

SUPPORTING POLICY SOLUTIONS TO LOWER HEALTH CARE COSTS

The cost of health care is unsustainable. Patients in Washington are forced to choose between going to the doctor and paying for basic needs like food and rent. Small business owners struggle to pay escalating health care costs. And critical programs and infrastructure are competing for scarce state resources. Until we take on health care spending, the costs for patients, workers, employers, and the state will continue to spiral.

No single answer can solve this complex issue. But <u>new data</u> is helping us to understand the drivers of health care spending in WA, including the prices charged by certain large hospital systems, providers, and pharmaceutical suppliers. We can target key aspects of the problem by advancing a range of sound, data-driven policy options. This year, patient groups, advocacy organizations, business leaders, and labor unions have joined forces to tackle health care prices. <u>Recently-surveyed</u> Washingtonians of all political affiliations say they are ready for elected officials to take action and reduce health care prices.

These 5 legislative solutions can help make that possible:

Increasing Oversight to Lower Health Care Costs (HCCTB 2.0) <u>HB 1508/SB 5519</u>

Created in 2020, Washington's Health Care Cost Transparency Board (HCCTB) is working to understand what's driving health spending, but it needs more authority to effect change. Legislators need to help the board:

- Improve rulemaking and data collection authority
- Track consumer underinsurance
- Evaluate how profit accumulation and nonprofit tax breaks contribute to spending
- Hold high price outliers accountable, as needed

82% of Washingtonians support limits on health care spending growth with penalties

2 Strengthening Prescription Drug Price Accountability (PDAB 2.0) HB 1269

A new Prescription Drug Affordability Board (PDAB) was created in the last session, but industry pressure weakened the final law. Legislators need to strengthen the Board so it can:

- Increase the number of drugs subject to oversight
- Speed up the timeline for affordability reviews and upper payment limits
- Remove pharmaceutical industry representatives from PDAB advisory groups

<u>91%</u> of Washingtonians support standard prices for drugs to make them more affordable





Improving Health Care Accountability Through Fair Negotiations HB 1379/SB 5393

Large, consolidated health care systems have too much power in negotiating with insurers and can drive prices up. Legislators need to stop anticompetitive behavior by ensuring that health systems can't use unfair negotiating tactics and:

- Prevent common anti-competitive practices in contract negotiations between insurers and providers
- Direct the AGO and OIC to study anti-competitive behavior

<u>87%</u> of Washingtonians support price controls on contracts between insurers and providers

Preventing Anticompetitive Mergers (Keep Our Care Act) <u>HB 1263/SB 5241</u>

Health system mergers and acquisitions often result in higher prices for patients and can diminish access to important health care services in our communities. Legislators need to implement stronger oversight to:

- Prevent consolidations that reduce access to affordable quality care or drive up prices
- Require the health care needs of marginalized communities to be considered

87% of Washingtonians support more competition to improve choice and access

Supporting Frontline Health Care Workers (WA Safe + Healthy) <u>SB 5236</u>

Price reforms cannot be balanced on the backs of the frontline health care workers. With <u>WA Safe and Healthy</u>, legislators can ensure support and protections for the workers who are at the center of delivering high quality health care and:

- Protect patient safety by ensuring lower patient loads
- Enforce overtime, meal, and rest break laws, and require penalties for violations

Together, we can make health care more affordable in Washington!