

March 21, 2023

Dear Members of the Washington State Senate Health & Long Term Care Committee,

We, the undersigned organizations, write to ask for your support of ESHB 1508, which strengthens the state's oversight of health care spending at the Health Care Cost Transparency Board. The increasing cost of health care is the most important issue facing patients today and we need ESHB 1508's proven accountability framework to start bending the cost curve. Please support affordability and move ESHB 1508 out of the Senate Health & Long Term Care Committee.

The impact of high health care costs has been well-documented, especially among the most vulnerable in our state. [In a recent survey of Washingtonians](#), **62% of all respondents faced a health care affordability burden in the last year**— meaning they were uninsured due to high costs, delayed or went without health care due to cost, or struggled to pay medical bills. Examining the survey results through a health equity lens reveals stark disparities as lower income individuals, people living with disabilities, and people of color reported higher rates of going without care and incurring debt due to health care costs.

This comes despite Washington's impressive health care system that has one of the lowest rates of uninsurance in the country and world-class institutions providing quality health care. We know you've heard from providers this session who are asking for increased reimbursement rates - while that's an important issue that needs to be addressed, it does not provide any relief to the thousands of patients who cannot afford their health care. **Over 400,000 people in our state have medical debt of at least \$500** – a clear indication that we are failing too many people who need health care to survive.

The high cost of health care is felt by people at several levels. First, the cost of health insurance premiums has been rising far beyond consumer's ability to afford coverage. Despite a strong rate review program, premiums for [2023 exchange plans rose by 8.2%](#), with most carriers increasing premiums by 10% or more. We know increased higher premiums for workers with employer-sponsored insurance means they are forgoing compensation increases as employers struggle to provide health care to their employees. Patients are also hit by rising deductibles and higher out of pocket costs. Increasingly, it's people with insurance who can't afford health care. In fact, **over half of people with insurance in the recent survey reported that they went without care due to cost at least once in the last year.**

Insurance is no longer the golden ticket it once was to access health care. The high rate of spending by everyone in our health care system means more and more people cannot afford to seek the care they need. We must address the underlying issue of out of control spending if we are to offer any real relief to consumers.

ESHB 1508 takes meaningful steps towards affordability by holding providers and payers accountable for their spending. Its accountability measures, patterned after Massachusetts and now used in other peer states like California and Oregon, are reasonable, proven, and put

consumers at the center of health care. Massachusetts' spending benchmark saved employers and consumers \$7.2 billion in its first five years, *even as their premier medical institutions continued to thrive*. We could see similar results in Washington if we partner with our health care systems to bend the cost curve.

Please put consumer affordability at the center of all healthcare spending and pass ESHB 1508.

Signed,

Economic Opportunity Institute

Health Care for All - Washington

Health Care is a Human Right - Washington

National Alliance on Mental Illness - Washington

North Seattle Progressives

Northwest Health Law Advocates

Pacific Islander Health Board of Washington

Patient Coalition of Washington

Purchaser Business Group on Health

SEIU Healthcare 1199NW

Teamsters 117

34th Legislative District Democrats, Health Care Caucus

Washington Poor People's Campaign

Washington State Alliance for Retired Americans

Washington State Labor Council

Washington State Nurses Association