Washington State Health Care Authority

Universal Health Care Commission meeting summary

June 4, 2024

Hybrid meeting held electronically (Zoom) and in-person at the Health Care Authority.
2:00–5:00 p.m.

Note: this meeting was video recorded in its entirety. The recording and all materials provided to and considered by the committee is available on the **UHCC webpage**.

Members present

Vicki Lowe, Chair
Bidisha Mandal
Charles Chima
Dave Iseminger
Jane Beyer
Joan Altman
Megan Matthews
Representative Joe Schmick
Representative Marcus Riccelli
Nicole Gomez

Members absent

Senator Ann Rivers
Senator Emily Randall
Estell Williams
Mohamed Shidane
Omar Santana-Gomez
Stella Vasquez

Call to order

Vicki Lowe, Chair of the Universal Health Care Commission, called the meeting to order at 2:00 p.m.

Agenda items

Welcoming remarks

Chair Lowe began with a land acknowledgement and welcomed members to the eighteenth meeting and provided an overview of the meeting objectives.

Meeting summary review from the previous meeting

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

Public comment

Cris Currie submitted a public comment, emphasizing his view that the Commission is not providing adequate opportunity to discuss concerns.

John Godfrey, program manager at the Washington Community Action Network, spoke in support of administrative simplification. Their membership is excited about accelerating the integration of physical and behavioral health and support progress in standardizing prior authorization processes. John also noted that ultimately, administrative simplification is not enough without substantial structural changes to the health care system.

Raleigh Watts thanked the Commission and elected officials for their work. He noted that meeting material packets were received just before the meeting began. As a citizen who cares about this work, Raleigh wants the Commission to set a standard for publishing meeting materials with adequate time for public review.

Marcia Stedman addressed the Whole Washington report, wondering whether there has been discussion or further action from the Commission or FTAC and is calling for further action by the Commission.

Kathryn Lewandowsky noted that Whole Washington is conducting Town Halls and phone banking, sharing a response from one volunteer who felt that the work of the Commission will be unable to achieve the systemwide transformation it seeks and called for stronger action.

Pam Ketzner shared a story highlighting the medical mismanagement of her son in the current system and called for immediate reform.

FTAC Updates

Pam MacEwan, FTAC Liaison

Pam updated the Commission on the previous FTAC meeting, including an overview of health plan cost and benefit design, discussion on the challenge of benefit design comparison, discussion of options for comparison and importance of cost assumptions and cost control, a presentation on the Health Care Cost Transparency Board. Pam noted that suggestions on further areas for FTAC to explore are welcomed.

State Agency Report Outs

DOH, HCA, OIC, and WAHBE

DOH: No major updates to report.

HCA: Currently sharing information from the Health Care Cost Transparency Board about costs in the system and how to equalize and provide relief from costs. HCA is also looking at topics in preparation for the next legislative session, including around increasing equity and access to care. HCA is also currently working on rate development for PEBB and SEBB programs and is looking to increase alignment between the programs. HCA is working on a report, due at the end of the year, on further legislative consolidation of PEBB and SEBB programs. Finally, some work around prescription drug affordability is expected next year.

OIC: OIC will be releasing a maternity care cost sharing report by July 1st. An affordability report will be coming out August 1st, which will cover several affordability initiatives. OIC has also launched into rulemaking around bills that passed the legislature, including ground ambulance billing, prior authorization, and PBM regulation. The agency is also working on a joint effort with HCA to deliver a model around authorization for residential substance use treatment, with the goal of coming up with one common set of criteria that would apply across the board.

WAHBE: WAHBE is in the midst of implementing a two-pronged immigrant health coverage expansion. The first piece was allowing the purchase of qualified health and dental plans by immigrants without federally

recognized immigration status. The agency saw around 24,000 individuals look at options with several thousand signing up. They are now also working on rolling out Medicaid expansion to this population in collaboration with HCA. On the affordability front, OIC is working with a federal delegation on enhanced federal subsidies for the individual market. Finally, the agency is working on an auto-enrollment study, looking at ways to support people transitioning from Medicaid to individual market coverage. This report will come out later this Fall.

Whole Washington Draft Report

Vicki Lowe, Chair and Executive Director, American Indian Health Commission for Washington State

The floor was opened to discussion on moving the draft report forward. Representative Schmick submitted comments on the draft, which were added to the appendix of the report. No further discussion took place. The Commission members voted by consensus to adopt the report and move it forward to the legislature.

Commission Progress and Workplan Update

Liz Arjun, Health Management Associates (HMA)

An update was provided on the three workstreams: 1) designing a universal health care system with a unified financing system, 2) recommending interim solutions, and 3) reviewing the Washington Health Trust proposal.

On workstream 1, progress includes determining eligibility for the uniform financing system, which will include Medicaid, individual market plans, small group market plans, fully insured large group plans (including PEBB/SEBB) and the uninsured. Upcoming work includes an actuarial analysis of benefits and services.

On workstream 2, recommendations to date include expanding coverage for uncovered populations, integrated eligibility systems, Cascade Care savings, cost growth targets, and efforts to align public programs. Upcoming focus areas include administrative simplification and maximizing coverage in existing programs.

On workstream 3, Whole Washington has presented to the Commission on the proposal and the Commission has developed a draft report. Continued presentations are expected as work continues.

Commission Efforts on Administrative Simplification to Date

Liz Arjun, Health Management Associates (HMA)

A recap of what previous meetings have covered on administrative simplification was provided, including hearing from national experts about the potential savings from administrative simplification and from HCA's medical director on efforts to promote admin simplification in February. In April, OneHealthPort presented on their efforts leading administrative simplification.

One thing noted by OIC was that the legislature has been passing bills promoting administrative simplification across public programs (e.g., prior authorization issue). The legislature is better understanding the importance of having consistency across these programs. Representative Schmick questioned why—given the potential savings—there is reluctance on these efforts. OIC noted that changes to systems are difficult and getting providers and carriers on board is challenging.

Administrative Simplification, Panel Presentation

Several panelists representing the provider perspective on administrative simplification presented to the Commission.

Jeb Shepard, Director of Policy at Washington State Medical Association

The presentation discussed the high levels of administrative burden impacting clinicians, leading to burnout, and noting that this is a top issue for physicians and practices. Examples of administrative burden include insurance approvals, prior authorization, coding and billing, and practice management. Some of these, like practice management, exist regardless of the type of health care system in place, but others are made worse by the current fragmented health care system. Administrative costs are a growing weight on the system, representing between 25 – 31% of health care spending, and the growth of administrators has far outpaced

growth in physicians. Prior authorization alone costs between $23 and $31 billion annually, and denials are often overturned, adding to frustrations with the process. Solutions to these issues include accounting for cost burden in reimbursement rates, eliminating or improving administrative processes, and evaluating the impact of policies on small, rural, and underserved practices.

Diana Huang, MD, Family Physician at Swedish Downtown Primary Care

The presentation discussed the impact of administrative burden on the supply of physicians, with Dr. Huang noting that physicians leaving residency at the University of Washington are advised to accept roles at 0.8 FTE rather than 1.0 because there is so much administrative work layered on top of patient time. When Dr. Huang was a 1.0 FTE, she would spend weekends on administrative work. The burden can lead physicians and other clinicians to leave practice entirely. Dr. Huang also highlighted stories of patients impacted by administrative burdens like prior authorization. One unique burden called out was the impact of different drug formularies used by different payers. When patients switch insurance, they may no longer have easy access to medications they were already using effectively which can lead to health complications.

Samuel Wilcoxson, Compliance and Ethics Administrator at Premera

The presentation highlighted the unique perspective of carriers on the barriers to administrative simplification, which include variations across markets and lines of business, cybersecurity and data privacy concerns surrounding new technologies, knowledge gaps amid these evolving technologies, and shifting regulatory requirements. Mr. Wilcoxson also highlighted to need to ensure the system does not create a patchwork of interoperability, requiring expensive front-end investments that don't guarantee provider adoption. It is important to get provider buy-in for these technologies.

Steve Woolworth, PhD, CEO at Evergreen Treatment Services

The presentation highlighted the perspective of administrative burden in treating behavioral health and substance use disorders through an example of Evergreen's mobile methadone units, used to treat opioid use disorder. Amid changing licensing requirements, it took the state of Washington 19 months to re-authorize the mobile teams amid the coordination between federal and state agencies. Over that time, hundreds of people died as there were no other providers for these services, services which had existed for decades prior to the administrative changes.

Commission Questions

Panelists were asked to name their top two administrative simplification issues. Jeb Shepard cited prior authorization and licensure delays but noted that the turnaround time on licensure has improved in recent years. Dr. Huang also cited prior authorization and highlighted the issues of communication between clinics and pharmacies, though was unsure if there was a role for the Commission to play in addressing this issue. Samuel Wilcoxson pointed out that there is a lot of state and federal activity, including in Washington, on improving prior authorization processes, but emphasized the need to avoid a patchwork of solutions creating new administrative burdens. He also cited the issue of provider buy-in to new technologies. Dr. Woolworth noted issues with payers reimbursing for claims and data sharing, particularly around ED utilization.

Another question was asked on the impact of value-based payment (VBP) quality standards on administrative burden. Panelists noted that VBP adoption can be overwhelming, especially for smaller practices that don't have the resources and separate administrative teams of larger systems, and the challenge of keeping up with ever-changing metrics of focus.

Next Steps on Administrative Simplification

Liz Arjun, Health Management Associates (HMA)

Commission members were asked which areas of administration simplification should be further explored. Responses included better understanding the administrative burden of VBP, especially in rural areas; communication between clinics and pharmacies; modeling the savings of reductions in administrative burden;

the impact of the lack of uniformity in drug formularies; and better understanding where a universal system helps, hinders, or makes no impact on administrative burden issues.

Adjournment

Meeting adjourned at 5:00 p.m.

Next meeting

August 15, 2024
Meeting to be held on Zoom and in-person at HCA.
2–5 p.m.