 1263 HB	Title Health care marketplace
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This ten-year analysis is limited to the estimated cash receipts associated with the proposed tax or fee increases.

Estimated Cash Receipts

	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Fiscal Year 2033	2024-33 TOTAL
Office of the Secretary of State	0	0	0	0	0	0	0	0	0	0	0
Office of Attorney General	1,307,000	2,612,000	2,612,000	2,612,000	2,612,000	2,612,000	2,612,000	2,612,000	2,612,000	2,612,000	24,815,000
Washington State Health Care Authority	0	0	0	0	0	0	0	0	0	0	0
Office of Insurance Commissioner	0	0	0	0	0	0	0	0	0	0	0
Total	1,307,000	2,612,000	2,612,000	2,612,000	2,612,000	2,612,000	2,612,000	2,612,000	2,612,000	2,612,000	24,815,000



Ten-Year Analysis

Bill Number 1263 HB	Title Health care marketplace	Agency 085 Office of the Secretary of State
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts **Partially Indeterminate Cash Receipts** **Indeterminate Cash Receipts**

Name of Tax or Fee	Acct Code												
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Agency Preparation: Mike Woods	Phone: (360) 704-5215	Date: 1/19/2023 10:21:08 an
Agency Approval: Mike Woods	Phone: (360) 704-5215	Date: 1/19/2023 10:21:08 an
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 1263 HB	Title Health care marketplace	Agency 100 Office of Attorney General
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts

 Partially Indeterminate Cash Receipts

 Indeterminate Cash Receipts

Estimated Cash Receipts

Name of Tax or Fee	Acct Code	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Fiscal Year 2033	2024-33 TOTAL
Applicant Fee	001	1,307,000	2,612,000	2,612,000	2,612,000	2,612,000	2,612,000	2,612,000	2,612,000	2,612,000	2,612,000	24,815,000
Total		1,307,000	2,612,000	2,612,000	2,612,000	2,612,000	2,612,000	2,612,000	2,612,000	2,612,000	2,612,000	24,815,000
Biennial Totals		3,919,000	5,224,000		5,224,000		5,224,000		5,224,000		24,815,000	

Narrative Explanation (Required for Indeterminate Cash Receipts)

Per Section 5 (4), the Attorney General's Office (AGO) will charge a fee to cover the costs of implementing this proposed legislation. The estimated fee is \$11,733 based on 30 reviews annually.

Agency Preparation: Amy Flanigan	Phone: 509-456-3123	Date: 1/23/2023 10:13:02 pm
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 1/23/2023 10:13:02 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 1263 HB	Title Health care marketplace	Agency 107 Washington State Health Care Authority
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts

 Partially Indeterminate Cash Receipts

 Indeterminate Cash Receipts

Name of Tax or Fee	Acct Code												

Agency Preparation: Hanh OBrien	Phone: 360-725-1447	Date: 1/19/2023 2:57:42 pm
Agency Approval: Madina Cavendish	Phone: 360-725-0902	Date: 1/19/2023 2:57:42 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 1263 HB	Title Health care marketplace	Agency 160 Office of Insurance Commissioner
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts **Partially Indeterminate Cash Receipts** **Indeterminate Cash Receipts**

Name of Tax or Fee	Acct Code												
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Agency Preparation: Shari Maier	Phone: 360-725-7173	Date: 1/23/2023 9:25:53 am
Agency Approval: Michael Wood	Phone: 360-725-7007	Date: 1/23/2023 9:25:53 am
OFM Review:	Phone:	Date: