Health Care Cost Transparency Board Meeting

December 12, 2024

Washington State Health Care Authority

Tab 1

Washington State Health Care Authority

Washington State Health Care Authority

Health Care Cost Transparency Board, Public Hearing Agenda

Thursday, Dec 12, 2024
1:30-4:00 PM
Hybrid Zoom and in-person

Board Members		
☐ Susan E. Birch, Chair	☐ Jodi Joyce	☐ Kim Wallace
☐ Jane Beyer	☐ Gregory Marchand	☐ Carol Wilmes
☐ Eileen Cody	☐ Mark Siegel	☐ Edwin Wong
☐ Lois C. Cook	☐ Margaret Stanley	
☐ Bianca Frogner	☐ Ingrid Ulrey	

Time	Agenda Items	Tab	Lead
1:30-1:35 (5 min)	Welcome and roll call	1	Sue Birch, Chair of the Cost Board and Director, Health Care Authority
1:35-1:45 (10 min)	The Cost Board's charge: understanding health care costs and improving affordability	2	Sue Birch
1:45-2:10 (25 min)	Performance Against the Benchmark (2022) • Contextualizing 2022 trends • Key takeaways from 2022 benchmark performance	3	• Vishal Chaudhry, Chief Data Officer, Health Care Authority • Amanda Avalos, Deputy for Enterprise Analytics, Research, and Reporting, Health Care Authority
2:10-2:30 (20 min)	Board discussion	4	Facilitated by Sue Birch
2:30-2:35 (5 min)	Break		
2:35-3:05 (30 min)	Washington Consumer Affordability • 15 min survey results • 15 min panelist reflections	5	• Emily Brice, Co-Executive Director of Advocacy, Northwest Health Law Advocates • Jim Freeburg, Patient Coalition of Washington • Sam Hatzenbeler, Senior Policy Associate, Economic Opportunity Institute
3:05-3:20 (15 min)	Provider and carrier reflections (5 min each)	6	• Don Anderson, Jr., VP of Reimbursement, Providence • Jeb Shepard, Director of Policy, Washington State Medical Association • Jennifer Ziegler, Contract Lobbyist, Association of Washington Healthcare Plans
3:20-3:35 (15 min)	Business and labor reflections (5 min each)	7	• Zenovia Harris, CEO, Kent Chamber of Commerce • Patrick Connor, CEO, WA National Federation of Independent Business • Christina Johansen, Managing Director of Health Benefits Trust, SEIU 775
3:35-3:50 (15 min)	Public comment	8	Facilitated by Sue Birch
3:50-4:00 (10 min)	2025 preview and call to action	9	Sue Birch
4:00	Adjourn		Sue Birch

Tab 2

Health Care Cost Transparency Board Public Hearing on cost trends

December 12, 2024

Washington State Health Care Authority

Agenda

Time	Topic
1:30-1:35	Roll call
1:35-1:45	Introduction
1:45-2:10	Performance against the benchmark
2:10-2:30	Board discussion
2:30-2:35	BREAK
2:35-3:05	WA consumer affordability
3:05-3:20	Provider and carrier reflections
3:20-3:35	Business and labor reflections
3:35-3:50	Public comment
3:50-4:00	2025 preview and call to action

Cost Board directives

Establish health care cost growth **benchmark or target** for expenditure growth

Analyze total **health care expenditures**

Identify **trends** in health care cost growth

Identify **entities** that exceed the health care cost growth benchmark

Provide **policy recommendations** to the Legislature to increase transparency and affordability

Introduction

- Transparency is an important first step
- The Cost Board's work is built on Washington's foundational efforts
  - Expanding access to insurance coverage
  - Improve health care quality and value
  - Strengthening the delivery system
- As we assess cost trends – stay focused on systemic interventions and policy options that can achieve these goals **and** improve affordability

Cost growth benchmark

The goal for the growth of spending on health care year over year.

Performance against benchmark

Assessment of cost growth against the benchmark target.

Cost driver analysis/cost experience

Assessment of key drivers of cost growth.

Primary care spend measurement

Measurement of expenditure on primary care in relation to overall health care expenditure.

Hospital cost, profit, and price analysis

Hospital financial analysis to identify cost, price, and profit trends.

Analytic support initiative

Analysis of the drivers of WA health care cost growth by UW's Institute for Health Metrics and Evaluation (IHME).

Consumer and affordability

The ability for consumers to afford their health care insurance.

Reviewing today

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Today's assignment

- Washington state's **first ever** review of performance ***against the benchmark***
  - First release is a learning opportunity, examining historical trends in context of current rising prices
- Hear from representatives including consumers, providers, carriers, business, and labor
- Build on the work of the Cost Board through the year, examining cost trends and themes, and focusing on broad interventions and policy options that can help improve affordability and transparency

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Tab 3

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2022 Performance Against the Benchmark: Executive Summary

In response to rising health care costs, Washington State's Legislature established the Health Care Cost Transparency Board (Cost Board) in 2020. As part of their efforts, the Cost Board set an annual statewide health care cost growth benchmark. The benchmark is a specific rate of spending growth that carriers and providers should aim to stay below to make health care more affordable for consumers. The Cost Board set the 2022 annual cost growth benchmark – the first growth benchmark - at 3.2%.

In 2022, the Cost Board collected total health care spending data for 2017–2019 from the largest health insurance carriers doing business in Washington State. The purpose of gathering this data was to establish a baseline for spending growth. Earlier this year, the Cost Board launched the 2024 data call and collected data for 2020–2022.

With this data, the Cost Board is now able to measure overall cost growth performance against the first annual benchmark. Moreover, the Cost Board is also able to report on health care cost increases by the state's largest carriers and providers.

This executive summary shares key takeaways in (a) comparing 2022 cost growth performance against the benchmark and (b) analyzing cost growth during the COVID-19 pandemic (2019-2022). The full benchmark report, which provides more detailed data findings from 2024 data call, will be available in early 2025.

Findings

A. Comparing 2022 cost growth performance against the benchmark

According to the data, **statewide or overall per-member spending exceeded the benchmark.** The per-member total health care expenditure (THCE) grew year over year by 3.6 percent in 2022, slightly exceeding the 3.2 percent growth benchmark. Although the actual growth exceeded the benchmark, 2022 growth is the slowest since 2018 (excluding 2020 because of the COVID-19 pandemic).

Other findings from 2021–2022 include:

- The Medicare market's growth of 4.3 percent exceeded the 3.2 percent benchmark.
- Five out of 12 carriers exceeded the benchmark.
- Five out of the 28 large provider organizations exceeded the benchmark.

B. Analysis of cost growth during the pandemic (2019-2022)

To better understand the pandemic-related drop in health care utilization in 2020 and substantial recovery in 2021, we also compare 2022 spending to pre-pandemic levels. Findings include:

- Per-member THCE in 2022 was 7.9 percent higher than in 2019. Spending was propelled by faster growth in Commercial, Medicare, and Veterans Affairs market spending.
- The top contributors to spending growth were:
    - Prescription drug spending in Medicare and Commercial markets.
    - Non-claims spending (specifically capitation/bundled payments) in the Medicare market.
    - Hospital outpatient spending in Medicare and Commercial markets.
- Per capita Medicaid spending decreased from 2019-2022 due to a decline in Other Claims (e.g., durable medical equipment, freestanding diagnostic facility services) that more than offset an uptick in prescription drug spending.
- Compared to 2017, per member spending statewide is higher by 21.8% in 2022.

Health Care Cost Growth Trends in Washington:

Findings from the Health Care Cost Transparency Board's Data Call

December 12, 2024

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Outline

- Background on total health care spending data & health care cost growth benchmark
- Highlights
- 2022 spending
  - Overall spending
  - Per-member spending cost growth vs. benchmark
    - Statewide
    - Markets
    - Carriers
    - Providers
- Spending trends from 2019–2022
- Key takeaways

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Cost Board data and analytic initiatives

Cost growth benchmark

The goal for the growth of spending on health care year over year.

Data sources: Based on WA's economic indicators

Performance against benchmark

Assessment of cost growth against the growth benchmark .

Data sources: WA Health Care Cost Transparency Board Data Calls

Cost driver analysis/cost experience

Assessment of key drivers of cost growth.

Data sources: Washington All Payer Claims Database (WA-APCD)

Primary care spend measurement

Expenditure on primary care in relation to overall health care expenditure

Data sources: WA-APCD

Hospital cost, profit, and price analysis

Hospital financial analysis to identify cost, price and profit trends.

Data sources: Medicare hospital cost reports

Analytic support initiative

Analysis of cost growth by UW's IHME[a/].

Data sources: WA-APCD, public and private claims databases, public health data

Consumer affordability

The ability for a consumer to afford their health care insurance.

Data sources: Survey data

Source: Health Care Authority
Notes: a/University of Washington's Institute for Health Metrics and Evaluation

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Health care cost data overview

Overall expenditure:

Total health care expenditure (THCE)

Components:

- Total medical expense (TME) = Claims + Non-claims
  - by Market
    - Commercial
    - Medicaid
    - Medicare
  - by Carrier
  - by Large Provider Organization → **Attribution applied**
- NCPHI
- Other spending
  - Veterans Affairs
  - Dept. of Corrections (DOC)
  - Labor & Industries (L&I) ← **Workers' compensation**

Data Sources:

- *Commercial & non-FFS from carriers*
- *FFS data from WA HCA & CMS*
- *CMS Medical Loss Ratio Data & System*
- *OIC WA filings*
- *Agency's data*

NCPHI: Net Cost of Private Health Insurance; FFS: Fee-for-service; Non-FFS refers to Medicaid Managed Care and Medicare Advantage Plans; HCA: Health Care Authority; CMS: Centers for Medicare & Medicaid Services; OIC: Office of the Insurance Commissioner
For more details on data collection and submission, please see the Cost Board's Data Call Technical Manual.

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2022: First year with health care cost growth benchmark

Calendar Year	Benchmark value
2022	3.2%
2023	3.2%
2024	3.0%
2025	3.0%
2026	2.8%

Source: Health Care Cost Transparency Board

Per-member spending cost growth vs. benchmark:

- Statewide
- Markets
- Carriers
- Provider organizations

Cost growth performance metrics

Aggregation level:	Performance is based on:
Statewide	THCE PMPY growth rate
Markets	TME PMPY growth rate
Carriers	Confidence interval of age-sex risk-adjusted truncated TME PMPY growth rate
Large Provider Organizations	

Source: Health Care Cost Transparency Board

Links explaining the following methods:

- Attribution
- Truncation
- Age-sex risk adjustment
- Confidence interval calculation

are in the appendix (pg 39).

Highlights

- 2022 statewide per-member cost growth at 3.6% is slightly above the 3.2% growth benchmark and (excluding 2020) is the slowest growth since 2018.
  - Marketwise, only the Medicare market exceeded the benchmark.
  - 5 out of 12 carriers and only 5 out of the 28 large provider organizations exceeded the benchmark.
  - Spending for Veterans Affairs (VA) members also pushed growth
- But one-year analysis on 2022 year-over-year growth may not fully capture developments during the pandemic period….

Highlights

- Per-member spending growth from 2019–2022 is driven by growth in:
  - Commercial and Medicare markets
  - VA spending
- Per capita spending growth from 2019–2022 led by these top contributors to growth:

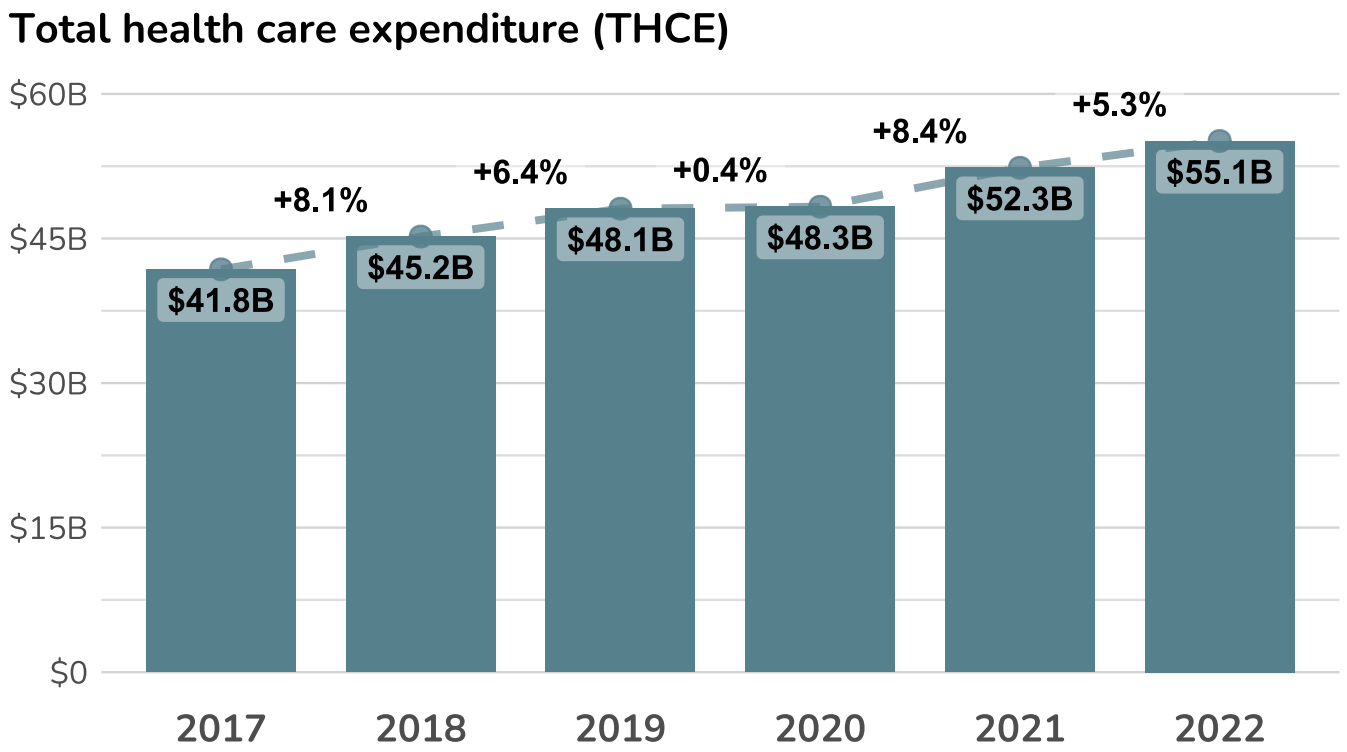
Top	Category	Market sources
1	Prescription drugs	Medicare, Commercial
2	Non-claims	Medicare
3	Hospital outpatient	Medicare, Commercial

- Per-capita Medicaid spending decreased from 2019–2022 due to a decline in Other Claims that more than offset an uptick in prescription drug spending.

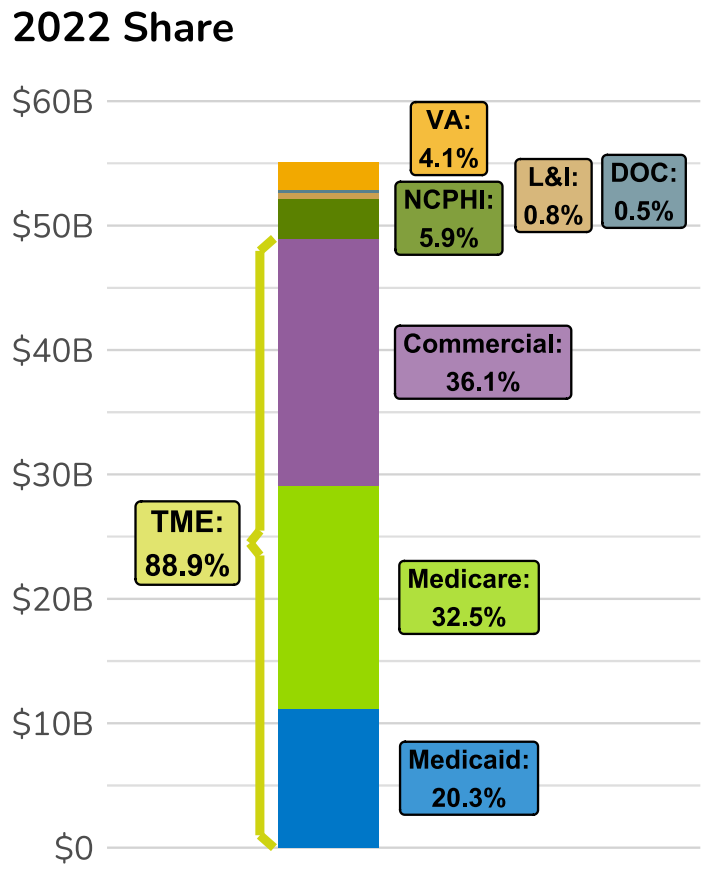
2022 overall health care spending

Total health care expenditure

Overall health care spending in WA reached $55.1B in 2022.



Source: WA Health Care Cost Transparency Board Data Calls



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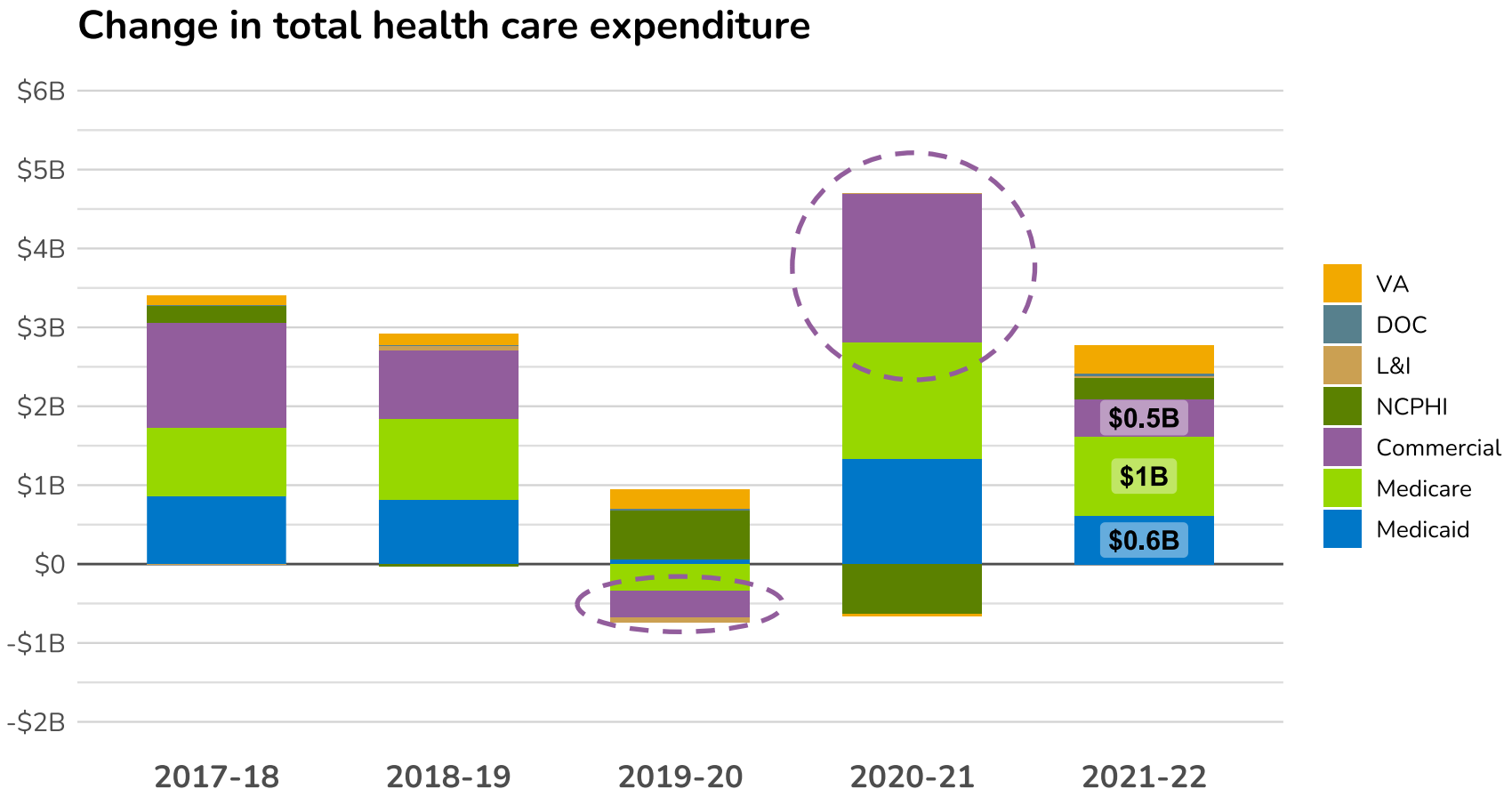
Change in total healthcare expenditure

- A significant part of the $2.8B increase in overall health care spending in 2022 comes from Medicare.
- 2021 increases in commercial more than offset the 2020 decline.



Source: WA Health Care Cost Transparency Board Data Calls

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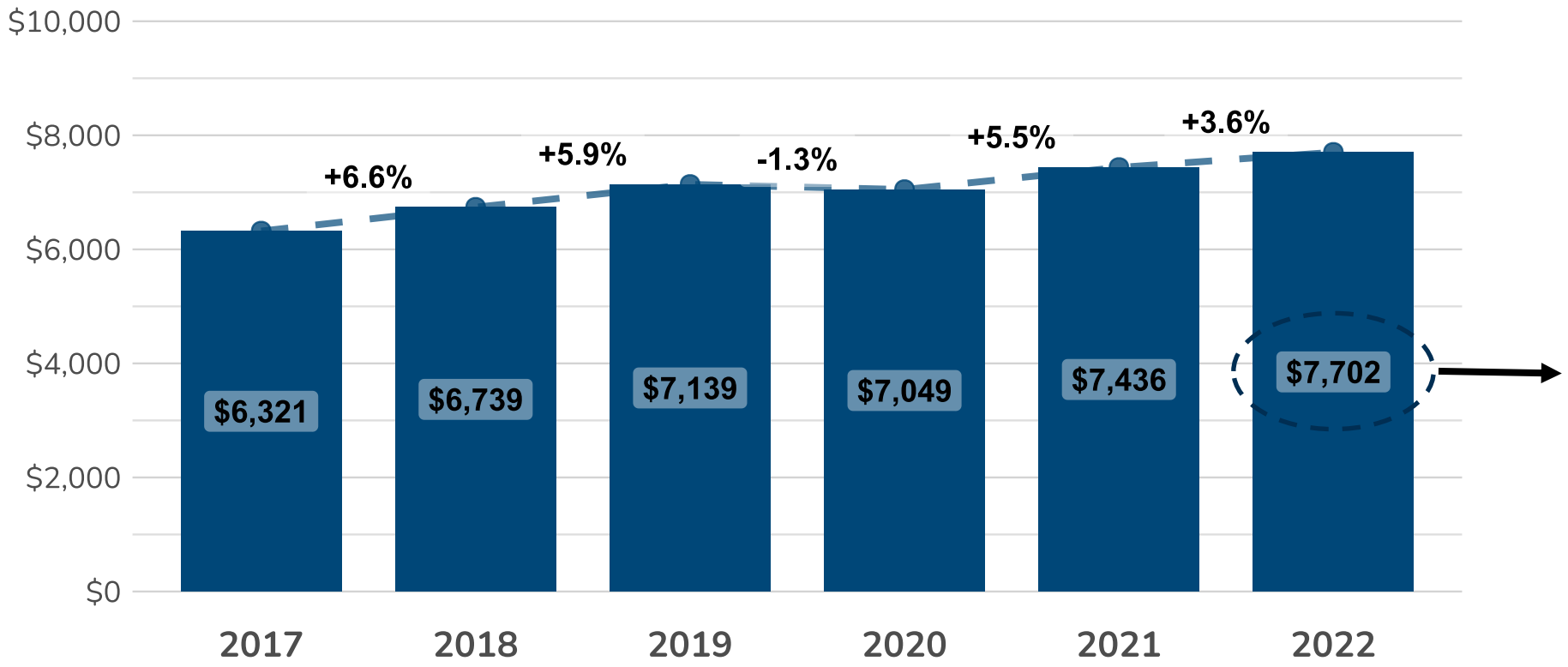
2022 performance comparison against the benchmark

Statewide per-member spending

Total health care expenditure (THCE)
Per member per year



Source: WA Health Care Cost Transparency Board Data Calls

- Overall, per-member spending increased by 3.6%, reaching $7,702 in 2022
- Equivalent to ¼ of a minimum wage earner's annual 2022 income in WA.

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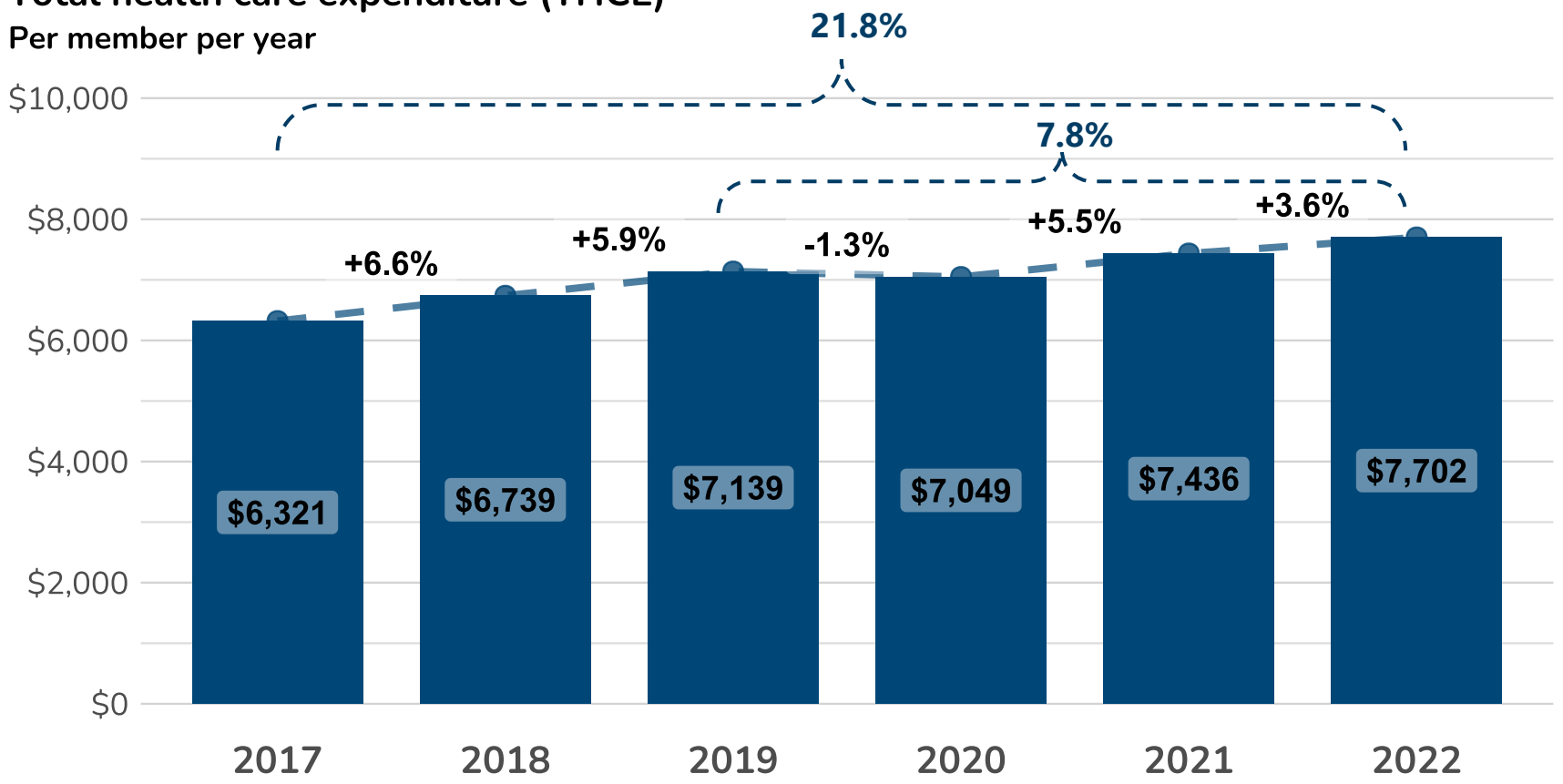
Statewide per-member spending

Total health care expenditure (THCE)
Per member per year



Source: WA Health Care Cost Transparency Board Data Calls

- Growth from 2019-2022 is 7.8%
- Growth from 2017-2022 is 21.8%

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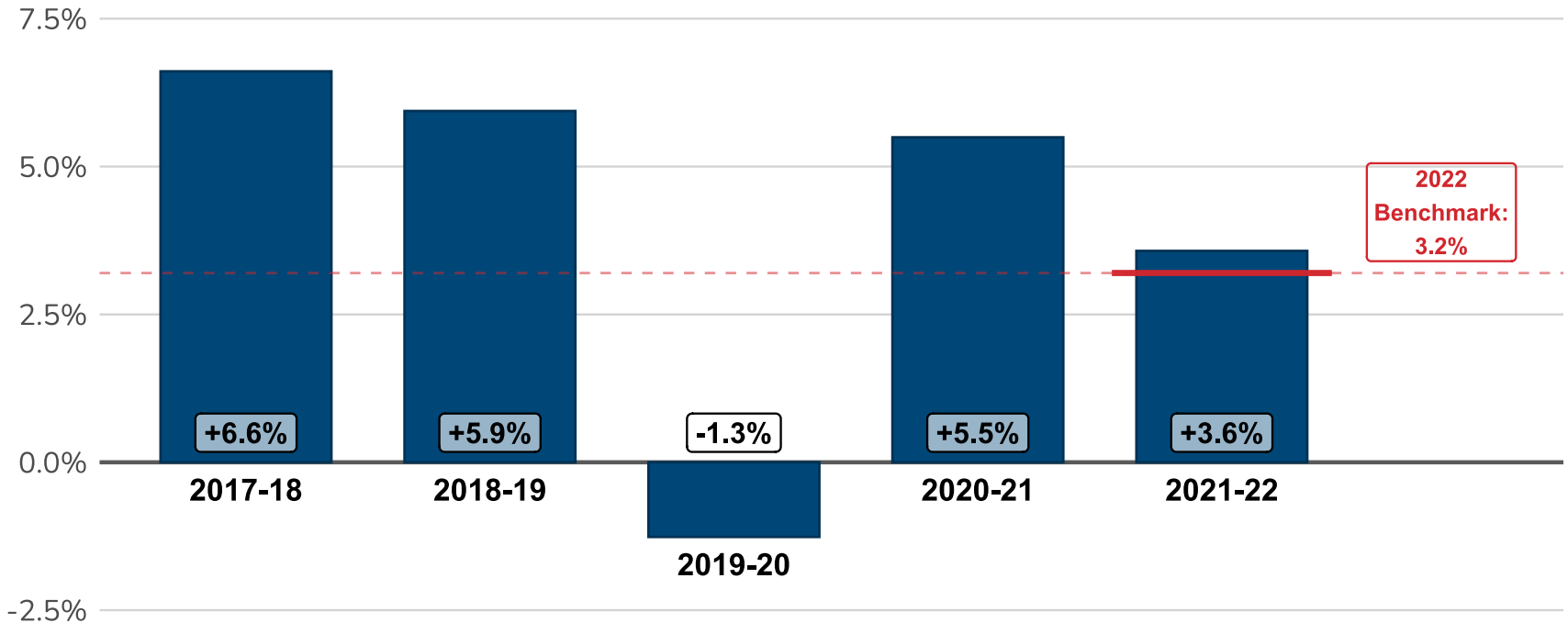
Statewide per-member spending growth

- The overall 3.6% per-capita spending growth in 2022 slightly exceeded the 3.2% growth benchmark.

Total health care expenditure growth per member

Year-over-year growth



Source: WA Health Care Cost Transparency Board Data Calls

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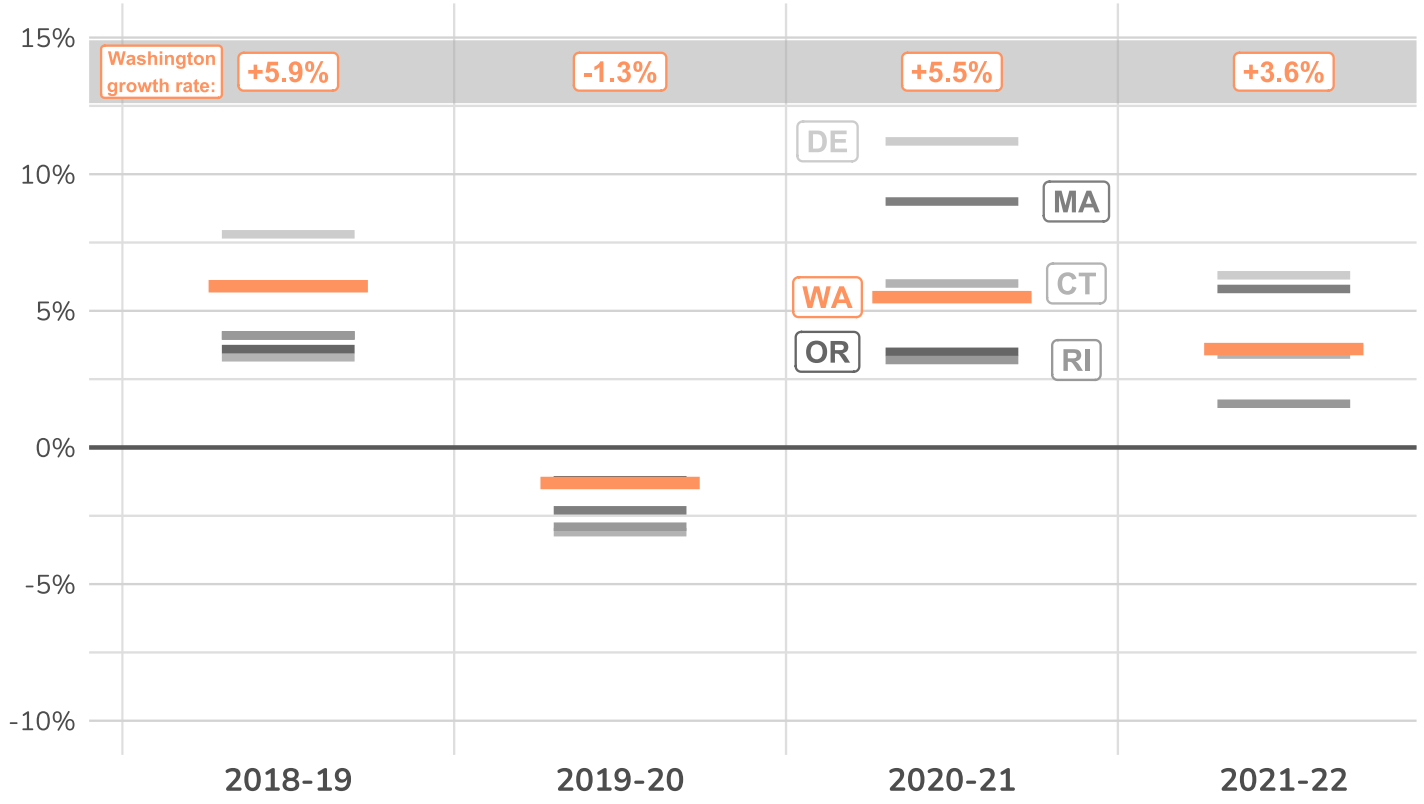
Overall growth across states

- Compared to other states, WA's annual growth is close to the median rate from 2018 to 2022

Total health care expenditure per member per year growth

Washington and five other benchmark states



Source: WA Health Care Cost Transparency Board Data Calls, Bailit Health Analysis from Other States' Data Calls

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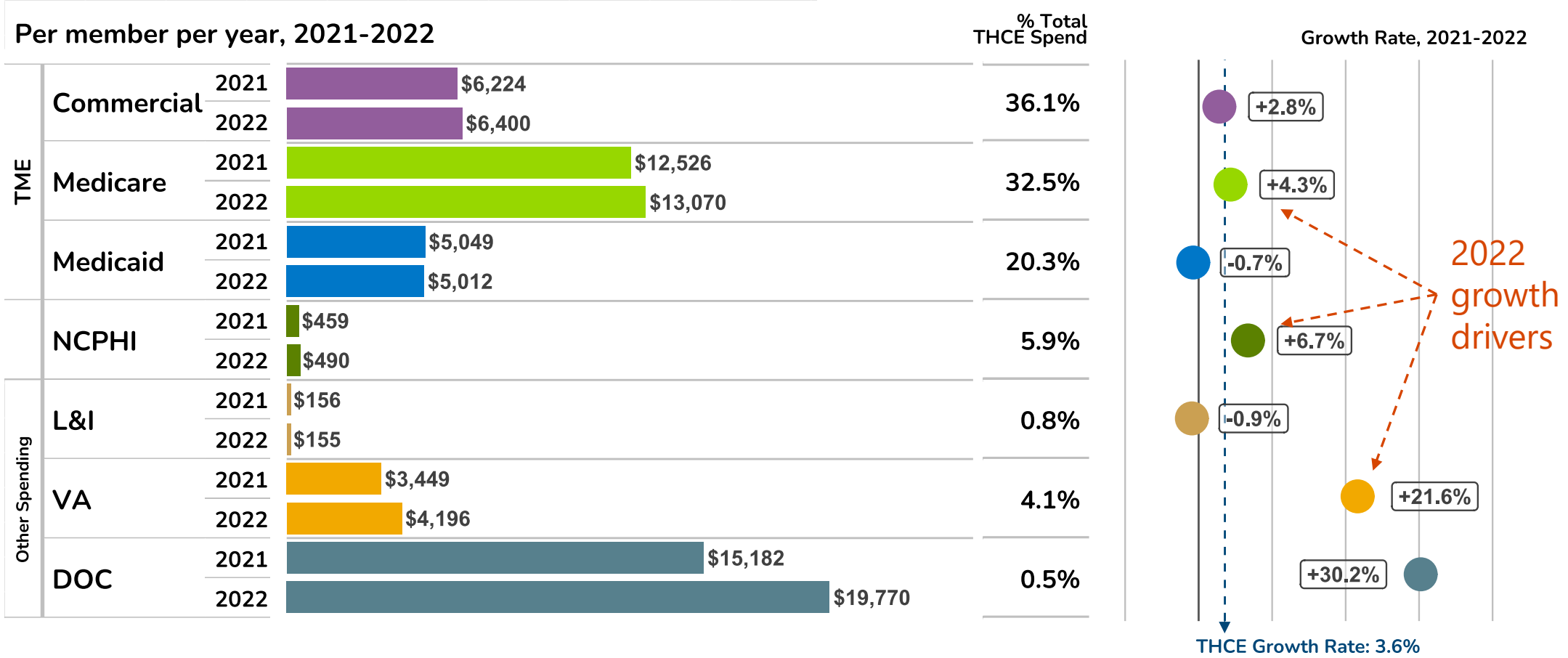
Breakdown of 2022 per-member THCE



Source: WA Health Care Cost Transparency Board Data Calls

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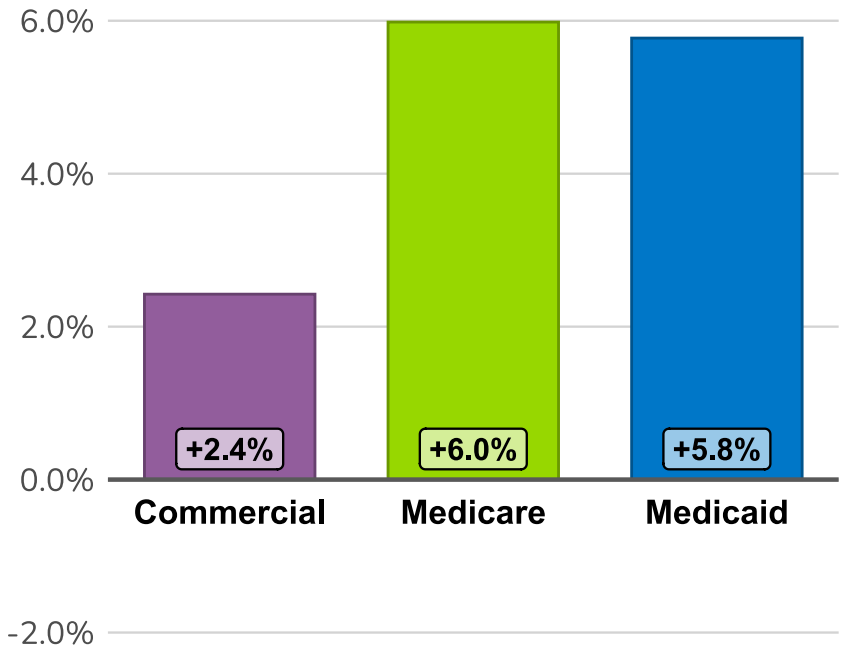
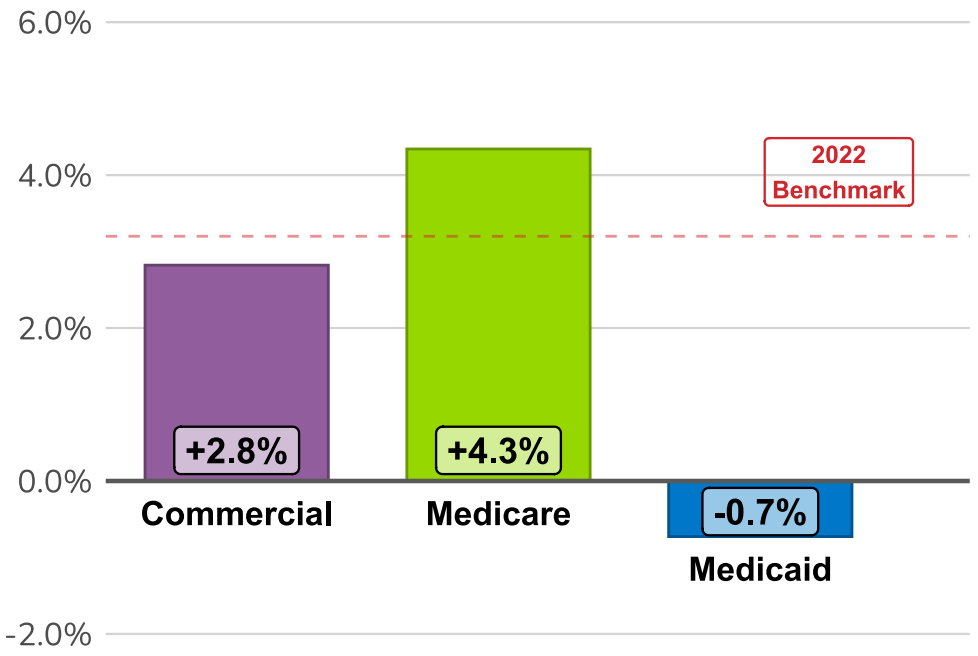
Marketwise, only the Medicare market exceeded the 2022 benchmark

Total medical expense growth
2021-2022



Total medical expense growth per member
2021-2022



Source: WA Health Care Cost Transparency Board Data Calls

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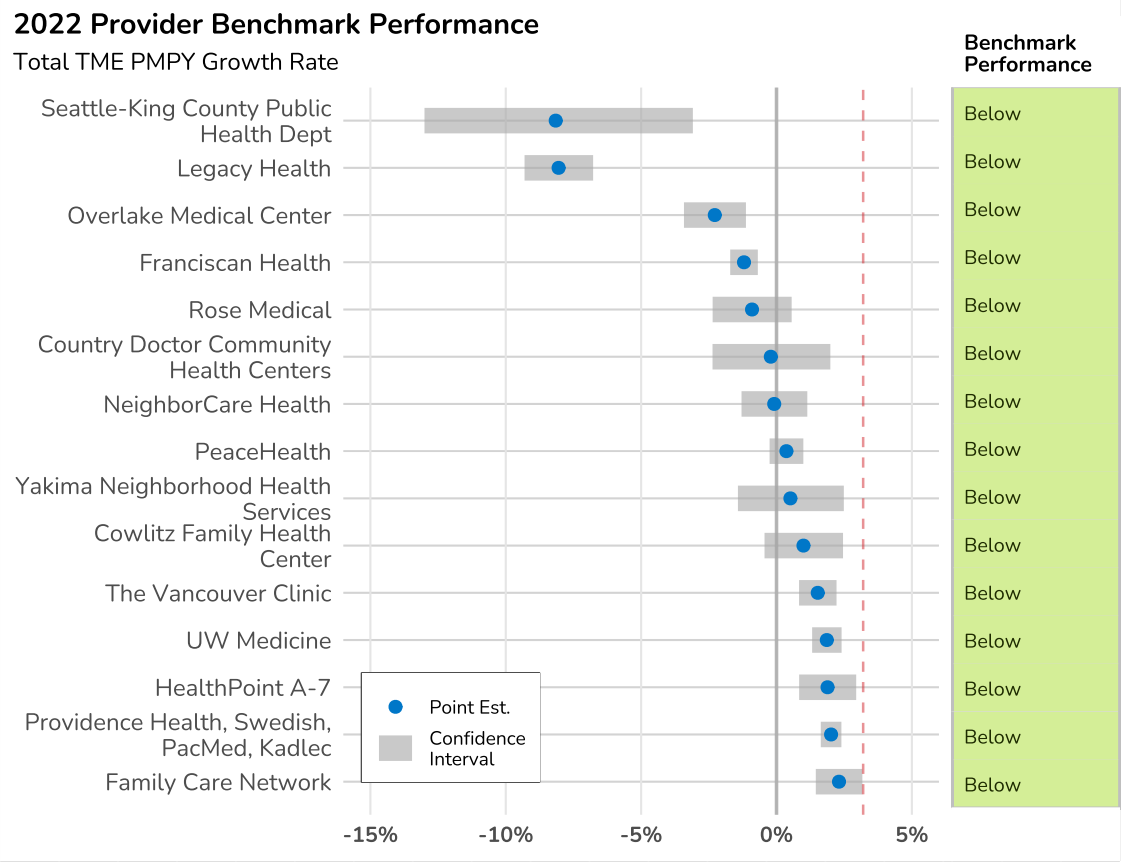
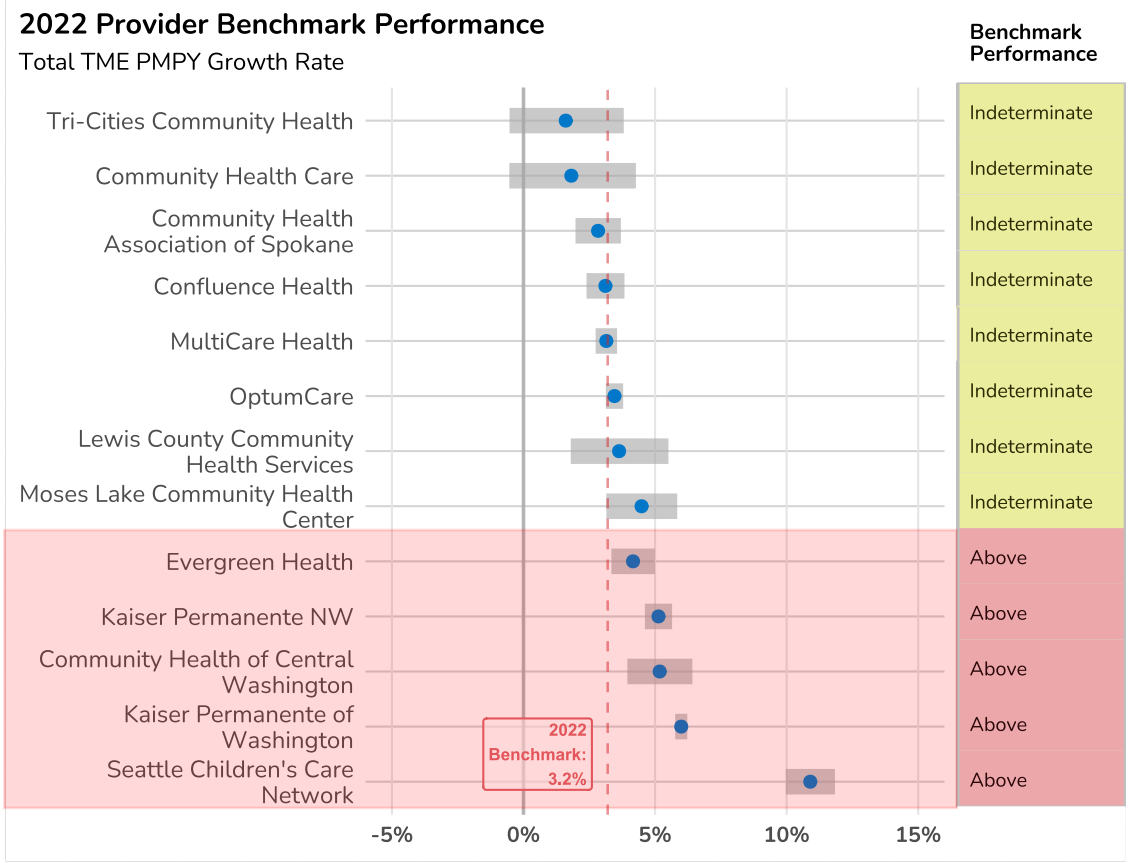
5 out of 28 provider organizations exceeded the benchmark





Source: WA Health Care Cost Transparency Board Data Calls; Confidence interval is from HCA staff estimates

Notes: a/ Only includes large provider organizations that meet 10k covered lives threshold.
b/ TME numbers are truncated and age-sex risk-adjusted. See appendix for link on methods used.

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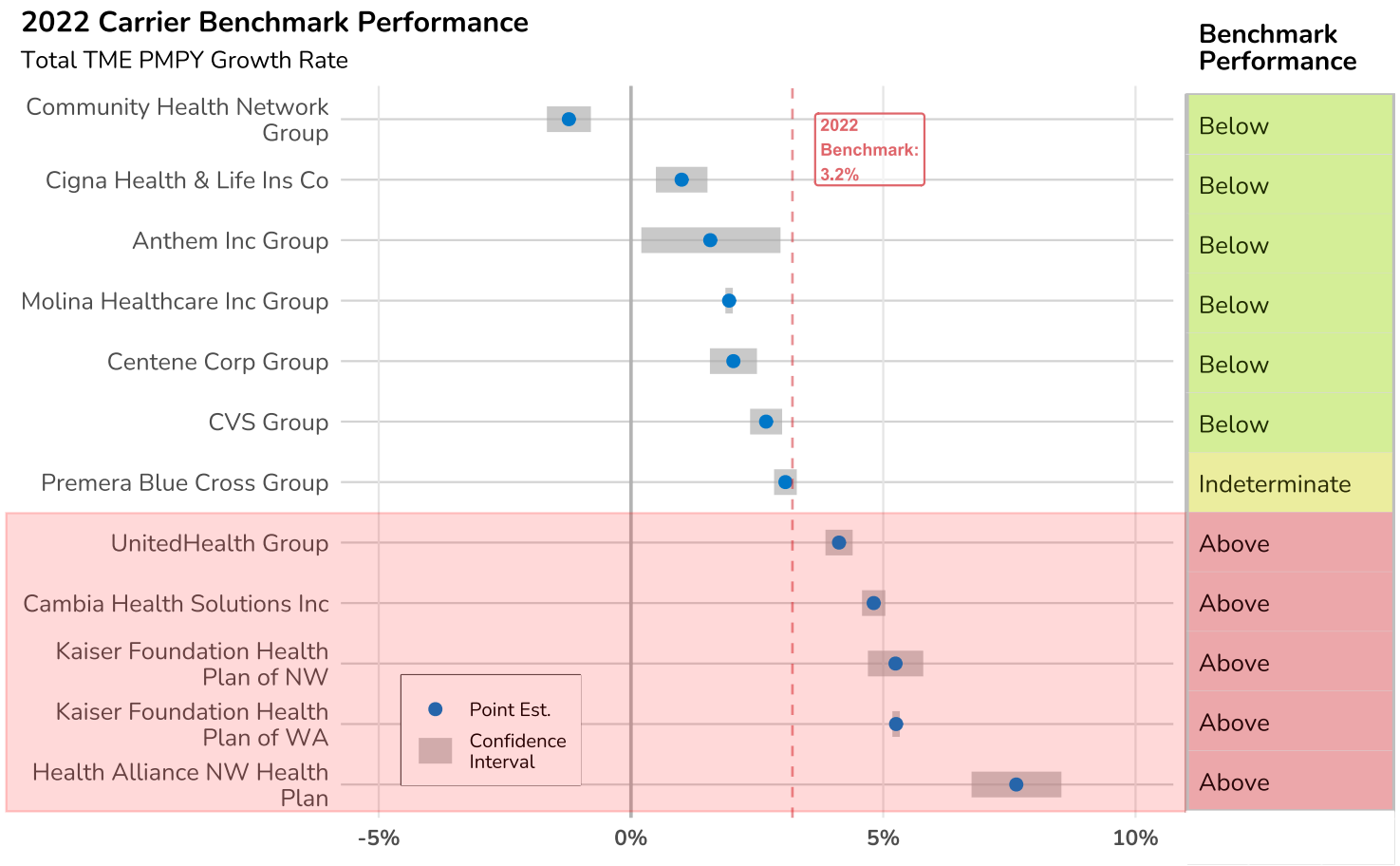
5 out of 12 carriers exceeded the benchmark



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Notes: a/ Only includes large provider organizations that meet 10k covered lives threshold.
b/ TME numbers are truncated and age-sex risk-adjusted. See appendix for link on methods used.

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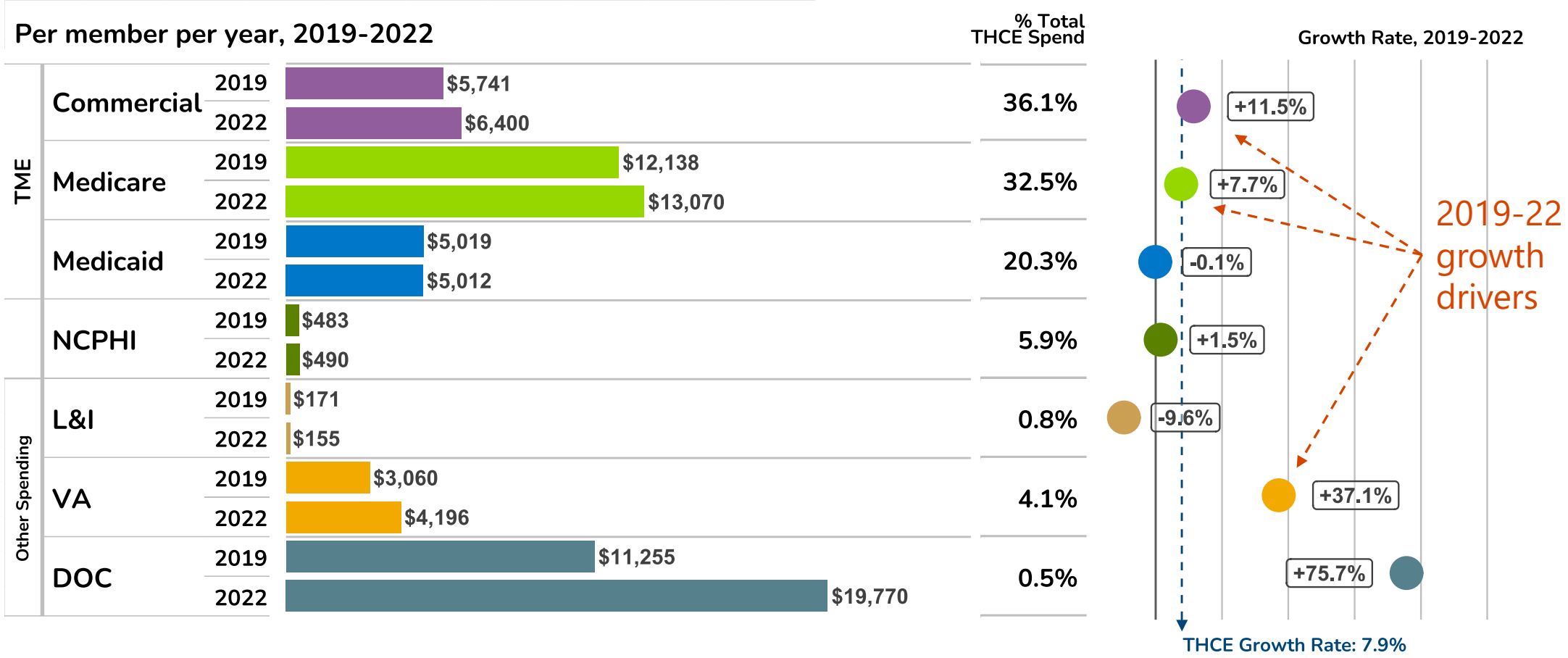
Spending patterns, 2019–2022

Breakdown of per-member THCE, 2019–2022



Source: WA Health Care Cost Transparency Board Data Calls

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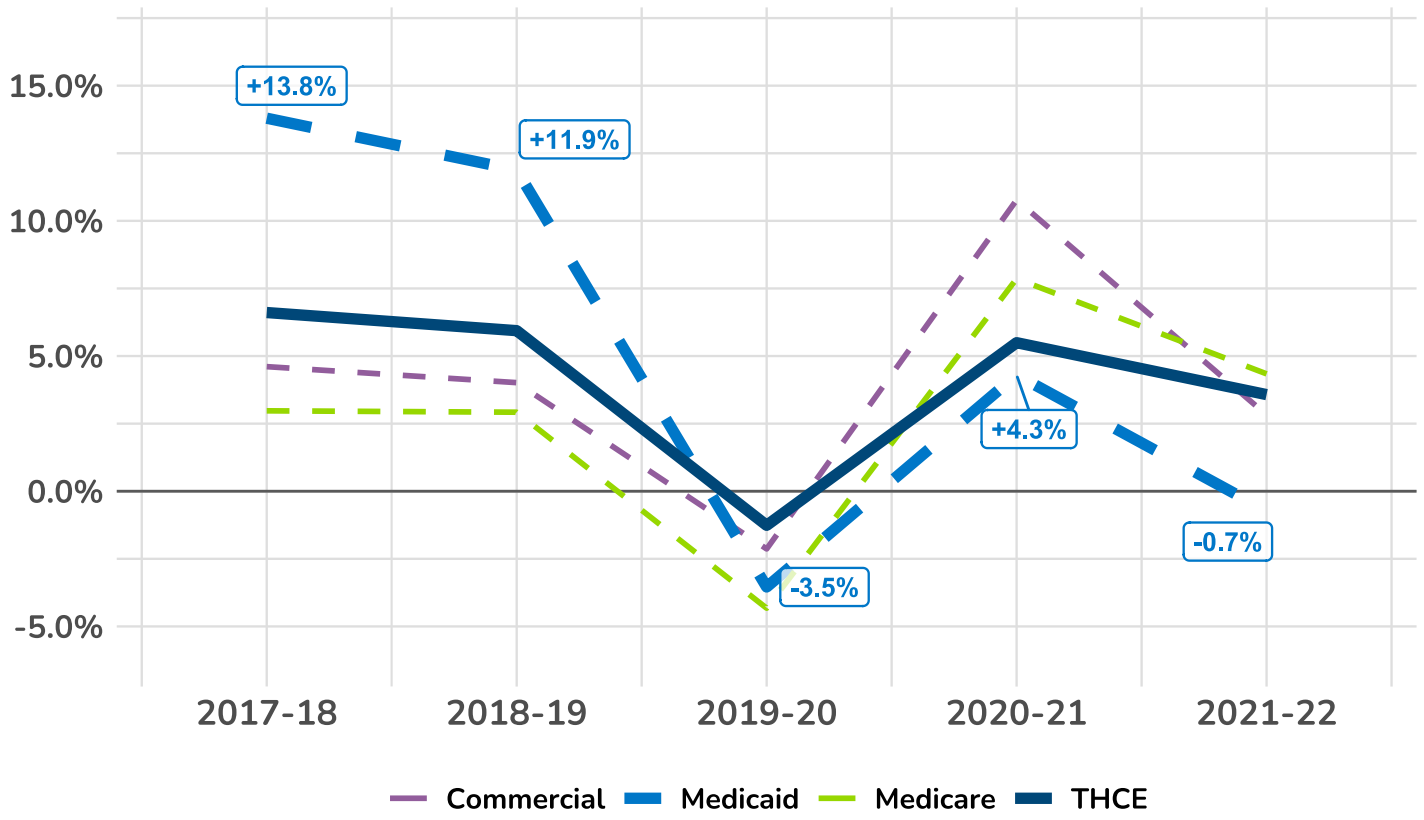
Market growth shifted during the pandemic

Overall per member per year growth by market



- Medicaid's growth is no longer above other markets.
- Commercial growth outpaced all other markets.

Source: WA Health Care Cost Transparency Board Data Calls

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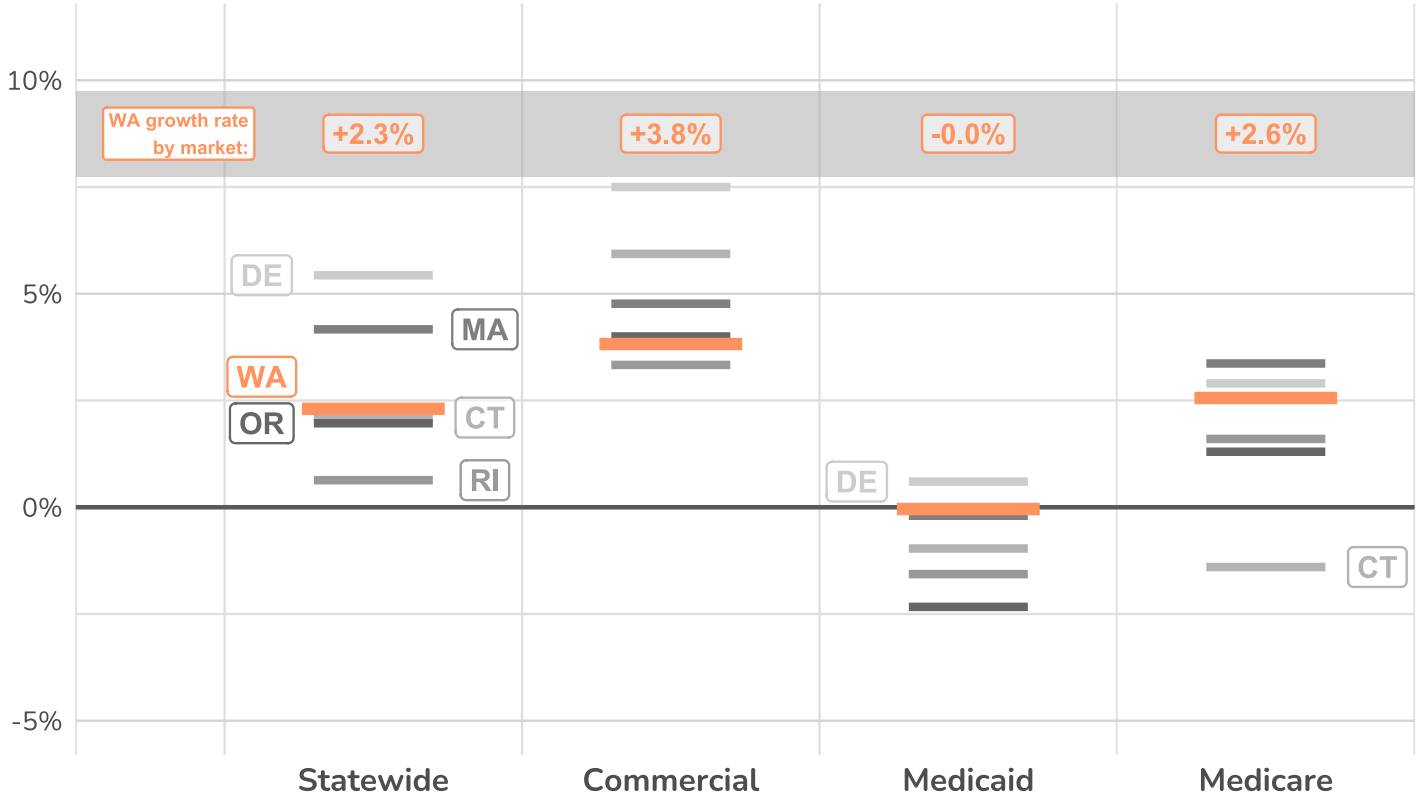
Average growth across states, by market

- Like other states, Commercial market registered the fastest growth during the pandemic.

Average total medical expense per member per year growth rate, 2019-2022
Washington and five other benchmark states



Source: WA Health Care Cost Transparency Board Data Calls, Bailit Health Analysis from Other States' Data Calls

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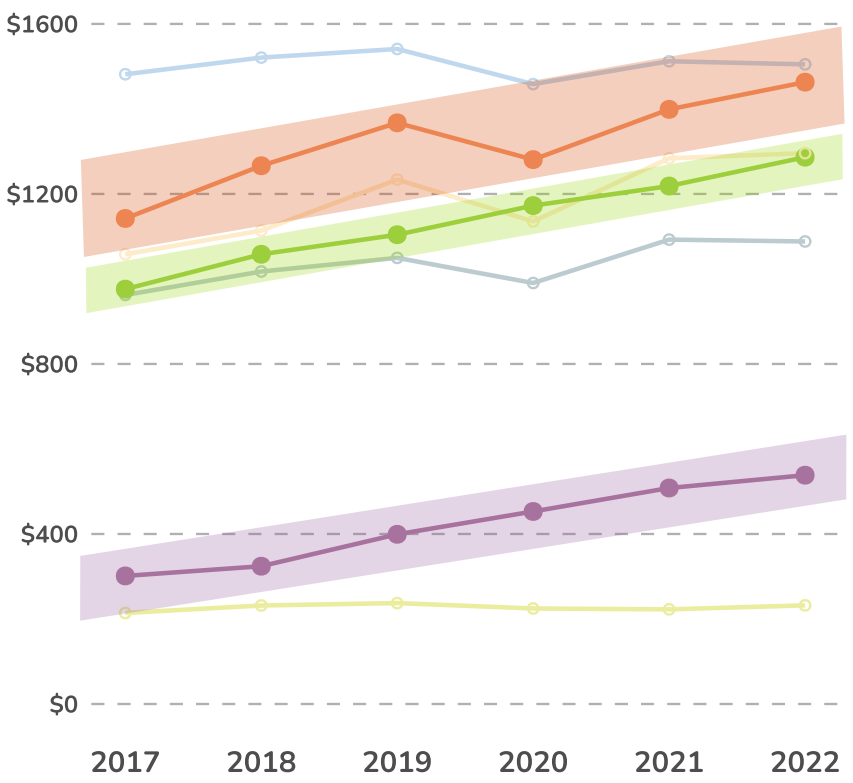
Contribution to overall per-member spend growth, by service category

Top cost drivers:

- Prescription drugs
- Non-claims
- Hospital outpatient

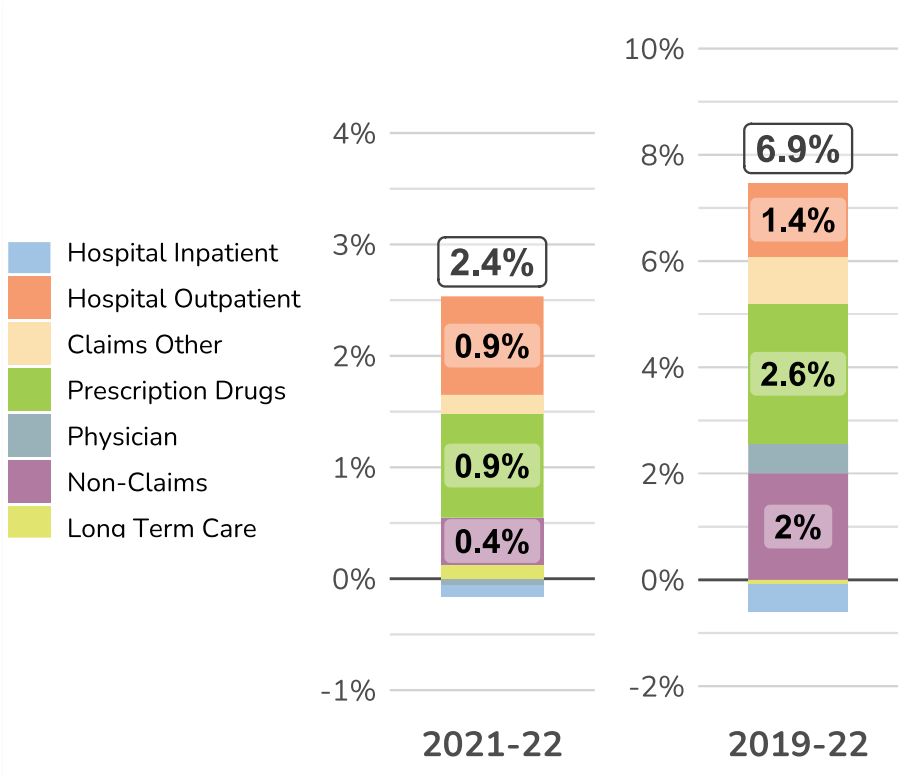
Total health care expenditure by category

Per member per year



Source: WA Health Care Cost Transparency Board Data Calls

Contribution to growth



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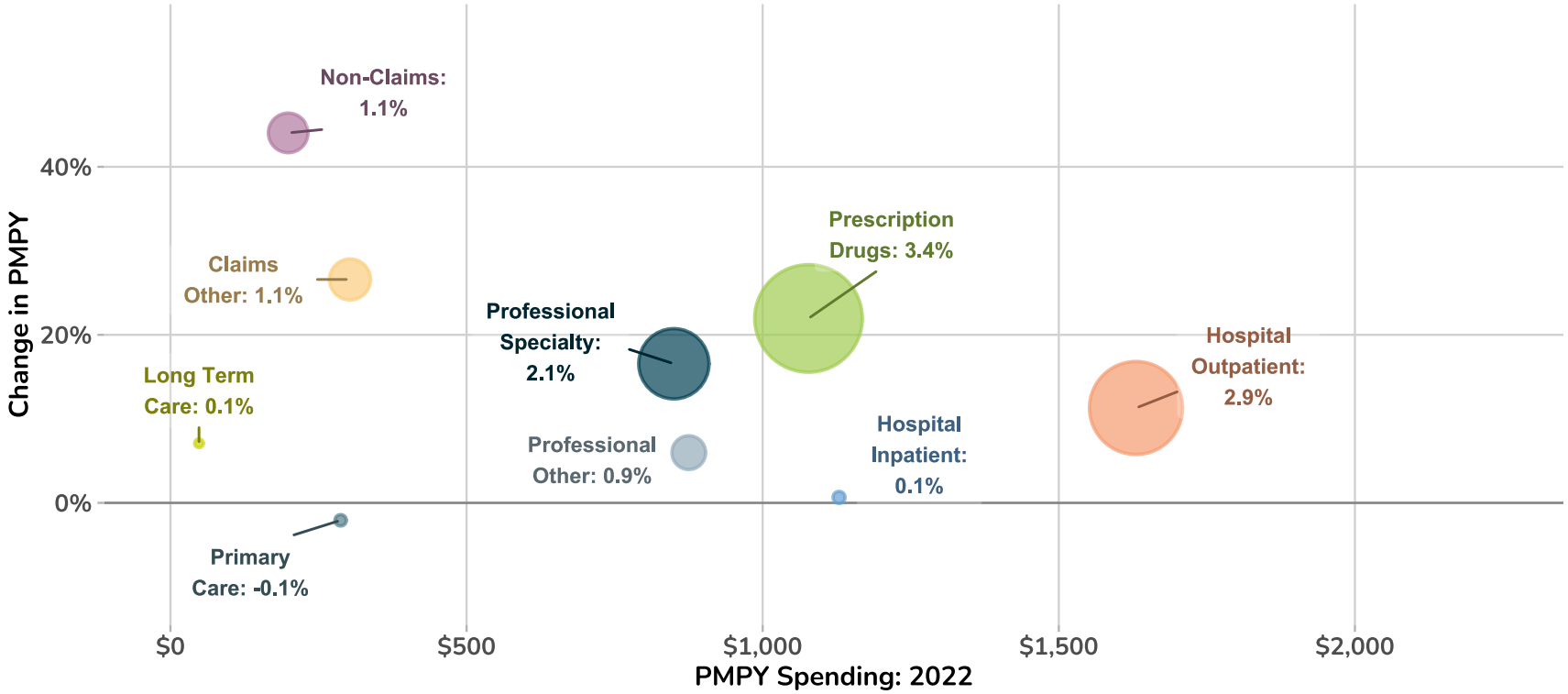
Top contributors to Commercial growth

- Prescription drugs
- Hospital outpatient
- Professional specialty

Total medical expense: Commercial
2019-2022



Bubble size scaled to contribution to growth

Source: WA Health Care Cost Transparency Board Data Calls

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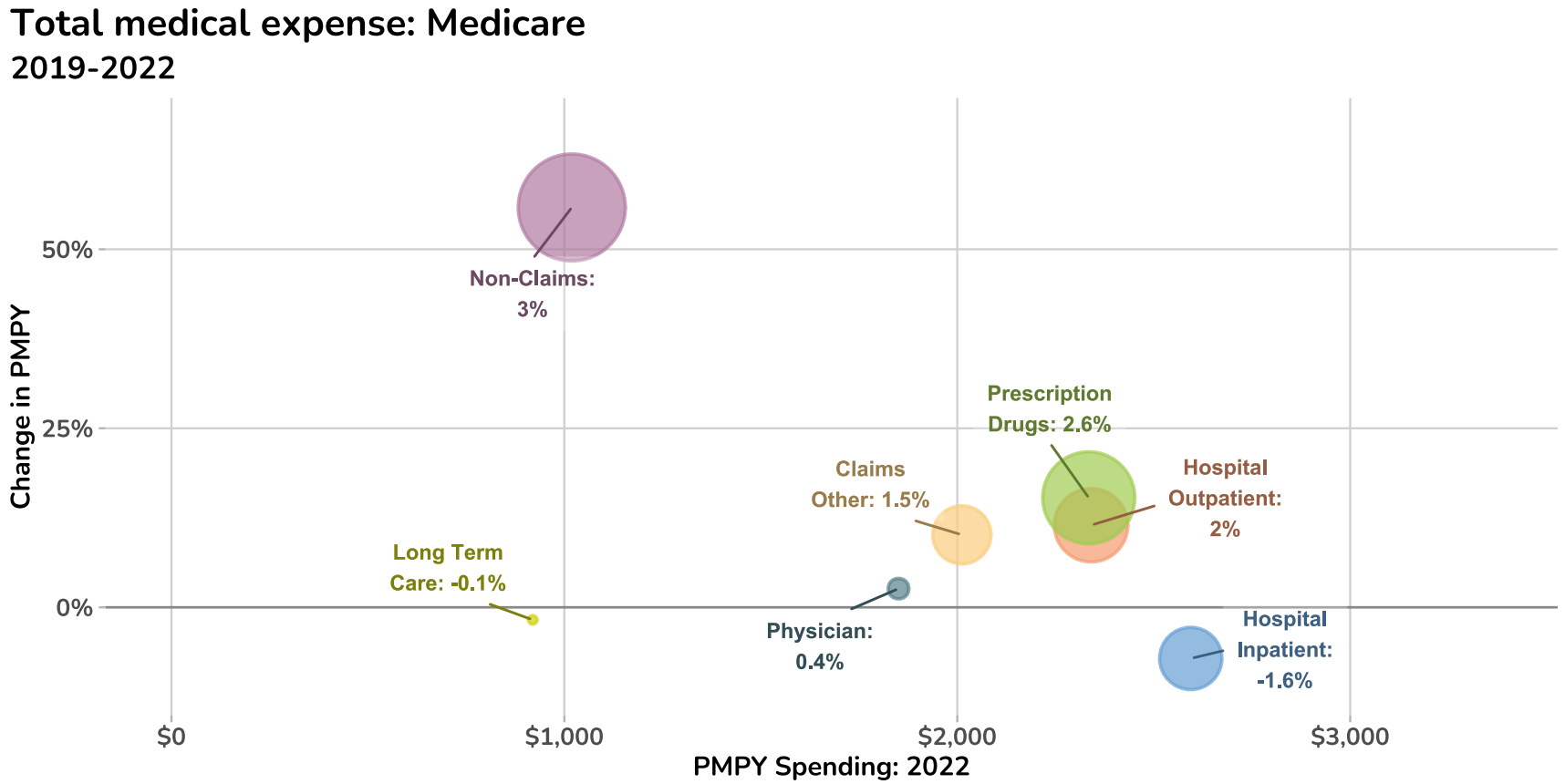
Top contributors to Medicare growth

- Non-claims
- Prescription drugs
- Hospital outpatient



Source: WA Health Care Cost Transparency Board Data Calls

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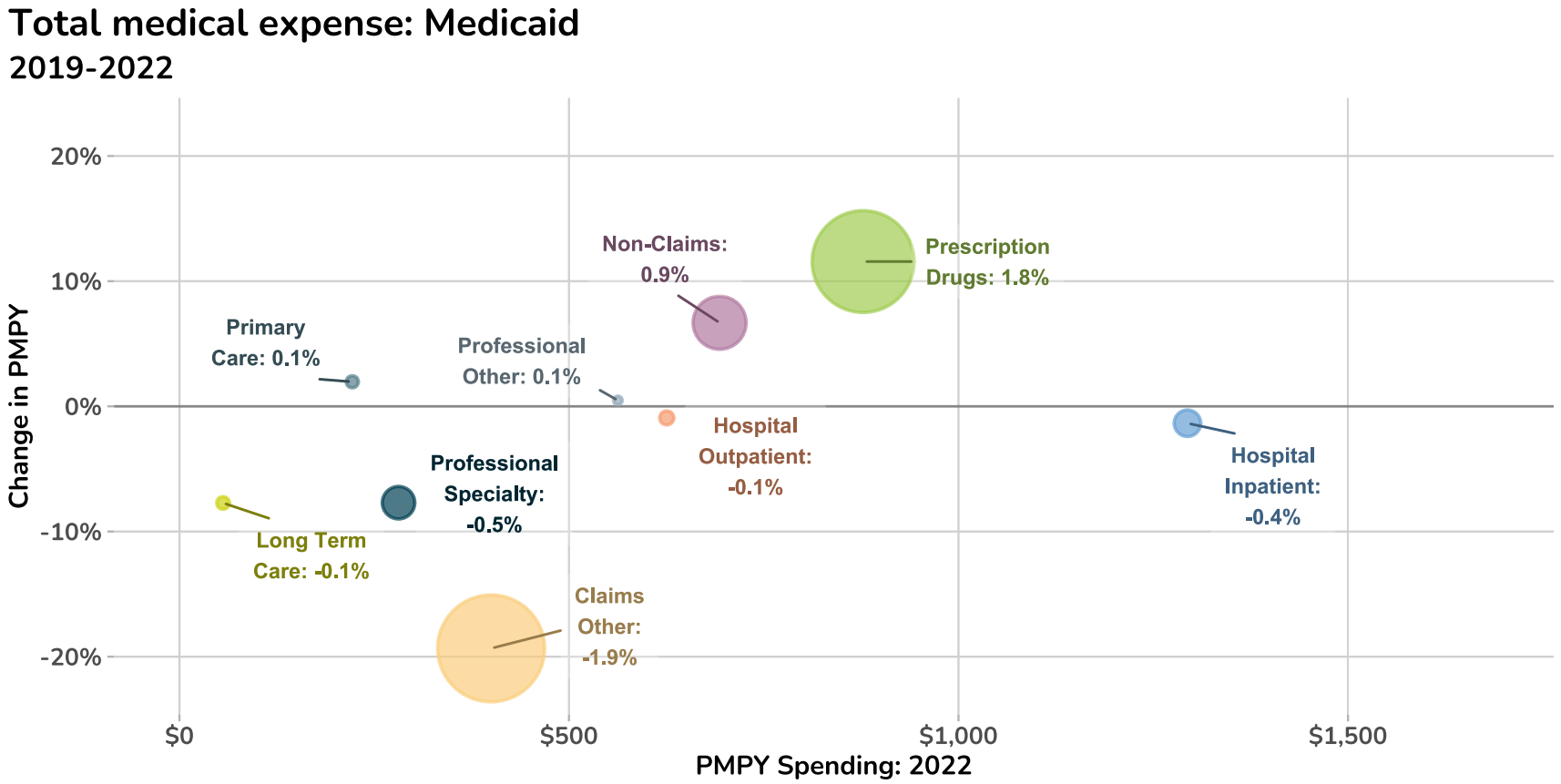
Top contributors to Medicaid growth

- Prescription drugs
- Non-claims



Source: WA Health Care Cost Transparency Board Data Calls

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Key takeaways

- 2022 statewide growth is slightly above 3.2% growth benchmark and excluding 2020, the slowest growth since 2018.
  - Marketwise, only the Medicare market exceeded the benchmark.
  - 5 out of 12 carriers and only 5 out of the 28 large provider organizations exceeded the benchmark.
  - Spending for VA members also pushed growth
- But one-year analysis on 2022 year-over-year growth may not fully capture developments during the pandemic period.
- Per member spending growth from 2019-2022 is driven by growth in:
  - Commercial and Medicare markets
  - VA spending

Key takeaways

- Per capita spending growth from 2019-2022 was led by the following top contributors to growth:

Top	Category	Market Sources
1	Prescription Drugs	Medicare, Commercial
2	Non-Claims	Medicare
3	Hospital Outpatient	Medicare, Commercial

- Per capita Medicaid spending decreased from 2019-2022 due to a decline in Other Claims that more than offset an uptick in prescription drug spending.
- Statewide, 2022 per member spending is 21.8% higher compared to its level in 2017.

Questions?

Contact:

- HCACostBoardData@hca.wa.gov (for data-related questions)
- HCAHCCTBoard@hca.wa.gov (for all other questions).

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Appendix

Appendix – acronym definitions

- **Centers for Medicare & Medicaid Services (CMS)**
- **Fee-for-service (FFS)**
- **Net cost of private health insurance (NCPHI):** Measures the costs to Washington residents associated with the administration of private health insurance (including Medicare Advantage and Medicaid Managed Care). It is defined as the difference between health premiums earned and benefits incurred, and consists of carriers' costs of paying bills, advertising, sales commission and other administrative costs, premium taxes and profits (or contributions to reserves) or losses. NCPHI is reported as a component of total health care expenditures at the state level.
- **Office of the Insurance Commissioner (OIC)**
- **Per-member per-year (PMPY):** Total spending in a year divided by the total number of members for that year.
- **Total health care expenditures (THCE):** The total medical expense incurred by Washington residents for all health care services for all payers reporting to HCA, plus the carriers' NCPHI.
- **Total medical expense (TME):** The sum of the allowed amount of total claims and total non-claims spending paid to providers incurred by Washington residents for all health care services. TME is reported at multiple levels: State, market, payer, and large provider entity level.

Appendix – acronym definitions continued

- **U.S. Department of Veterans Affairs (VA):** VA medical spending is published by the Veterans Health Administration National Center for Analysis and Statistics. This spending includes expenditures for medical services, medical administration, facility maintenance, educational support, research support, and other overhead items.
- **University of Washington's Institute for Health Metrics and Evaluation (UW IHME)**
- **Washington State Health Care Authority (HCA)**
- **Washington State Department of Corrections (DOC):** DOC submits medically necessary health and mental health care spending given to incarcerated individuals in its facilities through the Washington DOC Health Plan.
- **Washington State Department of Labor and Industries (L&I):** L&I submits medical claims spending spent on worker's compensation benefits.
- **Washington State All Payer Claims Database (WA-APCD)**

Appendix – service category definitions

- **Hospital outpatient:** Includes all hospital types and payments made for hospital-licensed satellite clinics, emergency room services not resulting in admittance, and observation services.
- **Hospital inpatient:** Includes all room and board and ancillary payments for all hospital types and payments for emergency room services when the member is admitted to the hospital.
- **Retail prescription:** Includes claims paid to retail pharmacies for prescription drugs, biological products, or vaccines.
- **Non-claims:** Includes incentives, capitation, risk settlements, direct payments, or other non-claims-based payments.
- **Claims other:** Includes durable medical equipment, freestanding diagnostic facility services, hearing aid services, and optical services.
- **Long-term care:** Includes skilled nursing facility services, home health service, custodial nursing facility services, and home- and community-based services including personal care.

Appendix – service category definitions, continued

- **Professional, other providers:** Includes but is not limited to licensed podiatrists, nurse practitioners, physician assistants, physical therapists, occupational therapists, speech therapists, psychologists, licensed clinical social workers, counselors, dieticians, dentists, chiropractors, and any fees that do not fit other categories, including facilities fees of community health center services and freestanding ambulatory surgical center services.
- **Professional, specialty providers:** Includes services provided by a doctor of medicine or osteopathy in clinical areas other than family practice, geriatrics, internal medicine, and pediatrics.
- **Professional, primary care:** Includes care management; care planning; counseling; domiciliary, rest home, or custodial care; FQHC visits; health risk and screenings; home health services; immunization administrations; and office visits and preventive medicine visits. Determined by taxonomy and/or services types.
- **Note:** Due to Medicare fee-for-service (FFS) reporting capability, grouping of physicians along with Cost Board categories Primary Care & Specialty Professional.

Appendix – notes on data

- The following are excluded in the data:
  - Policies offering limited benefits, such as accident, disability, Medicare supplemental insurance, vision or dental stand-alone policies
  - Health care paid through charity care or by customer cast payment
  - Certain non-claims publicly funded behavioral health services
  - Anthem 2017 data
  - Humana 2017 data
  - Humana Medicare data
  - Custodial nursing facility services, home- and community-based services, and intermediate care facilities and services for person with developmental disabilities paid by Washington State Department of Social and Health Services (DSHS). This includes DSHS's Aging and Long-Term Support Administration (ALTSA) spending.

Appendix – notes on data, continued

- Prescription drug rebates
  - Statewide and market analyses are net of pharmacy rebates. These rebates include both medical and prescription drug rebates and are netted out of the prescription drug category. While medical rebates are related to hospital spending, accurately separating those from other pharmacy rebates is often difficult.
  - Carrier/provider level reporting is gross of pharmacy rebates.
- FFS data
  - Statewide and market analyses include Medicare and Medicaid FFS data while carrier and large provider reporting excludes Medicare and Medicaid FFS data.

Appendix – notes on data, continued

- There were revisions for 2017–2019 data due to data resubmissions from few carriers and revisions of NCPHI data.
- Member months data from DOC includes prison population and Rent-a-bed program population. The latter is limited to members with claims as existing data systems make it challenging to get information on those without claims.
- Federal Employee Health Benefit Plan (FEP) that have benefits split between two carriers are included only in the statewide and Commercial market spending. Split FEP was removed from provider/carrier benchmarking.
- L&I member months are estimates and rounded off at the 100,000th level.
- Methodologies (i.e., risk adjustment, standard deviation pooling, and confidence interval calculation) used in large provider organization and carrier reporting are documented in:
  - Attribution (pages A3-A4 of the Cost Board's Data Call Technical Manual)
  - Truncation (pages A11-A15 of the Cost Board's Data Call Technical Manual)
  - Cost growth calculations - demographic risk adjustment, pooled variance, and confidence interval (provider organizations)
  - Cost growth calculations - demographic risk adjustment, pooled variance, and confidence interval (carriers)

Tab 4

Washington State Health Care Authority

Board discussion

2022 performance against the benchmark

Facilitated by Sue Birch

Washington State Health Care Authority

Health Care Cost Transparency Board meeting

We are currently on a short break

Washington State Health Care Authority

Tab 5

Washington State Health Care Authority

The Rising Cost of Care: Washington's Health Care Affordability Survey

Health Care Cost Transparency Board
December 12, 2024

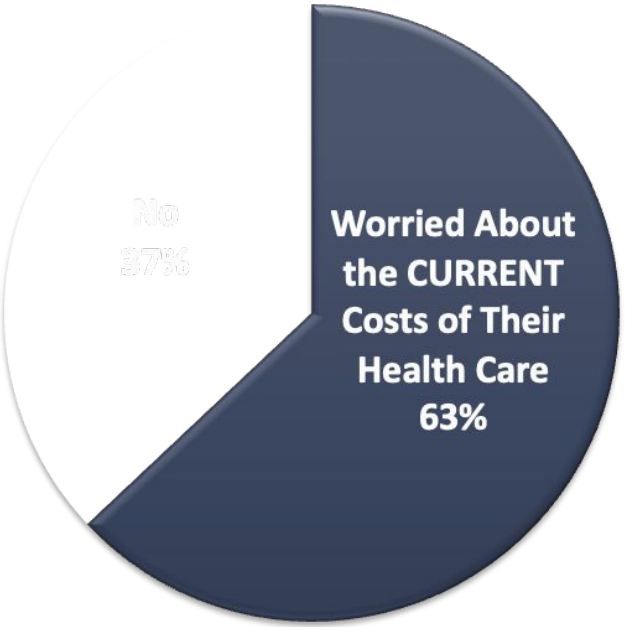
FAIR HEALTH PRICES WASHINGTON

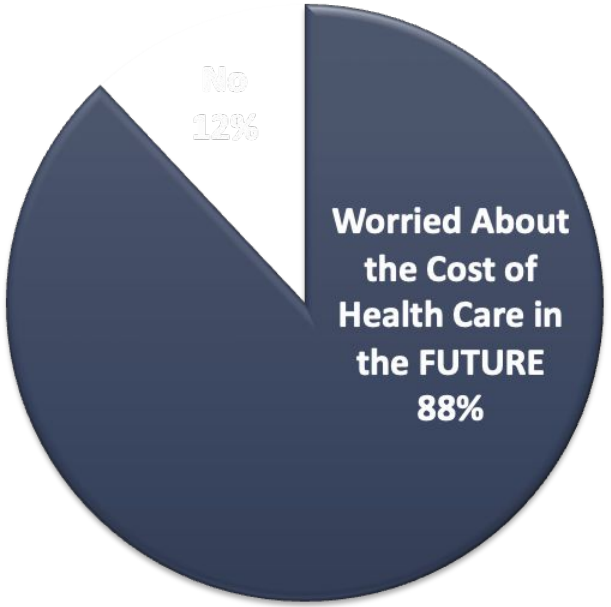
Washington State Health Care Affordability Survey

- Goal: better understand consumer health care challenges in WA
- Follow-up to 2022 Altarum survey
- Partnered with United States of Care and Digital Research, Inc.
- 1,006 survey respondents

Key Findings

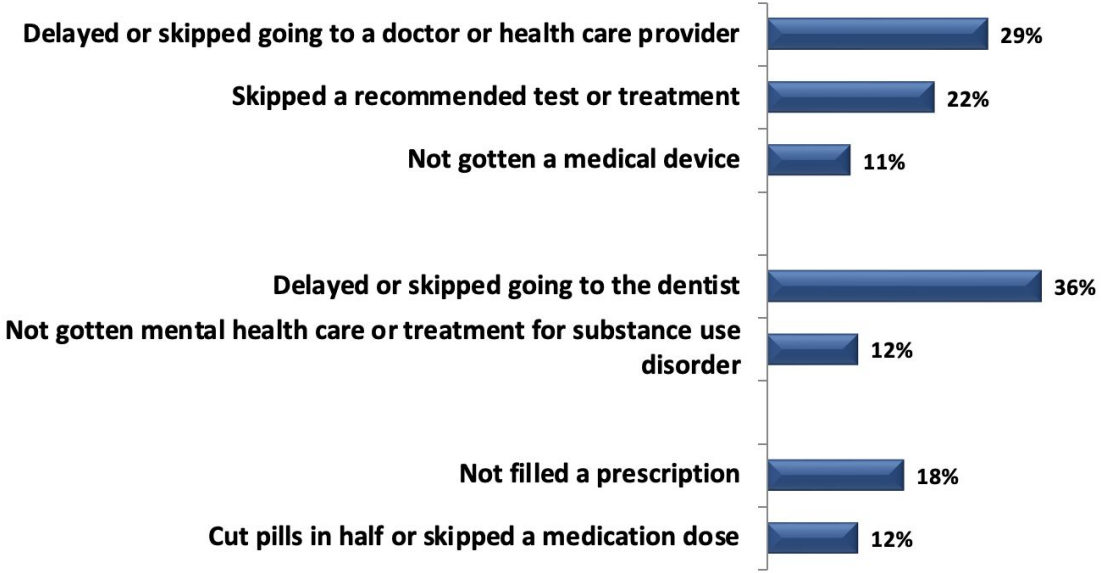
High concern about health care costs





Cost led many to defer or delay treatment

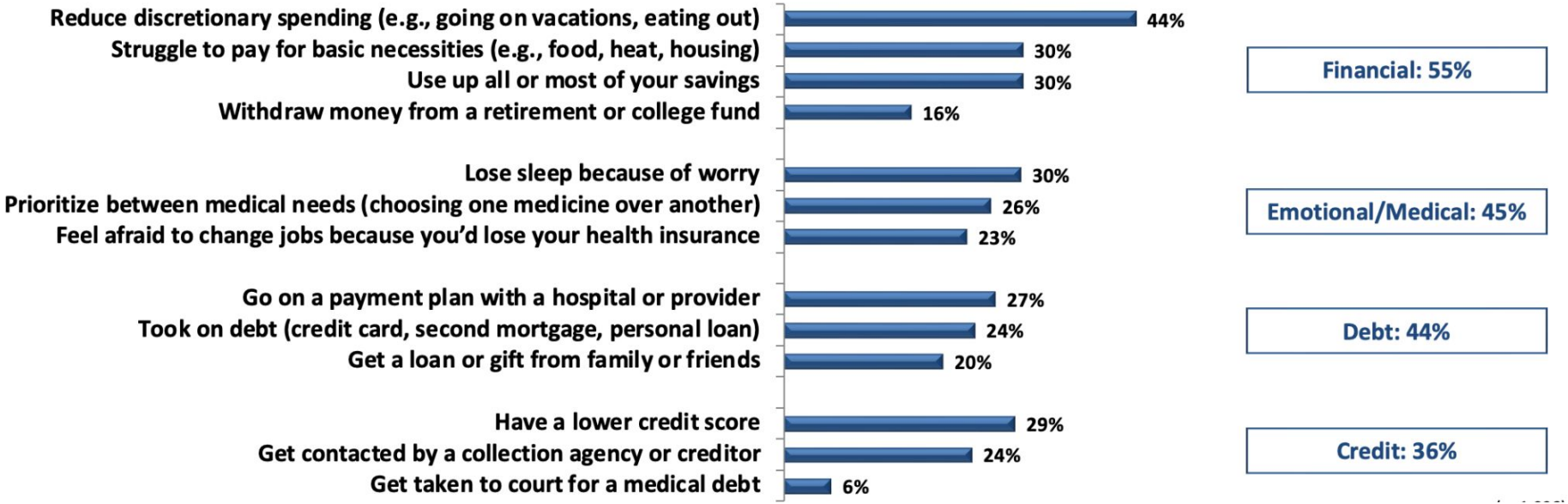
57% of respondents avoided seeking medical treatment or changed their use of prescription medications due to cost **in the last year**.



Disparities in steps taken to manage health costs

Percentage who have experienced impact	Total	Caucasian	Hispanic/ Latino	African American	AA/NH/ PI*
TOTAL EXPERIENCING IMPACTS	**57%**	**57%**	**75%**	**75%**	**44%**
Delayed or skipped going to the dentist	36%	37%	42%	50%	24%
Delayed or skipped going to a doctor or health care provider	29%	28%	38%	39%	22%
Skipped a recommended test or treatment	22%	24%	31%	21%	15%
Not filled a prescription	18%	19%	19%	21%	10%
Cut pills in half or skipped a medication dose	12%	13%	16%	24%	3%
Not gotten behavioral health, substance use treatment	12%	13%	28%	15%	4%
Not gotten a medical device	11%	11%	15%	17%	7%

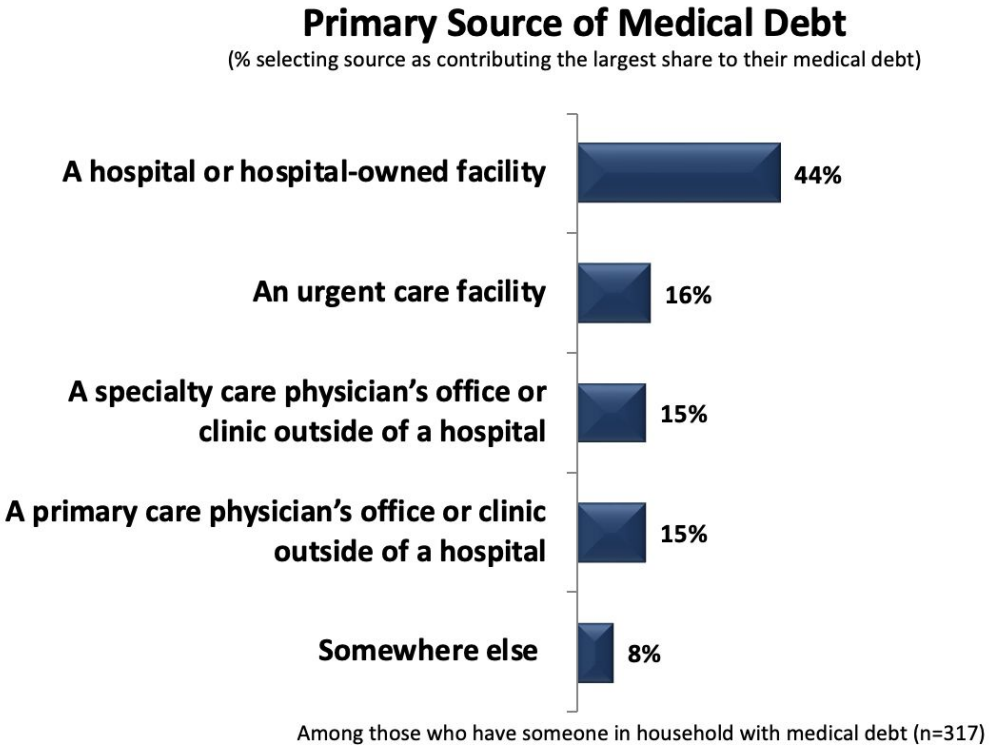
Hardships as a result of health costs



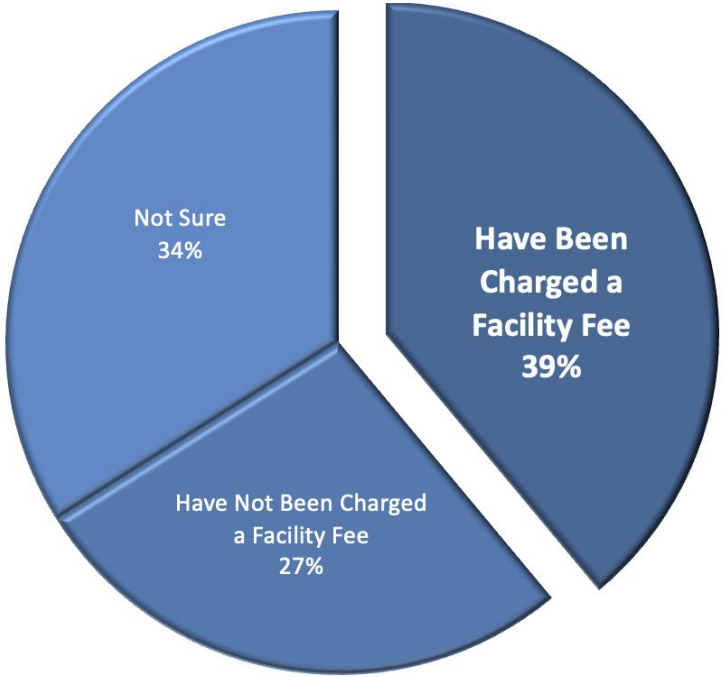
Prevalence of medical debt

- **Three in ten** Washingtonians live in a household with medical debt
- **63%** could not pay or would struggle to pay an unexpected medical bill
- **44%** of small business owners had medical debt (compared to 29% of non-small business owners)
- **41%** of people with disabilities also reported higher prevalence (compared to 26% of non-disabled)

Primary source of medical debt



Experience with facilities fees



DEFINITION PROVIDED TO PARTICIPANTS:

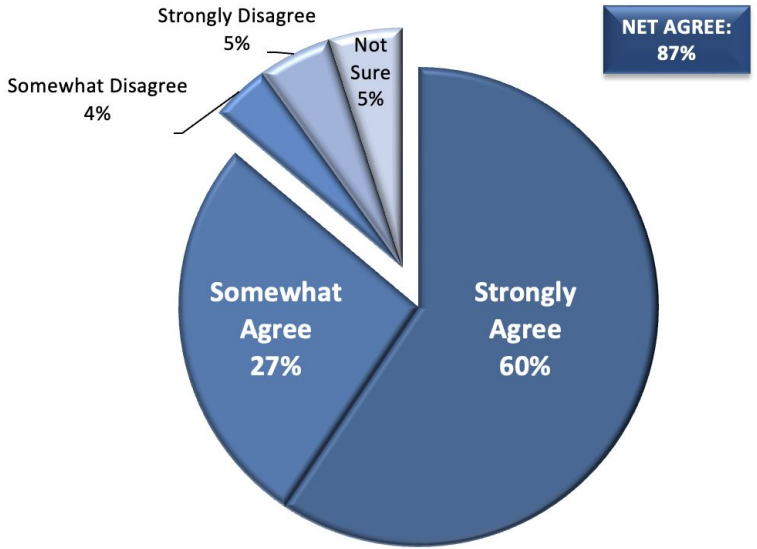
Hospital facility fees are sometimes charged when patients receive care in an office that's owned by a hospital system. This includes buildings on the hospital campus like emergency rooms, as well as doctors' offices and clinics outside the hospital campus. Facility fees are charged in addition to the cost of medical care the patient received and are intended to cover administrative and operational costs for the hospital. Depending on their insurance coverage or deductible, some patients may need to pay this fee out of their own pockets.

3 out of 4 had recent difficulty understanding, using, affording, or accessing care through insurance

Percentage of households experiencing difficulty in past two years	Total
TOTAL EXPERIENCING ANY DIFFICULTY (Understanding, Using, Affording, Accessing)	**75%**
UNDERSTANDING	**54%**
Difficulty understanding what health insurance covers and pays for	43%
Difficulty understanding what providers are in insurance network	35%
Difficulty understanding/choosing health insurance plans/options	32%
USAGE	**52%**
Difficulty having insurance cover a medical service, prescription	41%
Difficulty finding a provider that takes specific insurance	33%
AFFORDING	**52%**
Difficulty using health insurance for prescription medications because the out-of-pocket costs for medicines are too high	34%
Difficulty using health insurance for medical services because the out-of-pocket costs for those services are too high	34%
Difficulty affording the monthly premiums of health insurance	29%
ACCESSING	**51%**
Difficulty finding health care providers in a timely manner	44%
Difficulty accessing mental or behavioral health care providers	27%

Support for Action to Lower Health Costs

Agreement that: *"Elected leaders and government officials in Washington state should take action to reduce health care costs"*



	Democrats	Republicans	Independents
Percent agreeing	89%	86%	87%

Participants Speak

“If you could change one thing about the health care system in Washington, what would it be?”

Male
Age 35-39
Rural
White/Caucasian
Strong Republican
No disability

"I would change the overall affordability because it is almost impossible for the average family to pay for doctor visits, copays and prescriptions where I live."

Female
Age 65+
Suburban
Black/African American
Moderate Democrat
No disability

“The high cost of doctor and dental visits and the high cost if prescription drugs. If these United States of America can afford to spend billions of dollars to help other countries then why in the hell can't they make it easier for people like me to get free dental, prescription drugs and hospital visits. When you’re on a budget like me it's either I pay my rent or be homeless or pay for a high prescription that I can't afford and be in pain all the time. Soooo pain it is.”

Male
Age 25-29
Suburban
Hispanic/Latino
Strong Republican
Disability in household

“Lower cost and improving insurance quality is one thing I would change because people really need good benefits to get anything done health wise these days but it's hard to get that without spending an arm and leg.”

Female
Age 40-44
Suburban
AA/NH/PI
Leans about equally to Democrat or Republican
No disability

“Consumers first, bottom line second. Make it less of a machine or factory style processing units and more about care of health.”

Female
Age 65+
Rural
Race/ethnicity unstated
Strong Republican
Disability in household

“Lower medical costs and medications. Because there are too many hands in the pie. Big businesses are more concerned with making money as opposed to helping their patients get well.”

Discussion

Areas for Future Study

HCCTB can build on this research with its upcoming underinsurance survey, including:

- Longitudinal surveillance
- Conduct survey using mixed methods (phone, mail, online)
- Conduct survey in languages other than English
- Higher sample size or oversampling to permit disaggregation of data for subgroups (e.g., American Indian/Alaska Native, Middle Eastern/North African, Asian American, Native Hawaiian, Pacific Islander)

Discussion

- How could the HCCTB build on the data from this survey?
- How should we understand these affordability challenges in tandem with the cost trends benchmark?
- What factors are keeping Washington from acting to manage health care costs?

Learn more at www.fairhealthprices.org

Emily Brice, Northwest Health Law Advocates, emily@nohla.org

Jim Freeburg, Patient Coalition of Washington, jifreeburg@yahoo.com

Sam Hatzenbeler, Economic Opportunity Institute, sam@opportunityinstitute.org

Appendix

Survey Methodology

- Survey was conducted online by Digital Research, Inc. between June 13 and June 27, 2024. A total of 1,006 participants completed the 15-minute survey.
- Total results have a margin of sampling error of +/- 3 percentage points at the 95% confidence level; subgroups will have a higher margin of error.
- Final data were statistically weighted to ensure the survey's sample reflected the demographics of the state's population. This weighting had minimal impact on the results.
- Results cannot be disaggregated for some subgroups (such as American Indian/Alaska Native, Middle Eastern/North African, and disaggregated Asian American/Native Hawaiian/Pacific Islander) due to small sample size.

Traverse Burnett, Digital Research, Inc. (traverse.burnett@digitalresearch.com)

Profile of Participating Washingtonians

Gender	
Male	49%
Female	49%
Non-binary/Prefer not to say	2%

Race/Ethnicity	
White or Caucasian	78%
Asian American/Native Hawaiian/ Pacific Islander (AA/NH/PI)	13%
Hispanic or Latino	6%
Black or African American	5%
American Indian	3%
Alaskan native	1%
Middle Eastern or North African	<0.5%
Some other way	<0.5%
Prefer to not say	<0.5%

County	
King County	27%
Pierce County	12%
Spokane County	9%
Snohomish County	8%
Clark County	7%
Thurston County	6%
Kitsap County	4%
Yakima County	4%
Benton County	4%
Whatcom County	3%
Grays Harbor County	1%
Lewis County	1%
Skagit County	1%
Grant County	1%
Kittitas County	1%
Clallam County	1%
Cowlitz County	1%
Chelan County	1%

County (Cont.)	
Walla Walla County	1%
Island County	1%
Douglas County	1%
Whitman County	1%
Stevens County	1%
Franklin County	1%
Columbia County	1%
Pacific County	1%

Counties represented by less than 1% of participants are not shown.

Age	
18 to 24	11%
25 to 29	9%
30 to 34	10%
35 to 39	10%
40 to 44	9%
45 to 49	7%
50 to 54	8%
55 to 59	7%
60 to 64	8%
65 years and over	21%
Average	47 yrs.

Area	
Rural	13%
Suburban	54%
Urban	31%
Not sure	2%

Profile of Participating Washingtonians

Education	
Some high school or less	4%
High school graduate or GED	25%
Some college, vocational school, or an Associate's degree	31%
Bachelor's degree	24%
Postgraduate work or an advanced degree	16%

Political Party	
Strong Republican	14%
Moderate Republican	18%
Independent	22%
Moderate Democrat	19%
Strong Democrat	23%
None of the above	2%
Not sure	3%

Employment Status	
Employed full-time	42%
Employed part-time	10%
Unemployed and looking for work	7%
Stay-at-home / unpaid caregiver	4%
Student	3%
Retired	22%
Disabled, unable to work	9%
Something else	1%
Prefer not to say	1%

Likelihood to Vote	
Extremely likely	83%
Very likely	17%

Small Business Owner in Household	
Yes	12%
No	87%
Unsure	1%

Household Income	
Under $15,000	9%
$15,000 – $19,999	5%
$20,000 – $24,999	5%
$25,000 – $29,999	5%
$30,000 – $34,999	5%
$35,000 – $39,999	4%
$40,000 – $44,999	4%
$45,000 – $49,999	3%
$50,000 – $54,999	7%
$55,000 – $59,999	3%
$60,000 – $69,999	7%
$70,000 – $99,999	15%
$100,000 – $149,999	14%
$150,000 – $199,999	6%
$200,000 or more	4%
Not sure	2%
Prefer not to say	3%

Member(s) of Household with a Disability	
Participant has a disability	29%
Other household member has a disability	19%
No one in household has a disability	54%
Not sure	3%

Source of Health Insurance	
Employer	38%
Medicare	28%
Apple Health/Medicaid	25%
Health insurance marketplace	9%
Parent's health plan	5%
Veterans Administration (VA Health, TriCare, CHAMPUS)	5%
A union	2%
A health care sharing ministry	<.5%
Indian Health Service	<.5%
Through another source	2%

Tab 6

Washington State Health Care Authority

Provider and carrier reflections

- Don Anderson, Jr., VP of Reimbursement, Providence
- Jeb Shepard, Director of Policy, Washington State Medical Association
- Jennifer Ziegler, Contract Lobbyist, Association of Washington Healthcare Plans

Tab 7

Washington State Health Care Authority

Business and labor reflections

- Zenovia Harris, CEO, Kent Chamber of Commerce
- Patrick Connor, CEO, WA National Federation of Independent Business
- Christina Johansen, Managing Director of Health Benefits Trust, SEIU 775

Washington State Health Care Authority

Tab 8

Washington State Health Care Authority

Public comment

Washington State Health Care Authority

Tab 9

Washington State Health Care Authority

Closing statements and adjournment

Sue Birch, HCCTB Chair and Director, Health Care Authority

Washington State Health Care Authority