



August 23, 2016

Hon. Mike Kreidler
Washington State Insurance Commissioner
PO Box 40258
Olympia, WA 98504-0258

Dear Commissioner Kreidler:

As you know, health insurance plans around the nation are engaged in a deliberate effort to narrow their network provision of services and thereby exclude physicians and hospitals from their plans whether offered through the state exchanges or in the private market. The consequence of these narrow networks is greater patient reliance on out-of-network physician services at in-network hospitals and facilities. Unfortunately, the network access (adequacy) rules (WAC § 284-170-200), adopted by the Department in 2014 and effective January 1, 2015, do not provide any explicit criteria for evaluating the sufficiency of hospital based physician providers in health plan networks at in-network hospitals and in-network facilities.

In order to address this issue, the State of California adopted in March 2016 new rules to assess the sufficiency of health plan networks for the provision of hospital based physician providers. Specifically, the new state rule (California Code of Regulations Title 10, Section 2240.5 (d) (14) provides that health plans submit prior to approval:

(14) A report describing, for each network hospital, the percentage of physicians in each of the specialties of (A) emergency medicine, (B) anesthesiology, (C) radiology, (D) pathology, and (E) neonatology practicing in the hospital who are in the insurer's network(s).

No such similar requirement exists in the current WAC § 284-170-200, which does not specifically establish any directly applicable criteria for assessing the adequacy of health plan network in this regard. We believe that adoption of the proposed regulation will further facilitate our mutual interest in ensuring that Washington State patients have reasonable access to in-network physician providers at in-network facilities and hospitals.

We know that organizations representing health insurance plans have publicly resisted the adoption of these rules, both at the state level and at the National Association of Insurance Commissioners. We believe that the opposition of the health insurance industry to regulations ensuring network adequacy is entirely self-serving and counter to the public interest. Accordingly, we encourage your office to over-ride their concerns and adopt such rules in order to ensure that consumers in the State of Washington are not misled into purchasing health insurance plan products that they believe can provide them with reasonable access to in-network physician providers at in-network facilities and hospitals.

Thank you for your consideration of this proposal.

Sincerely,

A handwritten signature in blue ink, appearing to read 'M. Ghofrani', with a stylized flourish at the end.

Mohiedean Ghofrani MD, MBA, FCAP, President

cc: Honorable Eileen Cody
Chair, House Health Care & Wellness Committee

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