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Delivered via email

Dear Members of the Universal Health Care Work Group,

On behalf of the Washington State Medical Association (WSMA), thank you for the opportunity to provide feedback on the draft recommendations to the Legislature on how to create, implement, maintain, and fund a universal health care system. Pursuant to our policy supporting universal access to comprehensive, high-quality, safe, affordable health care for all Washingtonians through health care coverage options that are designed to encourage participation of physician practices, WSMA appreciates the energy and effort reflected in the recommendations.

As presented to the Senate Health and Long-Term Care Committee on December 1, assuming all necessary waivers for funding are obtained, Model A (state administered single-payer) and Model B (carrier administered single payer) would cost the state \$26.5 billion, and \$27.5 billion respectively, with another \$3 billion each for dental care. This would necessitate more than doubling the size of the state budget. The draft report acknowledges that feasibility for both Models A and B are politically and financially challenging. In the unlikely scenario where the Legislature elects to advance one of these options, significant consideration would need to be made to ensure that physicians are able to participate in the program and remain financially viable, in the interest of preserving access to care for all of our state's residents. This would be among the many implications for health care delivery and potential for broader economic disruption that would need to be worked through in considering a complete overhaul of our state's health care system.

Turning attention to Model C, we are concerned that as drafted this represents a missed opportunity to address coverage for hundreds of thousands of currently uninsured residents of our state, as well as hundreds of thousands more covered by unaffordable or insufficient insurance. The WSMA urges the work group to consider expanding Model C beyond its current scope to include more uninsured Washingtonians. To the extent that Model C is patterned on the Cascade Care law, we would also caution against the imposition of provider reimbursement rate caps, as that has had a demonstrable negative impact in provider and health plan take-up of the law, limiting its utility.

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According to the December 2 Office of Financial Management's report, [Estimated Impact of COVID-19 on Washington State's Health Coverage](#), 541,000 Washingtonians are *currently without* health insurance coverage. *In addition to* addressing the challenges undocumented immigrants face in securing health coverage, Model C should be expanded to consider options that address challenges for all Washingtonians struggling to obtain health insurance.

The draft report notes that *Work Group members have expressed interest in expanding Model C to include options for those that cannot afford health insurance under the current system. Washington is already making progress in this arena through Cascade Care. Cascade Care provides access to more affordable standard and public option plans.* We know that to date this is not the case, as average proposed rates for Cascade Care plans are *five percent higher* than 2020 HBE premiums and Cascade Care plans are not available in all areas of our state.

In order to make significant strides in covering the remaining uninsured in the current environment, Model C should be expanded to include the following (as outlined in *November 2020 AMA Options to Maximize Coverage* and [2020 and Beyond: AMA's Plan to Cover the Uninsured](#)):

- Adequate funding from the legislature for expansion of outreach efforts to people eligible for the Affordable Care Act's (ACA) premium tax credits who remain uninsured.
- Adequate funding from the legislature for expansion of outreach efforts to people eligible for Medicaid or the Children's Health Insurance Program who remain uninsured.
- Alternative legislative approaches to maximizing coverage rates, such as exploring auto-enrollment as a policy option due to the elimination of the individual mandate penalty, as well as job losses amid the COVID-19 pandemic.

Through the course of legislative negotiations on the Cascade Care law, WSMA expressed concern about the impact of the law's reimbursement rate cap in terms of limiting access to care. Not only have concerns been realized, as the health plans are not available in all areas of the state, but it appears the intended impact on reducing the cost of premiums also has not materialized, as previously noted. To the extent Model C is considered, the rate cap component of Cascade Care should not be included.

While we appreciate the work that has been done to date, we believe the current draft report represents a significant missed opportunity. As Model A and Model B are not financially or politically viable, the WSMA advocates for expanding Model C to help address issues hundreds of thousands of Washingtonians are currently facing in obtaining coverage, and ensuring that this model is financed to appropriately to cover the cost of physician services and reimburse at a rate that ensures physician participation.

Thanks for your consideration and please do not hesitate to reach out to Jeb Shepard, WSMA Director of Policy at jeb@wsma.org with any questions.

Sincerely,



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