

About the Health Care Cost Transparency Board

Each year, Washington residents are paying more and more for their health care. In fact, health care costs are rising at an alarming rate, outpacing both inflation and wages. This makes health care unaffordable for working families across the state. It also strains the budgets of businesses and government agencies who foot the bill for health coverage.

The Health Care Cost Transparency Board (Cost Board) is committed to ensuring health care affordability for all people in Washington.

Setting a health care spending growth benchmark

For health care to be affordable, we need to make sure health care spending growth does not increase at a faster rate than the economy, state revenue, or wages.

Washington's cost growth benchmark does just that—it sets a goal for how much health care spending should increase each year, aligned with projected increases in wages and the state economy.

Years	Target
2022	3.2%
2023	3.2%
2024	3.0%
2025	3.0%
2026	2.8%

The Cost Board has set a benchmark for five years, starting in 2022, which it evaluates annually. Health care carriers and providers were engaged in setting the benchmark and have committed to try to stay under it.

Each year, the Cost Board collects data from the largest health insurance carriers in Washington to measure what we are collectively spending on health care in our state. Beginning in 2024, it will publish an [annual spending report](#).

In addition to examining statewide spending, the annual spending reports will show whether our health system has met the benchmark for the past year—in other words, whether the health system has been successful at reining in spending. The annual spending reports will also record how each insurance market (commercial, Medicare, and Medicaid) and each individual health insurance carrier and health care provider is measuring up against the benchmark.

Working with providers and payers to keep costs in check

To truly move the needle on health care affordability, we need all of Washington's payers and providers across all markets to stay under the health care spending growth benchmark.

While the Cost Board's [annual spending reports](#) will allow the public to compare spending between different carriers and providers, the Cost Board also works closely with carriers and providers to more deeply understand the underlying causes of rising health care costs.

The Cost Board meets with carriers and health care providers who are exceeding (going over) the benchmark to understand the challenges they may be facing in meeting the benchmark. Often, there is a good reason why a health care entity may exceed the benchmark.

Because health care entities are best positioned to determine how their organization can meet the cost growth benchmark, the Cost Board may invite these entities to share strategies and actions their organization will take to meet the benchmark and make care more affordable. These conversations also provide the Cost Board with

insight into possible solutions that could help the entire health care system address the growth of health care costs.

Identifying system-wide solutions for affordability

The Cost Board is charged with reporting annually to the Legislature, including providing recommendations for lowering health care costs.

The Cost Board takes an evidence-based approach to developing these recommendations. That's because making health care affordable starts with understanding what is driving up the cost of health care in Washington.

The Cost Board begins by analyzing the data collected and reported in the annual spending reports—data contributed by health plans and validated by provider organizations. This information helps the Cost Board see where Washington's health care dollars are going, where spending is rising fastest—and what is driving up the cost of health care in Washington State.

With this information, and through robust conversations with experts and stakeholders across the health care system continuum, the Cost Board can find ways to get better value for money and make quality health care affordable for all.

Bringing transparency to health care spending

Transparency—making sure we understand what we're paying for and how much we're paying—is an important tool in controlling costs. By shining a light on spending, we can better understand where the biggest problems lie, and develop data-driven solutions to make health care more affordable.

Engage with the Cost Board

The Cost Board includes representatives of consumers and business and labor, who are appointed by the Governor, along with the director of the Health Care Authority and the director of Labor and Industries.

The Cost Board works collaboratively together and with experts to bring transparency to health care spending and make recommendations for lowering health care costs. It also consults with its three advisory committees, one of health care stakeholders, another on data issues, and another on primary care.

Public input is invited at each of the Cost Board's monthly meetings.

Join us

Learn more about the Cost Board at hca.wa.gov/costboard.