



P.O. Box 30506 Seattle, WA 98113 • www.hcfawa.org

Frequently Asked Questions about the Washington Health Security Trust

1. Health care reform and the WHST

Now that we have the Affordable Care Act, why do we need the WHST?

The WHST offers these advantages over the ACA: (1) comprehensive, continuous coverage for all residents; (2) no deductibles or limits on coverage (there may be small copayments); and (3) inclusion of every licensed provider, not just those in particular networks. Even with the ACA, about 110,000 Washington residents still do not have coverage, for various reasons; the WHST will provide immediate coverage for those individuals.

How will the WHST work with the ACA?

Section 1332 of the ACA allows states to apply for an “innovation waiver” to develop their own plans. After the bill is enacted, the Health Care Authority will apply to the federal Department of Health and Human Services for such a waiver. Implementation can begin as early as January 1, 2017.

What is the current status of the WHST?

HB 1025/SB 5132 had a total of 40 co-sponsors in 2015. The bill had a public hearing in the House Health Care & Wellness Committee in February, 2015. No action was taken in the Senate.

What’s happening on the single-payer front in other states?

At least 23 states have active single-payer organizations that communicate regularly, sharing ideas and information, as well as lobbying in Washington, D.C. Legislatures in Vermont and New York have acted on single-payer bills similar to the WHST.

2. Benefits under the WHST

What services will be covered?

All medically necessary services provided by a licensed practitioner will be covered. The WHST Board and three advisory committees (Technical, Financial, and Citizens) will work out details and will regularly update coverage regulations.

Will the WHST cover prescription drugs?

Yes. The state’s bargaining power should result in much lower drug costs, which will be reflected in the lower premiums and assessments needed to finance enrollees’ medical care.

Can I keep my same doctor?

Yes, you will be able to choose any licensed provider in the state.

3. Coverage under the WHST

Will everyone in the state be covered?

Yes. Upon enactment of the WHST, all residents of the state of Washington will be covered. Veterans, persons over the age of 65, and others who receive health care under federal programs will continue to be covered under those programs. The goal is to include these groups under the WHST in the future.

Will the WHST replace my current plan?

The WHST will provide coverage for all medically necessary services. Supplemental insurance will be available for non-covered items.

What if you're covered by the WHST but need care outside of Washington State?

The provider's bill will be submitted to the WHST for payment. As with in-state treatment, there will be problems only if the care was *not* medically necessary or if the out-of-state provider submits unreasonable charges.

What if someone is visiting Washington and needs care?

The bill will be sent to the patient or to his/her insurer.

How will the WHST work with Medicare?

Medicare recipients will continue to receive their Medicare benefits. The WHST may act as a 'Medigap' policy, secondary to Medicare. The goal is to include Medicare recipients under the WHST in the future.

How will the WHST work with Medicaid?

Medicaid is funded jointly by the state and the federal governments, and there is a long history of states being granted special permission to use their federal Medicaid funds for pilot projects. It should therefore be easy to get the necessary waiver to move Medicaid enrollees, and their federal funds, into the WHST.

4. WHST costs and funding

How will the costs of the WHST compare with the cost of health insurance purchased on the ACA exchange?

The ACA has no mechanism to control overall health care spending. The trend is for premiums for private insurance to go up while the quality of coverage goes down. The trend is also for employers to cover an ever-lower percentage of the premiums, leaving more and more to be paid by the employees. Under the WHST, the employers' costs and employee premiums will be fixed and easily understood. Studies have shown that administrative simplicity, bulk purchasing, and negotiating power can significantly reduce costs. Pooling the funds for health services across the state and spreading the risk across the entire state population provides a stable mechanism to pay for high-quality care for EVERY Washingtonian at significantly lower cost.

How will the WHST be paid for?

The exact funding mechanism will be devised by the Joint Select Committee on Healthcare Oversight (the committee that oversees the ACA Exchange) after it has completed its actuarial study. To raise sufficient funds, a combination of a payroll assessment on all employers and an individual premium will likely be required. Funds that the various levels of government (state, county, and city) pay for health care will also be included. It is hoped that eventually federal health care funds will also be included. (Currently, government spending on health care accounts for more than half of all health care spending nationally.)

Would employers have the option of paying for health coverage as an employee benefit?

Yes, employers may choose to pay their employees' premiums for the standard set of benefits that everyone receives.

What will happen to workers' compensation (L&I) under the WHST?

The medical component of L&I would shift to the WHST, resulting in lower premiums for employers. Other aspects of the program would remain unchanged.

5. Quality of care

How will health care quality be assured?

Health care providers already must adhere to strict licensing requirements and oversight. The WHST bill (Section 5) adds another layer of quality assurance by establishing a Technical Advisory Committee to monitor health care quality.

How will we have enough providers to meet the increased need for health care?

Expansion in the use of nurse practitioners and increased medical school enrollments are underway and should improve the availability of primary care. There are already programs in place that forgive some or all of new physicians' loans if they choose to practice primary care in underserved areas. The administrative simplicity of the WHST will save providers' time and money, as the WHST replaces all private and many of the public plans.

Will there be long wait times, as in Canada? Will Canadians come to Washington to get care more quickly?

In general, Canadians are quite happy with their health coverage system. There are no long waits for urgent or emergent care, although elective procedures sometimes have a wait. Most Canadians who are treated in the U.S. got sick or injured while visiting here; their care is then covered by the Canadian health system.

The U.S. has, if anything, more high-tech devices, tests, and specialists than we need. There is no reason to expect long waits for any necessary care under the WHST.

More information:
www.hcfawa.org