

Resolution in Support of the Keep Our Care Act

WHEREAS, mergers and acquisitions between health care entities, i.e., hospitals, hospital systems, and provider organizations are prolific across the country and in Washington State, negatively impact cost, quality, wait times, and access to legal health care services; and in Washington State these health care entity consolidations receive minimal oversight, allowing large health care systems to dictate patients' access to care, including reproductive, end-of-life, and gender-affirming care while in other states such as Oregon, Massachusetts, and California they have regulations which require oversight of mergers & acquisitions of health care entities[\[1\]](#); and

WHEREAS, mergers and acquisitions have been proven to drive up costs for patients in Washington State and leaving communities without access to public health care as noted in 2017 when Washington's Attorney General sued CHI Franciscan in a federal anti-trust lawsuit regarding consolidations that resulted in raised prices, increased wait times, and reduced services and locations[\[2\]](#); and

WHEREAS, A recent study by *The New England Journal of Medicine* found that hospital acquisitions are associated with moderately worse patient experiences. Washington hospital data indicates that our health system ranks poorly in quality measures, with patient satisfaction scores that are lower than independent hospitals; and

WHEREAS, these consolidations restrict staff, in faith-based consolidated care centers, from providing legal, critical services, and yet they continue to take taxpayer dollars. Due to these consolidations and mergers, in 2021, 49% of Washington State's hospitals were religious based[\[3\]](#); and

WHEREAS, mergers and acquisitions exacerbate systemic inequities. Private health systems' efforts to increase revenues leads to worsening health care access and outcomes for Medicaid patients, disproportionately People of Color. About 30% of the population in Washington State identifies as non-white, but over 40% of WA State Apple Health patients are People of Color.

THEREFORE, BE IT RESOLVED, the 46th Legislative District Democrats urge our Washington State legislators to pass and the governor to sign the Keep Our Care Act, to join other states, such as Oregon, Massachusetts, and California:

- To prohibit health care entity consolidations that diminish access to affordable quality care;
- To require Attorney General oversight, compliance, and enforcement power to ensure health care consolidations do not negatively impact access to health care services
- To institute a health equity assessment so that consolidations/mergers address the needs of marginalized communities; and
- To institute public hearings and comment opportunities prior to proposed consolidations; and

THEREFORE, BE IT FINALLY RESOLVED that a copy of this resolution will be sent to the WA State Legislators and the Governor.

[\[1\] Oregon House Bill 2362](#) and [Information About Material Change Notices/Cost and Market Impact Reviews | Mass.gov](#) and [Examining the Authority of California's Attorney General in Health Care Mergers](#)

[\[2\] Attorney General Ferguson: CHI Franciscan will pay up to \\$2.5 million over anti-competitive Kitsap deals](#) “Privately, in documents obtained during the Attorney General’s Office’s investigation, officials at CHI Franciscan and The Doctor’s Clinic (TDC) discussed the deals as a boon to their bottom line and harmful to patient care. CHI Franciscan’s Chief Financial Officer, Mike Fitzgerald, wrote in an email: ‘I am all for taking advantage of hospital-based pricing. ... It would be great to drop a couple of million more to our bottom line, if we think we can do it.’”

TDC’s former physician president succinctly summarized these effects ...: “I can’t wait to hear how CHI [Franciscan] messages the addition of TDC to [Franciscan Medical Group]. ‘You can now get your outpatient care in a complex, relatively unsafe, and vastly more expensive location. You are welcome, Kitsap County...’”

[\[3\] \[3\] Hospital Merger in Washington State Stokes Fears About Catholic Limits on Care | Kaiser Health News](#) With the Virginia Mason Merger with CHI Franciscan on January 7, 2021, the number of Catholic Hospital beds in WA State increased from 48% to 49% placing WA State as the state with the 2nd highest number of Catholic based hospital beds with Alaska at 49.25%.

Previously passed by 34th LD Democrats in May 2022