Washington State Health Care Authority

Universal Health Care Commission meeting summary

April 17, 2024

Hybrid meeting held electronically (Zoom) and in-person at the Health Care Authority (HCA)
2–5 p.m.

Note: this meeting was recorded in its entirety. The recording and all materials provided to and considered by the Commission is available on the Universal Health Care Commission webpage.

Members present

Vicki Lowe, Chair
Bidisha Mandal
Charles Chima
Jane Beyer
Joan Altman
Representative Joe Schmick
Representative Marcus Riccelli
Mohamed Shidane
Omar Santana-Gomez

Members absent

Senator Ann Rivers
Dave Iseminger
Senator Emily Randall
Estell Williams
Nicole Gomez
Stella Vasquez

Call to order

Vicki Lowe, Commission Chair, called the meeting to order at 2:10 p.m.

Agenda items

Welcoming remarks

Chair Lowe began with a land acknowledgement and welcomed members to the seventeenth meeting.

Meeting summary review from the previous meeting

The Commission members **voted by consensus to adopt the February 2024 meeting summary**.

Public comment

Roger Collier sought to correct the March FTAC meeting summary to reflect his comment noting a $2B error in Whole Washington's projected savings calculation for SB 5335.

Marcia Stedman, Health Care for All Washington, agreed that there are barriers to implementing universal health care system but encouraged the Commission to focus on what can be done now.

Kathryn Lewandowsky, Whole Washington, sought to correct a sentence in the Commission's draft report on SB 5335, and encouraged dialogue by the Commission on how to best finance a new system.

Aaron Katz suggested that the weight of discussions be on integrating financing and defragmenting the health care system. The Commission was also encouraged to be guided by public comments in their deliberations.

Elizabeth Reisner, Whole Washington, urged the Commission to take seriously FTAC's comments on SB 5335 and noted the many advocates who are invested in this work.

FTAC updates: actuarial analysis considerations and review of SB 5335's benefits and financing

David DiGiuseppe, FTAC Liaison Alternate

FTAC's March meeting focused on approaches to benefit design. FTAC also heard from Whole Washington on the proposed benefit design and financing under SB 5335. FTAC and Whole Washington largely agree on the goals for addressing fragmentation, inequitable access to care and coverage, and high costs. Whole Washington's savings estimates are based on self-funded group (employer) health plans, Medicare, and Medicaid markets having been consolidated into a unifed system. However, last year, FTAC determined this to be politically and legally infeasible in the near term due to federal barriers.

Whole Washington's plan would begin as Model B (health plan administered) as proposed by the Universal Health Care Work Group, and would transition over time to Model A (state-administered), where the purported greatest opportunity for savings would be achieved due to the elimination of insurance and provider administrative expenses. However, per Whole Washington's slides, estimated savings from price adjustments were slightly higher than estimated savings from elimination of administrative expense. FTAC noted that price, not administrative expense, is the primary driver of costs. FTAC questioned the practicality of eliminating administrative expense to the degree assumed by Whole Washington.

FTAC also assessed considerations for the Commission's actuarial analysis of benefits across Medicaid, the Public Employee Benefits Board/School Employee Benefits Board (PEBB/SEBB), and the essential health benefits (EHB) mandated under the Affordable Care Act (ACA). FTAC recommends first modeling PEBB/ SEBB, then comparing with the EHB, Cascade Care, and Medicaid. Cost sharing is also critical to discuss. High cost sharing makes care unaffordable to people, and low cost sharing makes coverage expensive to the payer.

Commission members discussed whether and why (or why not) to model any cost sharing in the actuarial analysis. Exchange plans' differing actuarial values (AV) may give insight into the impacts of cost sharing on utilization. After discussion, a motion, and a second, **the Commission voted unanimously to direct FTAC to evaluate modeling that includes one iteration comparing UMP, EHB, and Medicaid with zero cost sharing, as well as iterations that reflect some levels of cost-sharing. In the second phase of modeling (introducing some cost sharing), the Commission will be interested in the impacts that cost-sharing may have on utilization.**

2024 legislative session updates

The Legislature passed HB 1508 directing new work for the Health Care Cost Transparency Board which will be helpful for the Commission's discussions on how to reduce total health care expenditures. The Legislature also passed a bill to cap cost-sharing for highly utilized services, and preserved coverage for preventive services without cost sharing. ESB 5241 (Keep Our Care Act) failed and concerned the state's role in oversight over mergers and acquisitions of large health systems. HB 2476 also failed and concerned a covered lives assessment

for Medicaid and commercial plans that would have increased some Medicaid reimbursement rates to that of Medicare. The Legislature increased investments in the Apple Health Expansion (immigrant health coverage) program. Enhanced federal subsidies for Exchange plans are ending in 2025, though the 2024 session sustained state premium subsidies through 2025 which may help maintain coverage gains. Legislation passed to prohibit balanced billing for ground ambulance services. SB 5213 increasing regulation of Pharmacy Benefit Managers also passed. The Office of the Insurance Commissioner and Health Care Authority are directed to work with insurers and providers to create a uniform system to process authorizations across PEBB/SEBB, Medicaid, and commercial health plans for residential substance use disorder treatment.

Presentation: Administrative simplification – a local perspective

Richard Rubin, Executive Dir., Washington Healthcare Forum

The Washington Healthcare Forum (Forum) Administrative Simplification (Admin Simp) Program brings together health plans, public payers, hospitals, practices, and public policy makers to develop policies, best practices and technology solutions in support of its simplification mission from an operational level. While it may be unlikely that simplification efforts translate into hard dollar savings for the health system, Admin Simp is important for other reasons. For example, health care consists of many different enterprises, where the default goal is to build enterprise solutions, often creating more complexity. As overall complexity increases, so does the burden of that complexity on individuals, e.g., health care workforce and patients.

Looking at opportunities in this area, it's important to be mindful of not being "too early" (it's not an issue today but will be in a few years), "too late" (time and resources were already dedicated to building one thing, and no more will be spent to change it), "too small to matter," or "too big to be true." The Forum has seen the most impact when an opportunity has some market momentum, can leverage existing investments with feasible wins within reach, and where meaningful action can be taken at the state level.

One local area of opportunity is to utilize a subject matter expert workgroup to prospectively review legislation and/or policy recommendations that impact health services administration. Additionally, performance measurement is a key component of value-based strategies. There is broad agreement that improving health means addressing determinants of health and inequities, and this will require measurement. Putting "patients in the center" and "meeting people where they are" are also widely held aspirational goals. As the Commission designs a universal health care system for Washington, a goal could be to adopt best practices from the start and avoid building silos and deploying incompatible proprietary approaches. Additionally, it is crucial to include input and engagement from communities who have historically been harmed by the current system. It's also important to recognize that artificial intelligence (AI) is increasingly used in health care, and the information AI utilizes to "learn" could reflect historical references and biases. As such, transparency will be important to garner trust from the community.

Next steps

The Commission will begin review their draft report to the Legislature on Whole Washington's proposed SB 5335 and will vote on its adoption this June. Also this June, the Commission will hear updates on the actuarial analysis. One Commission member suggested dedicating time at the June meeting to review the report on SB 5335, as well as to find ways to hear Commissionioners' response to public comments at meetings.

Adjournment

Meeting adjourned at 5:00 p.m.

Next meeting

June 4, 2024

Meeting to be held on Zoom and in-person at HCA
2–5 p.m.