



March 31, 2014

The Honorable Mike Kreidler, Commissioner  
Washington State Office of the Insurance Commissioner  
P.O. Box 40255  
Olympia, WA 98504-0255

Dear Commissioner Kreidler,

*Commissioner*

I am writing to express serious concerns on behalf of all Washington hospitals and health systems about the draft network adequacy rules issued March 19, 2014. If adopted, these rules could severely impact access to care across the state.

Washington residents should be assured access to preventive, primary, acute, mental health and specialty care, regardless of whether they live in an urban or a rural area. We understand that hospitals exist in competitive markets, and we do not expect that all hospitals will be included in all networks. However, there is no reason to have less-stringent access standards in rural areas if providers and facilities are available in those areas. Instead, the rules should have mandatory minimum requirements for access, and exemptions to these requirements should be granted only in very limited situations. The rules, as well as the standards for exemption, should be clear and measurable.

The draft rule fails on all of these accounts. It requires less-stringent access in rural areas, for hospital access, primary care, and for pediatric specialty care. We believe it is possible to have one standard. Our state's Medicaid contract requires a hospital within 25 miles of 90 percent of enrollees in all areas of the state. We also think a mileage standard is much clearer than one relying on travel times.

Further, we are concerned that carriers can easily be granted an exemption to all of the rule's requirements. The rule's requirements for filing an "alternate access delivery request" are too loose to be meaningful, by only requiring "substantial evidence" of a good faith effort to contract and by not allowing rate consideration in this determination. We are also concerned that the rule limits essential community providers to those on the "CMS non-exhaustive list of essential community providers."

We would like to meet with you in person as soon as possible to discuss these issues. It is important to adopt the right standards, either with revisions to the draft rule or by



starting the rule making process anew. We know other providers are concerned and would be open to meeting with you alone or with a broader coalition of providers.

Thank you for your urgent attention to this issue. If you have any questions, please contact Barbara Gorham, Policy Director - Access, at 206-216-2512 or BarbaraG@wsha.org.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Scott Bond'. The signature is fluid and cursive, with a large, looping initial 'C'.

C. Scott Bond, FACHE  
President & Chief Executive Officer, WSHA