



AMERICAN OSTEOPATHIC ASSOCIATION

TREATING OUR FAMILY AND YOURS



February 8, 2017

The Honorable Ann Rivers
Chairwoman
Washington State Senate Health Care Committee
466 J.A. Cherberg Building
PO Box 40466
Olympia, Washington 98504

Dear Chairwoman Rivers:

The American Osteopathic Association (AOA) and the Washington Osteopathic Medical Association (WOMA) are writing in support of SB 5471. This bill increases Medicaid payment rates for primary care services to Medicare rates. The AOA and WOMA strongly support increased Medicaid payments as a way to ensure continued physician participation in this program, and access to primary care services for the state's low-income patients.

The AOA represents nearly 130,000 osteopathic physicians (DOs) and osteopathic medical students, promotes public health, encourages scientific research, serves as the primary certifying body for DOs and is the accrediting agency for osteopathic medical schools. More information on DOs/osteopathic medicine can be found at www.osteopathic.org. WOMA is a professional medical organization that represents nearly 1,500 DOs providing patient care in Washington.

Medicaid finances health services for more than 70 million Americans including children, pregnant women, individuals with disabilities, and working Americans otherwise unable to afford insurance or whose jobs do not offer employer-based coverage.¹ Unfortunately, lower Medicaid payment rates create substantial barriers to patients getting access to needed health care services.² In Washington, primary care payment rates for Medicaid are only 64% of Medicare rates.³

A study of primary-care physicians revealed that comparatively low payment rates are a substantial factor affecting participation in Medicaid and access to services for Medicaid beneficiaries.⁴ According to the Medicaid and CHIP Payment and Access Commission (MACPAC), 22.6% of primary care physicians have historically been unwilling to add new Medicaid/CHIP patients, which

¹ See <https://www.statista.com/statistics/245347/total-medicaid-enrollment-since-1966/>.

² See http://www.aap.org/en-us/professional-resources/Research/Medicaid_percent20Reimbursement_percent20Reports/2010-2011MedicaidReimbursement_Complete.pdf for state-by-state payments by billing code.

³ See <http://kff.org/medicaid/state-indicator/medicaid-to-medicare-fee-index/?currentTimeframe=0>.

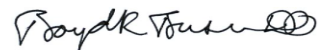
⁴ "Headed for a Crunch: An Update on Medicaid Spending, Coverage and Policy Heading into an Economic Downturn," Kaiser Family Foundation, September 2008.

is nearly 10% less than are willing to accept new Medicare patients.⁵ The study also demonstrated that inadequate access to physician care led individuals to seek care at hospital emergency rooms. Further, a study funded by the Robert Wood Johnson Foundation, and published by the New England Journal of Medicine, found early evidence that increased Medicaid payments for primary care providers improved the availability of primary care appointments without generating longer waiting times.⁶

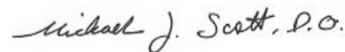
Our goal is to ensure that Medicaid and CHIP patients receive adequate comprehensive health care. Strong evidence demonstrates that increasing funding for Medicaid payments, by requiring payments at the same rate as Medicare, is critical to ensuring access to health care services. This leads to better quality of care for patients and decreased costs for the states. By requiring Medicaid payment increases for primary care service providers, Washington State will ensure that physicians continue to participate in this important program, thereby improving access to care for the state's more than 1,800,000 Medicaid and CHIP enrollees.⁷

The AOA and WOMA are strongly in favor of protecting access to health care for low-income Washington patients. **We thank you for your leadership in introducing SB 5471.** Should you need any additional information, please feel free to contact Nicholas Schilligo, MS, Associate Vice President, State Government Affairs, at nschilligo@osteopathic.org or (800) 621-1773, ext. 8185.

Sincerely,



Boyd R. Buser, DO
President, AOA



Michael J. Scott III, DO
President, WOMA

CC: Mark A. Baker, DO, AOA President-elect
William J. Burke, DO, Chair, AOA Department of Governmental Affairs
Richard Thacker, DO, Chair, AOA Bureau of State Government Affairs
Adrienne White-Faines, MPA, AOA Chief Executive Officer
Laura Wooster, Senior Vice President, AOA Public Policy
Nicholas Schilligo, MS, Associate Vice President, AOA State Government Affairs
Kathleen Itter, Executive Director, WOMA

⁵ Decker, Sandra L., Two-Thirds of Primary Care Physicians Accepted New Medicaid Patients In 2011-12: A Baseline To Measure Future Acceptance Rates, *Health Affairs*, 32, no.7 (2013): 1183-1187.

⁶ Polsky, Daniel, Appointment Availability after Increases in Medicaid Payment for Primary Care. *N Engl J Med* 2015; 372:537-545. February 5, 2015.

⁷ No author. "Medicaid-Marketplace Overview: Washington." Medicaid.gov, Nov. 2016. Available at: <https://www.medicaid.gov/medicaid/by-state/stateprofile.html?state=washington>.