

February 14, 2005

Senator Karen Keiser, Chair
Members of the Senate Health and Long Term Care Committee
Olympia, WA

Dear Senator Keiser:

I appreciate the opportunity to provide written testimony regarding Senate Bill 5703, ***Preserving Private Practice Involvement in the Community Safety Net***. As the title of the bill suggests, this proposed legislation is intended to preserve the number of private medical practitioners providing essential “safety net” care to uninsured and Medicaid patients in Washington State.

My purpose in providing this written testimony is to give you some context regarding SB 5703 that might help the committee understand why the entire Whatcom County delegation, regardless of party affiliation, has signed-on to this bill.

I am employed by St. Joseph Hospital in Bellingham as the director for Community Outreach and Mission Integration. A significant portion of my job involves working with the Whatcom Alliance for Healthcare Access (WAHA) to ensure access to healthcare for Medicaid recipients, insured people, and other vulnerable populations in Whatcom County. Over the last year I chaired the community workgroup that sparked the legislation under consideration today.

SB 5703 can be seen as the legislative conclusion of a yearlong dialogue between healthcare providers, community leaders (including business, government and faith communities), and our legislative delegation. The discussion started with the convening of a workgroup charged with researching the problems associated with access to care in Whatcom County and making recommendations for solutions.

After conducting a series of focus groups with providers and patients and reviewing a considerable amount of data, the group came back to the Alliance Steering Committee with a two-part recommendation: 1) Replicate the best of what other communities have done to increase access to care in their communities¹; and 2) pursue legislation that somehow increases Medicaid reimbursement for physicians and reduces the administrative burden of being a Medicaid provider.

¹ The Alliance is currently working with our local Medical Society and others to implement: 1) an outreach program for uninsured; an organized network of specialty physicians willing to donate their time; and 3) care management and patient education for selected populations.

The reason for the second part of this recommendation is simple: the group came to realize that more than three quarters of all Medicaid primary care in Whatcom County is provided in private medical offices, as is nearly all of Medicaid supported specialty care. Additionally, it became clear that private physicians are needing to limit the number of Medicaid patients they see, and in some cases reconsider their commitment to the program.

Key findings from the focus groups included:

- Generally doctors want to continue seeing Medicaid patients, but they are finding it more and more difficult in the face of the “double-whammy” of a low reimbursement rate coupled with an increasing administrative burden.
- The cost saving measures implemented by MAA last year may have reduced expenditures for the State, but they increased the time and expense that local medical providers spend trying to treat their patients.

The Whatcom Alliance Steering committee shared the findings of the Access Workgroup in a series of formal presentations with our legislative delegation. These presentations were very specific and supported with data. Our legislators invited the Alliance to submit ideas for administrative fixes and possible legislation. SB 5703 is in direct response to this request.

One of the reasons this bill has received such wide support from around the state and from within Whatcom County is because we are suggesting that private practice involvement in the community safety net be viewed in a different way. Private physicians are in fact for-profit small businesses. Unlike other small businesses, private physicians are expected to participate in a social contract to care for the underserved at rates well below their costs and with no recognition of their contribution to maintaining a vital safety net system.

Our tax code is constructed to provide tax advantages to non-profit institutions because they engage in community benefit activities. What the Alliance is seeking is recognition that many private physicians provide the same kind of community benefit and that it is in all of our interests to support these activities.

Thank you for allowing this bill to be heard in committee and for considering new ways we can support physicians who are continued commitment to their patients and our communities. I urge you to allow the bill out of committee and on to the step in the process.

Sincerely,

Chris Phillips, Director
Community Outreach and Mission Integration