

**As Reported by the House State and Local Government
Committee**

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Representatives Retherford, Boose

**Cosponsors: Representatives Brenner, Hood, Becker, Young, Thompson,
Adams, J., Beck, Buchy, Gonzales, Huffman, Lynch, Maag, Roegner,
Wachtmann, Butler, Romanchuk**

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A B I L L

To enact sections 190.01 and 190.02 of the Revised Code to enter into the Health Care Compact. 1
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BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 190.01 and 190.02 of the Revised Code be enacted to read as follows: 3
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Sec. 190.01. "The Health Care Compact" is hereby ratified, enacted into law, and entered into by the state of Ohio as a party to the compact with any other state that has legally joined in the compact as follows: 5
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Whereas, the separation of powers, both between the branches of the Federal government and between Federal and State authority, is essential to the preservation of individual liberty; 9
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Whereas, the Constitution creates a Federal government of limited and enumerated powers, and reserves to the States or to the people those powers not granted to the Federal government; 12
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Whereas, the Federal government has enacted many laws that have preempted State laws with respect to Health Care, and placed 15
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increasing strain on State budgets, impairing other 17
responsibilities such as education, infrastructure, and public 18
safety; 19

Whereas, the Member States seek to protect individual liberty 20
and personal control over Health Care decisions, and believe the 21
best method to achieve these ends is by vesting regulatory 22
authority over Health Care in the States; 23

Whereas, by acting in concert, the Member States may express 24
and inspire confidence in the ability of each Member State to 25
govern Health Care effectively; and 26

Whereas, the Member States recognize that consent of Congress 27
may be more easily secured if the Member States collectively seek 28
consent through an interstate compact; 29

NOW THEREFORE, the Member States hereto resolve, and by the 30
adoption into law under their respective State Constitutions of 31
this Health Care Compact, agree, as follows: 32

Sec. 1. Definitions. As used in this Compact, unless the 33
context clearly indicates otherwise: 34

"Commission" means the Interstate Advisory Health Care 35
Commission. 36

"Effective Date" means the date upon which this Compact shall 37
become effective for purposes of the operation of State and 38
Federal law in a Member State, which shall be the later of: 39

(a) the date upon which this Compact shall be adopted under 40
the laws of the Member State, and 41

(b) the date upon which this Compact receives the consent of 42
Congress pursuant to Article I, Section 10, of the United States 43
Constitution, after at least two Member States adopt this Compact. 44

"Health Care" means care, services, supplies, or plans 45

related to the health of an individual and includes but is not 46
limited to: 47

(a) preventive, diagnostic, therapeutic, rehabilitative, 48
maintenance, or palliative care and counseling, service, 49
assessment, or procedure with respect to the physical or mental 50
condition or functional status of an individual or that affects 51
the structure or function of the body, and 52

(b) sale or dispensing of a drug, device, equipment, or other 53
item in accordance with a prescription, and 54

(c) an individual or group plan that provides, or pays the 55
cost of, care, services, or supplies related to the health of an 56
individual, 57

except any care, services, supplies, or plans provided by the 58
United States Department of Defense and United States Department 59
of Veteran Affairs, or provided to Native Americans. 60

"Member State" means a State that is signatory to this 61
Compact and has adopted it under the laws of that State. 62

"Member State Base Funding Level" means a number equal to the 63
total Federal spending on Health Care in the Member State during 64
Federal fiscal year 2010. On or before the Effective Date, each 65
Member State shall determine the Member State Base Funding Level 66
for its State, and that number shall be binding upon that Member 67
State. The preliminary estimate of Member State Base Funding Level 68
for the State of Ohio is \$35,043,000,000. 69

"Member State Current Year Funding Level" means the Member 70
State Base Funding Level multiplied by the Member State Current 71
Year Population Adjustment Factor multiplied by the Current Year 72
Inflation Adjustment Factor. 73

"Member State Current Year Population Adjustment Factor" 74
means the average population of the Member State in the current 75

year less the average population of the Member State in Federal 76
fiscal year 2010, divided by the average population of the Member 77
State in Federal fiscal year 2010, plus 1. Average population in a 78
Member State shall be determined by the United States Census 79
Bureau. 80

"Current Year Inflation Adjustment Factor" means the Total 81
Gross Domestic Product Deflator in the current year divided by the 82
Total Gross Domestic Product Deflator in Federal fiscal year 2010. 83
Total Gross Domestic Product Deflator shall be determined by the 84
Bureau of Economic Analysis of the United States Department of 85
Commerce. 86

Sec. 2. Pledge. The Member States shall take joint and 87
separate action to secure the consent of the United States 88
Congress to this Compact in order to return the authority to 89
regulate Health Care to the Member States consistent with the 90
goals and principles articulated in this Compact. The Member 91
States shall improve Health Care policy within their respective 92
jurisdictions and according to the judgment and discretion of each 93
Member State. 94

Sec. 3. Legislative Power. The legislatures of the Member 95
States have the primary responsibility to regulate Health Care in 96
their respective States. 97

Sec. 4. State Control. Each Member State, within its State, 98
may suspend by legislation the operation of all federal laws, 99
rules, regulations, and orders regarding Health Care that are 100
inconsistent with the laws and regulations adopted by the Member 101
State pursuant to this Compact. Federal and State laws, rules, 102
regulations, and orders regarding Health Care will remain in 103
effect unless a Member State expressly suspends them pursuant to 104
its authority under this Compact. For any federal law, rule, 105

regulation, or order that remains in effect in a Member State 106
after the Effective Date, that Member State shall be responsible 107
for the associated funding obligations in its State. 108

Sec. 5. Funding. 109

(a) Each Federal fiscal year, each Member State shall have 110
the right to Federal monies up to an amount equal to its Member 111
State Current Year Funding Level for that Federal fiscal year, 112
funded by Congress as mandatory spending and not subject to annual 113
appropriation, to support the exercise of Member State authority 114
under this Compact. This funding shall not be conditional on any 115
action of or regulation, policy, law, or rule being adopted by the 116
Member State. 117

(b) By the start of each Federal fiscal year, Congress shall 118
establish an initial Member State Current Year Funding Level for 119
each Member State, based upon reasonable estimates. The final 120
Member State Current Year Funding Level shall be calculated, and 121
funding shall be reconciled by the United States Congress based 122
upon information provided by each Member State and audited by the 123
United States Government Accountability Office. 124

Sec. 6. Interstate Advisory Health Care Commission. 125

(a) The Interstate Advisory Health Care Commission is 126
established. The Commission consists of members appointed by each 127
Member State through a process to be determined by each Member 128
State. A Member State may not appoint more than two members to the 129
Commission and may withdraw membership from the Commission at any 130
time. Each Commission member is entitled to one vote. The 131
Commission shall not act unless a majority of the members are 132
present, and no action shall be binding unless approved by a 133
majority of the Commission's total membership. 134

(b) The Commission may elect from among its membership a 135
Chairperson. The Commission may adopt and publish bylaws and 136
policies that are not inconsistent with this Compact. The 137
Commission shall meet at least once a year, and may meet more 138
frequently. 139

(c) The Commission may study issues of Health Care regulation 140
that are of particular concern to the Member States. The 141
Commission may make non-binding recommendations to the Member 142
States. The legislatures of the Member States may consider these 143
recommendations in determining the appropriate Health Care 144
policies in their respective States. 145

(d) The Commission shall collect information and data to 146
assist the Member States in their regulation of Health Care, 147
including assessing the performance of various State Health Care 148
programs and compiling information on the prices of Health Care. 149
The Commission shall make this information and data available to 150
the legislatures of the Member States. Notwithstanding any other 151
provision in this Compact, no Member State shall disclose to the 152
Commission the health information of any individual, nor shall the 153
Commission disclose the health information of any individual. 154

(e) The Commission shall be funded by the Member States as 155
agreed to by the Member States. The Commission shall have the 156
responsibilities and duties as may be conferred upon it by 157
subsequent action of the respective legislatures of the Member 158
States in accordance with the terms of this Compact. 159

(f) The Commission shall not take any action within a Member 160
State that contravenes any State law of that Member State. 161

Sec. 7. Congressional Consent. This Compact shall be 162
effective on its adoption by at least two Member States and 163
consent of the United States Congress. This Compact shall be 164
effective unless the United States Congress, in consenting to this 165

Compact, alters the fundamental purposes of this Compact, which 166
are: 167

(a) To secure the right of the Member States to regulate 168
Health Care in their respective States pursuant to this Compact 169
and to suspend the operation of any conflicting federal laws, 170
rules, regulations, and orders within their States; and 171

(b) To secure Federal funding for Member States that choose 172
to invoke their authority under this Compact, as prescribed by 173
Section 5 above. 174

Sec. 8. Amendments. The Member States, by unanimous 175
agreement, may amend this Compact from time to time without the 176
prior consent or approval of Congress and any amendment shall be 177
effective unless, within one year, the Congress disapproves that 178
amendment. Any State may join this Compact after the date on which 179
Congress consents to the Compact by adoption into law under its 180
State Constitution. 181

Sec. 9. Withdrawal; Dissolution. Any Member State may 182
withdraw from this Compact by adopting a law to that effect, but 183
no such withdrawal shall take effect until six months after the 184
Governor of the withdrawing Member State has given notice of the 185
withdrawal to the other Member States. A withdrawing State shall 186
be liable for any obligations that it may have incurred prior to 187
the date on which its withdrawal becomes effective. This Compact 188
shall be dissolved upon the withdrawal of all but one of the 189
Member States. 190

Sec. 190.02. Not later than thirty days after "The Health 191
Care Compact" entered into under section 190.01 of the Revised 192
Code is ratified by the United States congress, the governor shall 193
appoint a member to the interstate advisory health care commission 194

created under the compact. The governor shall fill a vacancy not 195
later than thirty days after the vacancy occurs. 196