

Universal Health Care Commission meeting summary

August 15, 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
Joan Altman
Representative Joe Schmick
Representative Marcus Riccelli
Mohamed Shidane

Members absent

Senator Ann Rivers
Charles Chima
Dave Iseminger
Senator Emily Randall
Jane Beyer
Nicole Gomez
Omar Santana-Gomez
Stella Vasquez

Call to order

Vicki Lowe, Chair of the Universal Health Care Commission, called the meeting to order at 2:04 p.m.

Agenda items

Welcoming remarks

Chair Lowe began with a land acknowledgement and welcomed members to the nineteenth meeting. She shared Estell Williams has resigned from the Universal Health Care Commission due to personal reasons. Chair Lowe then provided an overview of the meeting objectives.

Meeting summary review from the previous meeting

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

Presentation: Apple Health Expansion

Becky Carrell, Deputy Director, Medicaid Programs Division, Washington State Health Care Authority, updated the Commission about the state's recent experience with Apple Health Expansion. Under Apple Health Expansion, the state implemented several Apple Health (Medicaid) programs that are available to individuals not qualified for federally subsidized coverage because of their immigration status. The program was launched on July 1, 2024 with a limited pool of funding. Becky noted there are more immigrant community members who would enroll in this program than funding can support.

Apple Health Expansion was designed to be as similar as possible to Apple Health Integrated Managed Care and to provide coverage to as many eligible people as possible. When possible, Washington drew down federal match to maximize funding.

Becky provided an overview of timing and enrollment: The state began accepting applications on June 20, 2024. On June 21, the enrollment cap was reached for individuals aged 19-64. On July 3, the cap was reached for individuals over age 65. As of July 3, total enrollment in Apple Health Expansion was 11,936 individuals in 34 of Washington's 39 counties.

Becky noted that the temporary community advisory committee that helped guide the work will be transitioned into a permanent advisory committee.

Chair Lowe noted that the Commission has supported Apple Health Expansion efforts in the past.

In response to a question from a Commission member, Becky shared that approximately 5,000 eligible individuals were denied coverage due to limited enrollment. She said that in the coming year HCA will work closely with managed care organizations and community-based organization to continue outreach and help individuals enroll as space becomes available.

Presentations: Prior Authorization

Gary Cohen of Health Management Associates (HMA) began the discussion by noting that the Commission has considered several areas of administrative simplification, including prior authorization. The Commission will make recommendations on that topic in the future.

Michelle Long, a senior health policy analyst with KFF, then presented *Prior Authorization: The Balancing Act of Cost Containment and Access to Care*. She defined prior authorization as pre-approval from a health plan for services and drugs to be covered. She noted that it's a commonly used tool to promote safe, evidence-based, cost-efficient care.

She also acknowledged that perspectives differ. Health plans may see prior authorization as an effective way to prevent unnecessary or low-value services, while providers often see prior authorization as administratively burdensome. Patients, meanwhile, may face delays or denials for needed care.

Michelle shared results from a 2023 KFF survey that showed patients who reported prior authorization problems are more likely to experience serious consequences, such as delayed care, a decline in their health, or higher than expected cost for care. In addition, certain individuals – including those covered by Medicaid and those with more than 10 visits per year – are more likely to experience prior authorization problems. On a system level, the overall effect of prior authorization is unclear, and it may increase total costs for certain patients.

She described a federal regulation that went into effect in January 2024: Advancing Interoperability and Improving Prior Authorization Processes. The regulation is designed to increase interoperability, improve transparency, and shorten timelines in programs overseen by CMS. It also creates an avenue for patients to access prior authorization information electronically. The regulation does not apply to prescription drugs, most employer plans, decision making processes, or information related to denials.

At a state level, she described various efforts around the country to regulate prior authorization, with goals such as standardization, automation, credentialing and “gold carding,” or improving provider processes. Considerations for states include savings for patients and/or payers, health equity, compliance and enforcement, and how to measure success.

Next, Joyce Brake, Policy and Rules Manager at the Office of the Insurance Commissioner, spoke about prior authorization modernization in Washington. She spoke of prior authorization prohibitions currently in place in Washington, such as certain substance use disorder treatments and emergency treatments.

Joyce described the state’s prior authorization modernization efforts, which began in 2023 and sought to improve outcomes by preventing delays in care and to reduce administrative burdens on providers. HB 1357 shortens the turnaround time for prior authorization requests and applies to services and prescription drugs, with timelines differing by electronic and non-electronic submission.

Washington’s modernization efforts require process automation through an application programming interface (API) by 2026 for health care services and by 2027 for prescription drugs.

Discussion: Prior Authorization

Gary Cohen, Health Management Associates (HMA)

Commission members were asked what else they would like to know about prior authorization and if there is a specific approach the Commission might recommend. Further, Gary posed the question of what, if any, role prior authorization should play in a universal system and whether the Commission would like to make any recommendations about improving the prior authorization process.

Mohamed Shidane asked when the Commission should make such decisions and begin the design process that fits the needs of people in Washington. Gary responded that the Commission could consider prior authorization as a shorter-term goal, as well as part of a universal system. He also noted that Commission should address the role, if any, that health plans could play. Chair Lowe noted that prior authorization is not used as extensively in the fee-for-service environment.

Bidisha Mandal asked for more information about gold carding and who would qualify. Gary responded that gold carding could be based on individual providers’ track record of approvals, as well as on the procedure itself.

Rep. Schmick asked about defining value for the patient and the health plan. Considerations include saving money and making sure patients get the right care. Additional questions about who makes the determination and oversight were added.

Rep. Riccelli noted that electronic submissions could reduce the number of denials, since many denials are the result of incomplete information in the submission. Another area of interest is the gap between federal reform efforts and ongoing work in Washington.

The Commission did not make a recommendation regarding prior authorization in part because members wanted to hear input from Commission members who were absent.

Public comment

Rep. Riccelli noted that the House Health Care and Wellness Committee is holding a remote Work Session on September 23, 2024, from 10:30am-12pm, and that there will also be an opportunity for public comment during the session.

Kathryn Lewandowsky, Vice Chair of Whole Washington, thanked the Commission for including PEBB, SEBB, and small markets in the universal health care conversation. Kathryn also shared that in a recent Whole Washington Town Hall, small business owners reported they want to provide healthcare to their employees but are unable to due to cost. Kathryn hopes the commission will consider small business owners in the unified financing plan.

John Godfrey, program manager at the Washington Community Action Network, spoke in support of Kathryn's comments noting that as a small business owner himself, health insurance for his staff is a significant and rising cost. John also stated that standardizing and drastically minimizing prior authorization should be an important goal for our state. John spoke in support of the Commission discussion around expanding Apple Health. He also expressed concern about the pace of designing a universal health care system and questioned when the overall design, including a unified financing system, would be on the Commission's agenda.

Discussion: Apple Health Expansion

Liz Arjun, HMA

Liz reminded everyone that supporting Apple Health Expansion was a key piece of this Commission's first set of recommendations. She shared that the Health Care Authority is developing a decision package to add more slots next year or over the course of the biennium. Commission members were asked if there were any questions or comments about the decision package or Apple Health Expansion generally. Joan Altman commented that an outstanding need has been demonstrated in the rollout of the program and noted that to the extent that the Commission has already acted to support the program, there is nothing from today's presentation that would change that view for her. Chair Lowe spoke in support of Joan's comments.

Liz shared draft language for the Commission to make a motion or revise: "The Commission continue its support for the Apple Health expansion program, including recommending additional funding for this program." Joan noted that the Commission has not yet seen HCA's decision package or funding request details. Rep. Schmick spoke in opposition of expanding the program, commenting that we are severely underpaying providers. In response to a potential friendly amendment from Chair Lowe, Rep. Schmick declined. Bidisha Mandal asked what the additional funding for the program would bring and whether it would bring funding for providers as well. In response, Mandy Weeks-Green, Board and Commission Director at HCA, commented that the additional funding would go to pay for premium coverage for those programs. Joan Altman concurred, commenting that in her understanding, the package being contemplated would increase the number of spots for people to come off the waitlist in successive years. Joan believed this did not include funding for Medicaid providers, but that there is a separate bill vehicle that has been looking to do that.

As a quorum was not present, a vote could not be taken.

FTAC Updates

Pam MacEwan, FTAC Liaison

Pam updated the Commission on the previous FTAC meeting, including a brief overview of consumer cost sharing within a system of universal health coverage. FTAC voted to explore engaging Milliman for two analyses on this topic: (1) Estimate and compare the annualized total cost of care for three different benefit packages if provided to the select population that would be covered by a uniform financing system; (2) Model different cost sharing options from \$0 to higher levels. Chair Lowe indicated it would be helpful to see cost sharing at the premium level rather than at point of service.

Rep. Riccelli noted there was legislation last year to standardize plans on the exchange and one of the opposition comments was that the legislation was trying to create universal health care. He spoke to the momentum a significant policy intervention like standardized plans could bring for the Commission's work. Joan Altman added that the standardized plans on the exchange have consistently lower cost sharing than non-standardized plans.

Pam indicated that FTAC needs latitude in how they guide Milliman on these analyses. Chair Lowe acknowledged FTAC's expertise in this area and the Commission's appreciation.

State Agency Report Outs

DOH, HCA, OIC, and WAHBE

DOH: Not present.

HCA: No major updates to report.

OIC: Not present.

WAHBE: WAHBE launched the qualified health plan expansion in early 2024. A report on the populations reached will be available in Fall 2024. With Cascade Care, the agency is revisiting legislation that would standardize plans in the market. The agency is also looking at affordability issues given federal subsidies may expire in calendar year 2025, with more to come on this topic. Finally, the agency is working on a legislatively directed study on automatically enrolling people transitioning from Medicaid to individual market coverage.

Annual report to the legislature

Chair Lowe reminded Commission members that a draft of the annual report that's due to the legislature Nov. 1 was included in the meeting packet. Staff requested Commission comments in writing by Friday, Aug. 30.

Adjournment

Meeting adjourned at 4:50 p.m.

Next meeting

October 10, 2024

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