

Universal Health Care Commission meeting summary

December 5, 2024

Hybrid meeting held on Zoom and in person at the Health Care Authority (HCA)
2–5 pm

Note: This meeting was recorded in its entirety. The recording and all materials provided to and considered by the Commission are available on the [Universal Health Care Commission webpage](#).

Members present

Vicki Lowe, Chair
Bidisha Mandal
Charles Chima
Dave Iseminger
Jane Beyer
Joan Altman
Representative Joe Schmick
Mohamed Shidane
Nicole Gomez

Members absent

Senator Ann Rivers
Senator Emily Randall
Representative Marcus Riccelli
Omar Santana-Gomez
Stella Vasquez

Call to order

Vicki Lowe, Chair of the Universal Health Care Commission, called the meeting to order at 2:02 pm.

Agenda items

I. Welcoming remarks

Chair Lowe began with a land acknowledgement and welcomed members to the twenty-first meeting of the Commission.

II. Meeting summary

Commission members voted to accept the October 2024 meeting summary.

III. State agency updates

Chair Lowe invited state agency representatives to provide any updates to their agencies given the recent national and state elections.

Office of the Insurance Commissioner (OIC): Commission member Jane Beyer shared that Commissioner-elect Patty Kuderer will be sworn in on January 15. Beyer noted that universal health care is an issue of great importance to Commissioner-elect Kuderer.

Department of Health (DOH): Commission member Dr. Charles Chima noted that the current Secretary of Health, Dr. Umair Shah, will be stepping down in January. Dr. Chima discussed DOH's certificate of need and state health assessment work that is expected to continue into the new year under a new Secretary.

Health Care Authority (HCA): Commission member Dave Iseminger noted that with the new governor-elect many state agencies are awaiting a variety of appointments, including the next director of the HCA. Iseminger mentioned the [Dec. 2 directive](#) from Gov. Jay Inslee freezing travel, hiring, and contracting. Iseminger also highlighted some of HCA's recently published legislative reports, which can be found [here](#).

Washington Health Benefit Exchange (WAHBE): Commission member Joan Altman mentioned that WAHBE and HCA are working on joint messaging about continued program availability and privacy protections for specific communities. WAHBE is also requesting the state maintain or increase state subsidies in order to help mitigate the expected loss of the enhanced federal subsidies.

IV. Public comment

Kathryn Lewandowsky, Whole Washington, noted that in light of the expected budget deficit in Washington state, it will be important to provide economic relief to residents and stimulate the state's economy through the Washington Health Trust (SB 5335). Lewandowsky asked the Commission to request a dynamic fiscal note on the new Washington Health Trust language as soon as possible.

David Loud, Health Care Is a Human Right, discussed the Commission's Milestone Tracker and disagreed that the Commission had completed Phase 1: Eligibility. Loud asked Commission members to review the Health Care for All – Washington (HCFA – WA) proposal and address issues such as voluntary enrollment, auto-enrollment, and residency definitions, among others. Loud also recommended that the Universal System should welcome any veteran who chooses to use it.

Ronnie Shure, HCFA – WA, urged the Commission to support the proposed reference-based pricing legislation for public and school employees in Washington State (PEBB/SEBB). Ronnie also highlighted the savings that Oregon and Cascade Care have generated through reference-based pricing.

V. Finance Technical Advisory Committee (FTAC) update

Pam MacEwan, FTAC Liaison

Pam MacEwan reported on FTAC's November meeting, which included an initial discussion of prior authorization as requested by the Commission, an update on the Milliman analysis project, and an introduction to cost containment mechanisms, such as price caps and a public utility model. MacEwan shared that FTAC ran out of time for the prior authorization discussion and that the committee will continue to discuss it at future meetings. Regarding the Milliman analysis project, MacEwan noted that final results are now expected in March 2025 due to a slight delay caused by data-sharing requirements.

MacEwan also shared that FTAC agreed by consensus to: (1) Recommend the Commission considers supporting transitional efforts which utilize reference-based pricing; (2) Recommend the Commission considers including reference-based pricing and other cost containment strategies for universal design; (3) Continue to explore cost containment strategies as directed by the Commission.

VI. State approaches to access and affordability

Evan Klein, HCA

Evan Klein presented on a proposed agency request bill for reference-based pricing (RBP) for the Public Employees Benefits Board (PEBB) and the School Employees Benefits Board (SEBB), which includes the Uniform Medical Plan (UMP) administered through Regence, as well as Premera and Kaiser Permanente. Klein noted that PEBB/SEBB makes up about 20% of Washington state's commercial market and that current cost trends for consumers are unsustainable in the long term. He highlighted that this proposed bill builds on lessons learned from other successful RBP initiatives, including Washington state's Cascade Select and Oregon's RBP legislation for their state employee health plans. Klein noted that independent audits of Oregon's program found substantial savings to the state and a decrease in consumer's out-of-pocket spending.

The proposed bill adopts a phased-in approach over four years and aims to maintain health plan networks and stabilize long-term affordability by requiring hospitals to contract with PEBB/SEBB plans that offer in good faith to contract, and by capping reimbursement for inpatient and outpatient hospital services. It also would require sustained and increased reimbursement for critical access, rural, and children's hospitals as well as for primary care and behavioral health services. Klein noted that the proposal is also posted [online](#) and that initial modeling suggests cost avoidance in the realm of \$75 million in 2027, increasing to over \$240 million by 2030.

There was a robust discussion and vote following the presentation. Commission members voted to support the principle of using reference-based pricing for PEBB/SEBB, not only to contain costs, but also to rebalance resources, while recognizing that over the course of the legislative session there will likely be revisions to the bill language.

VII. Cost containment discussion

Liz Arjun, HMA

Liz Arjun led a discussion on the next steps for cost containment, beginning with whether the Commission would like FTAC to continue evaluating reference-based pricing as a tool for cost containment in the universal system design. Commission members expressed interest in learning from other states active in this space and hearing more from FTAC about out-of-network rate caps, the public utility model, hospital global budgets, data reporting and transparency enforcement, medical loss ratio, Washington's administrative code, and prescription costs.

VIII. 2025 Workplan discussion

Mary Franzen, HCA

Mary Franzen reviewed the Commission's charge from the legislature to identify transitional solutions and develop a universal system design. Franzen then presented the Milestone Tracker, which illustrates where the Commission is in the process of this work. For 2025, the Commission plans to address benefits and services, cost containment, and provider reimbursement and participation in the universal system, as well as continue work on transitional solutions. The current plan is to have most of Phase 1 in place in order to tackle financing in early 2026. Franzen then presented a workplan graphic highlighting which topics will be addressed during the 2025 meeting dates.

Commission members agreed to review more material and presentations in between meetings, to allow for more time for discussion and recommendations during meetings in 2025. Commission members also requested brief summaries of FTAC meetings moving forward. Several Commission members also expressed interest in moving quicker on this work, while also noting the need for the analytical work underway to wrap up in order to do so. Finally, Commission members agreed to focus on universal system design in the first half of 2025, returning to transitional solutions in the latter part of the year. This will allow the Commission to tailor their transitional solutions work to the outcomes of the 2025 Legislative Session.

Adjournment

Meeting adjourned at 4:55 pm.

Next meeting

Thursday, February 13, 2025 from 2-5pm

Meeting to be held on Zoom and in person at HCA