

Washington

2021 Healthcare Affordability Policy Checklist

KEY

-  = implemented by state
-  = the state has implemented policies, but could improve
-  = not implemented by state

polling data repeatedly shows that healthcare affordability is the number one issue that state residents, on both sides of the political aisle, want their policymakers to work on. This checklist identifies areas where Washington is doing well and areas where it can improve.

1. CURB EXCESS HEALTHCARE PRICES:

- Implement free, public-facing healthcare price transparency that reflects negotiated rates and features treatment- and provider-specific prices. 
- Create an all-payer or multi-payer claims database to analyze healthcare price inflation, price variation and utilization. 
- Create a permanently convened health spending oversight entity.¹ 
- Create all-payer healthcare spending and quality benchmarks for the state.² 

2. REDUCE LOW-VALUE CARE:

- Require validated patient-safety reporting for hospitals.³ 
- Universally implement antibiotic stewardship programs using CDC's 7 Core Elements.⁴ 
- Analyze claims and EHR data to understand how much is spent on low- and no-value services.⁵ 

3. EXTEND COVERAGE TO ALL RESIDENTS:

- Expand Medicaid to cover adults up to 138% of the federal poverty level. 
- Provide high-quality, affordable coverage options for people whose incomes are too high to qualify for Medicaid, e.g., Basic Health Plan, reinsurance or augmented premium subsidies.⁶ 
- Provide options for immigrants that don't qualify for the coverage above.⁷ 
- Conduct strong rate review of fully insured, private market options.⁸ 

4. MAKE OUT-OF-POCKET COSTS AFFORDABLE:

- Protect patients from inadvertent surprise out-of-network medical bills.^{9,10} 
- Limit the availability of short-term, limited-duration health plans. 
- Waive or reduce cost-sharing for high-value services.¹¹ 
- Require insurers in a state-based exchange to offer evidence-based standard plan designs.¹² 

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Additional detail is available at:

WWW.HEALTHCAREVALUEHUB.ORG/AFFORDABILITY-SCORECARD/WASHINGTON

NOTES

1. The Health Care Cost Transparency Board is responsible for setting a voluntary healthcare cost growth benchmark for providers and payers. The purpose of setting the benchmark and public reporting are to encourage providers and payers to keep costs at or below benchmark. The Board is expected to release preliminary report in August 2021. See: <https://www.hca.wa.gov/about-hca/health-care-cost-transparency-board>.
2. Ibid.
3. Central line-associated bloodstream infections (CLABSI) and catheter-associated urinary tract infections (CAUTI) are two common forms of hospital-acquired infections. Washington mandates reporting and validation for CLABSI, but not for CAUTI. For more information, see: https://www.cdc.gov/hai/data/portal/progress-report.html#Data_tables.
4. 79% of WA hospitals have adopted antibiotic stewardship. For more information, see: <https://www.cdc.gov/antibiotic-use/stewardship-report/current.html>.
5. WA has partnered with large purchasers to tackle overuse and misuse. For more info, see: <https://wahealthalliance.org/alliance-reports-websites/alliance-reports/first-do-no-harm/> In June 2021 the Washington Health Alliance released a purchaser-led project's white paper, explaining how each purchaser received customized reports identifying high and low-value improvement opportunities, including 48 measures of low-value care using the Milliman MedInsight Health Waste Calculator. See: <https://wahealthalliance.org/alliance-reports-websites/driving-value-together-initiative/>.
6. In 2019, Washington passed a law to create a Medicaid Buy-In option called Cascade Care which will be available for all residents on the exchange beginning in 2021. In addition, in 2021, Washington passed a law establishing a premium assistance program for certain individuals and put in place public option participation requirements, building upon the prior 2019 legislation. See: <https://stateofreform.com/news/washington/2021/05/governor-signs-entire-cascade-care-2-0-bill-into-law/>.
7. WA offers Medicaid coverage to lawfully residing immigrant pregnant women and children without a 5-year wait, uses state-only funds to cover income-eligible children regardless of immigration status and provides some services not covered through Emergency Medicaid for certain pregnant or postpartum women who would otherwise be ineligible due to immigration status. WA does not offer Medicaid coverage for undocumented adults.
8. The Office of the Insurance Commissioner has the authority to review insurer-provider contracts.
9. WA has comprehensive protections against surprise medical billing. 'Comprehensive' surprise medical billing protections include emergency departments and hospitals, apply to all insurance types, hold consumers harmless/ prevent balance billing and adopt adequate payment standard or dispute resolution process. States with only some of these policies have 'partial' protections. For more information, see: <https://www.commonwealthfund.org/publications/maps-and-interactives/2021/feb/state-balance-billing-protections>.
10. The federal No Surprises Act prohibits surprise medical billing in most plans effective January 2022. However, it does not cover ground ambulances which often result in surprise bills for consumers. An analysis by Johns Hopkins University conducted specially for Altarum revealed that 76% of ground ambulance rides in WA charged to commercial insurance plans had the potential for surprise medical billing.
11. Looking Ahead: Beginning in 2021, Washington will cap cost-sharing for insulin to \$100 for a 30-day supply.
12. Looking Ahead: Beginning in the 2021 open enrollment period, residents of Washington State have the option to enroll in "Cascade Care," the nation's first state public option plan. In an effort to increase affordability, Cascade Care plans are subject to an aggregate provider reimbursement cap of 160 percent of Medicare rates for all medical services (except pharmaceuticals) with reimbursement floors for primary care providers and critical access hospitals. By 2021, the exchange will create standardized health plans with the goal of lowering deductibles and copays.



ABOUT ALTARUM'S HEALTHCARE VALUE HUB

With support from Arnold Ventures and the Robert Wood Johnson Foundation, the Healthcare Value Hub provides free, timely information about the policies and practices that address high healthcare costs and poor quality, bringing better value to consumers. The Hub is part of Altarum, a nonprofit organization with the mission of creating a better, more sustainable future for all Americans by applying research-based and field-tested solutions that transform our systems of health and healthcare.

Contact the Hub: 2000 M Street, NW, Suite 400, Washington, DC 20036
(202) 828-5100 | www.HealthcareValueHub.org | [@HealthValueHub](https://twitter.com/HealthValueHub)