

Health Care Cost Transparency Board meeting summary

November 16, 2022
Health Care Authority
Meeting held electronically (Zoom) and telephonically
2 p.m.-4 p.m.

Note: this meeting was video recorded in its entirety. The recording and all materials provided to and considered by the board is available on the [Health Care Cost Transparency Board webpage](#).

Members present

Bianca Frogner
Carol Wilmes
Edwin Wong
Jodi Joyce
Kim Wallace
Leah Hole-Marshall
Lois Cook
Margaret Stanley
Molly Nollette
Sonja Kellen

Members absent

Mark Siegel
Sue Birch

Agenda items

Welcome, Roll call, Agenda Review

Mich'l Needham called the meeting to order at 2:02 p.m.

Approval of Minutes

The board approved the minutes.

Topics for Today

Topics were listed as Primary Care: 2022 Legislative Report Review; Patient Stories and Consumer Health Experience State Survey (CHESS); and 2023: Meetings and Milestones.

Primary Care: 2022 Legislative Report Review

Jean Marie Dreyer, Senior Health Policy Analyst, Washington State Health Care Authority



Jean Marie Dreyer gave a presentation on the cost board's soon-to-be published initial legislative report on primary care expenditures. Jean Marie reviewed each section of the report, including report background, the formation of the advisory committee on primary care, details from each of the committee meetings, and a preview of future primary care recommendations and committee work to be described in the annual August 2023 cost board report. Jean Marie also noted that the board would review a preliminary definition of primary care developed by the primary care committee at the board's next meeting. Jean Marie concluded with a description of the primary care committee's 2023 meetings and objectives.

Board member Leah Hole-Marshall asked whether there will be a review of the current work to consider other lenses, from a spend-cost perspective. The board should look at common definitions that are used for slightly different purposes. A comparison of definitions will be reviewed by the Advisory Committee of Providers and Carriers as well as the board. Mich'l Needham explained that the report would likely be late to allow the board to review the recommendations from the advisory committee in its December meeting.

The Cost of Administrative Burden

Emily Brice, Senior Attorney, Policy Advisor Northwest Health Law Advocates

Joelle Craft, Member, Washington Consumer Action Network

Dorothy Roca, Member, Washington Consumer Action Network

Alexandra Allen, Health Policy Analyst, Altarum Healthcare Value Hub

Emily Brice referenced the September meeting where consumer members shared information about the pressures consumers faced in the last decade. There are several indicators to track, including growth in premiums, cost sharing, and uninsurance. Washington doesn't track underinsurance metrics on a state specific level, which means there is missing information regarding real world cost pressures. Dorothy Roca and Joelle Craft also shared stories about the cost burdens from a patient perspective.

Joelle Craft, a member of Washington Community Action Network, shared challenges with multiple sclerosis since childhood. Joelle is on disability and doesn't make enough in a year to cover the cost of care. Most of Joelle's care was at Providence, but Joelle wasn't informed about charity care and entered bankruptcy. Joelle lives with family instead of a separate home. The failures of charity care to counter greed is just one example of how half measures can't fully address the full scope of cost burden. Patients must be at the core of every decision that impacts them. Dorothy Roca, also a member of the Washington Community Action Network, spoke about the experience of trying to afford care for a child. Dorothy's eldest child has schizophrenia. Dorothy was forced to look for programs out of state and found a long-term behavioral health program in Oregon. Dorothy's Cigna claims were denied, and the family spent \$160,000 of savings to cover the costs, which cut into Dorothy's other child's tuition for college. Choosing between the health of one child and the education of another is not a decision a family should be forced to make. Patients are subjected to a capricious and arbitrary system where companies like Cigna can deny care.

Alexandra Allen, health policy analyst from Altarum Healthcare Value Hub, gave a presentation on healthcare affordability and disparities in Washington using results from the Consumer Healthcare Experience State Survey (CHESS).

Affordability burdens involve three components: foregoing insurance due to high cost, delaying or foregoing care due to cost, and receiving care but struggling with resulting bills. More than half of burdens involved delayed or skipped care due to cost. This was an issue across the income spectrum. Half of people of all income groups went without care due to cost. Nearly a third of those earning \$50,000 or less and those earning higher than \$75,000 to \$100,000 report rationing medication due to cost. Alexandra also discussed survey respondents who went without care by insurance types. Those with Apple Health reported the highest rates of going without care and rationing medication at a rate of 70 percent. Some Apple Health members reported difficulty accessing services, or stated





that services weren't covered, including dental, mental health, behavioral health, physical therapy and eyecare. These members also noted a lack of providers who would accept their insurance.

Board member Margaret Stanley asked about the Apple Health responses and was surprised that people went without care due to cost. This pattern is seen across states and Apple Health members explicitly referenced that certain services weren't covered. Some said they could reach a provider, but that it was either unaffordable or inaccessible due to distance. Mich'l Needham suggested adding a footnote that Apple Health does not have cost-sharing.

Rural residents reported higher rates of going without care due to cost. Some respondents of color had higher rates of going without care due to cost. Compared to white respondents, 67 percent of American Indian or Alaska Native (AI/AN) went without care due to cost compared to 55 percent of white respondents. The raw frequency and weighted frequency were less than 100 responses, so this sample was not reliable as an estimate, but still useful for consideration. Respondents of color also reported higher rates of not filling prescriptions or cutting doses compared to white respondents.

The survey also found that respondents with a disability, or those who lived with someone with a disability, reported far higher rates of going without care and rationed medication. Nearly 39 percent of respondents struggled to pay their medical bills. Respondents in rural areas, black respondents, Latinx or Hispanic, and AI/AN and persons with a disability reported the highest rates of financial hardships.

Seventy-one percent of respondents believed the healthcare system needs to change. Respondents viewed the government as the key stakeholder in producing change and supported pricing and prescription drug price interventions by political affiliation.

Board member Bianca Frogner noted that the presentation brings up what is in control of the board and highlights the need to capture non-claims-based data. The board also has difficulty analyzing cost sharing. Bianca Frogner asked to what extent COVID may have influenced responses and caused variation. Beth, a colleague at Altarum, referenced previous CHES surveys prior to COVID that determine the pandemic's influence on responses. Economic issues have begun to take precedence alongside concerns with healthcare costs. By August of 2022, the impact of the pandemic was more economy-based around inflation. Healthcare affordability is starting to rise again. Data is point-in-time and not a longevity study and it would be difficult to use this instrument to determine a direct cause or relation to any policy changes that this board may pass or want to see as an evaluation tool. This tool is not recommended for a formal evaluation of policy.

Emily Brice agreed that ideally data would be compiled year over year with a broader sample size. Washington residents are struggling deeply with healthcare costs and rely on bodies like this board to make a difference. The board should be careful to balance the interests of residents' challenges when considering increasing the benchmark due to inflation.

Board member Jodi Joyce noted that it will be important to track costs that may not accrue under the formal category of the benchmark and to think carefully about any unintended consequences of definitions of spending used for measurement and tracking purposes.

Public comment

Molly Dutton, occupational nurse consultant with Labor and Industry (L&I) suggested that a lot of healthcare transformation work should be viewed in a top-down manner. Burnout has not been selective to certain professions but has been hard hit in healthcare. There hasn't been accountability for healthcare entities as far as provider turnover, which leads to lack of access, and expensive hiring and recruiting. There needs to be something to incentivize retention or discourage turnover as efforts value-based transformation efforts continue.

Suzyn Danie, L&I, described "no-show" situations where patients are charged after waiting on the phone to attend virtual appointments. Patients are told by providers that costs cannot be explained in advance to avoid the appearance of discrimination between cash pay over PPOs or HMOs.





2023: Meetings and Milestones

AnnaLisa Gellermann, Cost Board Director, Washington State Health Care Authority

AnnaLisa Gellermann gave a presentation on 2023 milestones and meetings. In 2023, the board will consider the 2022 cost driver analysis, the 2022 benchmark report (lookback for 2017 through 2019 data), and primary care recommendations. The 2023 Benchmark Data Call will take place in June 2023 and the next round of Cost Driver Analysis will occur in November. AnnaLisa provided an overview of 2023 board and committee meetings as they relate to specific milestones and reviewed feedback from committees about the meeting process.

Board member Margaret Stanley noted that it would be helpful to hear directly from committee members to hear their reactions and suggested a representative of the committee to the board.

Mich'l Needham drew board members' attention to the Mathematic report on findings from Massachusetts.

Massachusetts has different authorities not currently available to Washington to monitor entities' adherence to the benchmark.

Board member Leah Hole-Marshall noted that the group of states and leaders working on benchmarking will be helpful for Washington to reference as it continues its work.

Adjournment

Meeting adjourned at 3:59 p.m.

Next meeting

December 14, 2022

Meeting to be held on Zoom

2:00 p.m. – 4:00 p.m.

