WASHINGTON ASSOCIATION OF NATUROPATHIC PHYSICIANS

9500 Roosevelt Way NE, Ste 306, Seattle, WA 98115

Date: August 22, 2014

From: Robert May, ND, Executive Director, Washington Association of Naturopathic Physicians

To: Kate Reynolds, Rules Coordinator, Office of the Insurance Commissioner, P.O. Box 40258, Olympia WA 98504

Agency: Subject of possible rule making: Network Adequacy; Insurance Commissioner Matter No. R 2014-08; Submit written comments to initial stakeholder exposure draft of the proposed rule text not later than August 22, 2014 to: rulescoordinator@oic.wa.gov

The Washington Association of Naturopathic Physicians (WANP) submits the following comments on Insurance Commissioner Matter No. R 2014-08.

In order to incentivize provider participation in primary care services, consistent with provisions of ESSHB 2319, Affordable Care Act Implementation 2012[1] and the intent of the Washington State Health Innovation Plan[2], the WANP strongly supports the following language from the attached OIC stakeholder exposure draft - 12/4/13.

WAC 284-43-330 Participating provider—Filing and approval, Section 8(c)(i):

8(c)(i) An issuer must not offer incentives to one type of provider delivering a service if the same incentive is not offered to a different type of provider licensed to provide the same service, unless there is a facially neutral reason for making a distinction between the two provider types that is not related to licensure, such as the quality of care or the provider's control of cost.

Our rationale in support of this language includes the following:

Increased access: The above language will help to ensure that Washington citizens have access to the largest number of primary care practitioners, as required by the federal Health and Human Services (HHS) in implementation of the Affordable Care Act.

In order to meet the projected shortage of primary care providers, and in line with the requirements of the ACA, there is an urgent need to expand the number of providers offering

primary care services in Washington. In order to do this, providers must be able to cover their costs and make a living, and removing reimbursement discrimination will make it much more possible for both naturopaths (NDs) and nurse practitioners (ARNPs) to address this growing need for care.

Equivalence of Service: The need for this non-discriminatory language is the premise of 'equal pay for equal work' as applied to primary care medicine. All recognized primary care providers (MD, DO, ND, ARNP) are licensed and able to offer services required in the federally mandated Essential Health Benefits. However, carriers have long reimbursed for services such as physicals, women's annual and well-child exams – now required for coverage as preventive services by the ACA – at significantly different rates based on provider type. Until this past year, naturopathic physicians were reimbursed by some carriers up to 35 – 40% less than medical doctors (MDs) and osteopaths (DOs) for the exact same services. In 2013, the largest carrier in the state changed this to a differential of 15%, with naturopaths (NDs) and nurse practitioners (ARNPs) still receiving substantially less than MDs and DOs.

Enrollees Discrimination: An additional reason for this guideline is that discriminatory reimbursement practice offers no benefit to the enrollee. Enrollees do not receive discounted premiums or lower co-payments or lower co-insurance when the provider is a naturopath (ND) or nurse practitioner (ARNP) receiving lower reimbursement for the recognized essential health benefits. In fact, the sole beneficiary of this 15% or greater savings in reimbursement, without material justification, is the carrier – not the enrollee.

Implementation of language consistent with that of WAC 283-43-330 Section 8(c)(i) will not only recognize the equivalent service provided and incentivize more providers to offer primary care in Washington, but it will remove an unsubstantiated and unnecessary benefit to carriers that occurs at the expense of enrollees.

Benefits to the public would be further supported by inclusion of language from the attached OIC stakeholder exposure draft – 12-4-13, **WAC 284-43-310, Section 3, Selection of participating provider – Credentialing unfair discrimination.**

(3) A carrier's selection standards must not discriminate regarding participation in the network solely based on the provider type or category if the provider is acting within the scope of their license. An issuer may establish varying reimbursement rates based on quality or performance measures, consistent with WAC 284-43-330.

The WANP strongly supports the above language, including the ability of carriers to vary reimbursement based on 'quality and performance measures' – but we disagree with current discriminatory practices based on the type of profession, as evidenced by lower reimbursement rates for naturopaths (NDs) and nurse practitioners (ARNPs.)

We also support the language from the attached OIC stakeholder exposure draft, **WAC 284-43-330 Participating provider – Filing and approval, Section 8.**

(8) If a carrier establishes a reimbursement structure pursuant to section 2717 of the Public Health Service Act (42 U.S.C. 300gg), the terms and conditions of that structure must be included in the contract with a participating provider either as an addendum or as a specific section or sections of the contract. The contract must identify the data source the carrier plans to use to make the determinations under the reimbursement structure, and establish a method that the provider or facility can use to validate the data and conclusions related to the reimbursement structure.

To date, carriers have not made available or been able to demonstrate the rationale for lower reimbursement rates to naturopaths and nurse practitioners and the above language would require that such information and methods be transparent and justify provider reimbursement schedules.

Thank you for your consideration of these comments. We will be happy to provider any additional information or assistance as appropriate to the OIC process.

Sincerely,

Robert May, ND
Executive Director, WANP

References

[1] **Engrossed Second Substitute House Bill 2319, Chapter 87, Laws of 2012, Washington State.**
Section 9 (3) Provider reimbursement methods that incentivize health homes or chronic care management or care coordination for enrollees with complex, high cost or multiple chronic conditions…
Section 9 (4) Promotion of appropriate primary care and preventive services utilization.
Section 9 (5) High standards for provider network adequacy including consumer choice of providers and service locations and robust providers participation intended to improve access to underserved populations through participation of essential community providers, family planning providers and pediatric providers,…

Section 15 (6)(c)(iii) Health plan payment rates and provider payment rates that are sufficient to ensure enrollee access to a robust provider network and health homes as described in RCW 730.47.100…

[2] Washington State Health Innovation Plan

The Washington State Health Innovation Plan, published in January 2014,
"….is built to achieve three ultimate aims: better health, better care, and lower costs." Page iii.

Approval of this Sunrise Review legislation is fully compatible with the intent and process outlined in the Plan as seen in the following excerpts:

*Page 40: *"Leverage Washington State's Progressive Scope of Practice Laws to Improve Patient Management and Mitigate the Shortage of Primary Care Providers."*

"Washington has led in scope of practice innovation in several disciplines, providing additional opportunity for meeting the needs of a growing and changing population. For example, Washington is one of 18 states that grant independent practice and full prescriptive authority to ARNPs. …. Roadmap focus areas will include:

- *Enhancing the supply of ARNPs as well as other primary care providers, including physician assistants….*
- *Deploying registered nurses to their full potential…"*

WANP Recommendation: NDs also need to be deployed to their full potential with full prescriptive authority.

*Page A13: *"Primary Care Workforce"*

"Washington's current health workforce must continue to build capacity and make the shift to more collaborative and team-based care across the gamut of rural and urban areas and in support of a population diverse in age, disability, race, and ethnicity. As is the case in many parts of the country, the primary care workforce is facing significant challenges, and must both expand in number, work to full scope, and find new ways of extending services. Data also demonstrate issues with mal-distribution of the primary care workforce in many rural areas of the state, particularly post-Medicaid expansion."

WANP Recommendation: As is the case in many parts of the country, including Washington State, the primary care workforce is facing significant challenges and must both expand in number, work to full scope, and find new ways of extending services by allowing NDs to 'work to full scope' with full prescriptive authority.

Report to the Legislature

In its report to the State legislature, the Health Care Authority has identified that lack of access to primary care results in unnecessary use of emergency departments.

Emergency Department Utilization: Assumed Savings from Best Practices Implementation

Third Engrossed Substitute House Bill 2127, Chapter 7, Laws of 2012, 2nd Special Session (Partial

Veto) January 15, 2013
Washington State Health Care Authority Office of the Chief Medical Officer
http://www.hca.wa.gov/documents/legreports/report-3eshb2127emergencydeptutilization.pdf

"Next Steps:
The seven best practices adopted by hospitals represent just the first step in reducing unnecessary use of the emergency room. To address the demand side of emergency department care, our state must address the larger, systemic reasons why Medicaid clients go to the emergency room for their care. ….. In some cases, ***a lack of adequate or timely access to primary care may contribute to unnecessary use of the emergency department. If a client does not have a primary care physician, or cannot be seen in a reasonable amount of time for a low-acuity need, he or she may turn to the emergency department.*** *….."*

WANP Recommendation: It is the position of the WANP that implementation of the language identified above will enable more naturopaths (NDs) and nurse practitioners (ARNPs) to provide primary care services to the citizens of Washington and reduce the need and expense of unnecessary emergency room services.