



August 22, 2014

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Public Policy and Government Relations
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Ms. Kate Reynolds
Office of the Insurance Commissioner
State of Washington
P.O. Box 40258
Olympia, WA 98504-0258

Submitted electronically via email – RulesCoordinator@oic.wa.gov

RE: Network Access (R 2014-08) Preproposal

Dear Ms. Reynolds,

I am writing on behalf of Group Health in response to the OIC's request for comments on its Preproposal Statement of Inquiry on the Network Access rules. We appreciate the opportunity to provide comments prior to the issuance of the proposed rules.

Group Health supports the overarching goals of the regulatory work to promote adequate access to providers, while clearly outlining requirements that carriers must meet to offer health plans in Washington State. While we support the general goals of the rulemaking, we also wanted to offer the following comments for the Commissioner's consideration.

Scope Concerns

Based upon the subject matter and text contained within the original network access exposure draft released on December 4, 2013, we are concerned that this phase of the network access rulemaking may venture into areas involving care management and quality. Some examples are rules applying to prior authorization, medical homes, or reimbursement rates based on quality measures. Regulating care management for highly integrated delivery systems like Group Health is fraught with complexity and any new requirements in this area might unintentionally undermine our system of care and thwart further innovation. We suggest that any areas that do not directly tie with network adequacy be addressed in separate rulemaking.

Accommodating HMO Networks

In drafting the proposed rules, we ask the Commissioner to keep in mind that HMOs and PPOs have different business models. HMO networks have a combined business and clinical model where networks are organized for high-performance, integrated care delivery with deliberately more limited provider choice. PPO networks follow a different business model where they

provide an abundance of provider choice. Rules that are focused on requiring broad provider choice, may hinder our efforts to deliver on what society is increasingly expecting from our model of care delivery – higher quality, improved health outcomes, and affordability. We suggest that the rules be written in a manner that accommodates and allows for these different plan types without stifling current practices and future innovation. For example, in the December 2013 draft of the rules, WAC 284-43-202(4) requires that issuers “have a sufficient number and type of providers for whom direct access is required...” Here, we recommend that the Commissioner amend the language to include a distinction that acknowledges and allows for HMO models where direct access to providers is only allowed for certain types of providers, and where enrollees are encouraged to use high-quality providers within integrated healthcare delivery systems.

Rulemaking Process

Finally, because this rulemaking is of the highest importance to us and many other stakeholders, we would like to take this opportunity to express our hope that the rulemaking process will be transparent and collaborative as it moves forward. For example, we suggest that the rulemaking process be designed to allow adequate time for stakeholders to review and respond to all drafts of the rules. In addition, the Commissioner should be afforded the time necessary to review stakeholder comments and, hopefully, respond to them throughout the rulemaking process.

Thank you again for the opportunity to provide comments on this Preproposal. We look forward to collaborating with your office on the draft rules.

Sincerely,

A handwritten signature in cursive script, reading "Megan Grover Howell".

Megan Grover Howell
Director, Policy and Regulatory Affairs
Group Health Cooperative