

How it Happened : An Inside Look at States' 2021 Major Affordability Laws

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01:40 - ANITA PRAMODA

everyone and thank you for joining us today. I am Anita Pramoda, and I'm delighted to be leading off this event. I am a member of the United States of Care board and a business owner in Nevada. And I'm especially proud to talk to you today because my home state just passed the nation's second public health insurance operation . You will hear more about this today. And I'm delighted that the partners from Colorado and Washington are here joining this conversation. Their states have also made great strides in providing more affordable coverage to the people. Here in Nevada and across the world this pandemic has been hard. We have so many hospitality professionals in our state, and they were some of the hardest hit with job cuts. And with people's health insurance tied to their jobs, that's another hit to their security. Even before COVID, Nevada has long been among the states with the lowest health insurance rates. It's clear how desperately we need change. This public option will provide that change and we'll open up more affordable plans to more than 350,000 of our uninsured neighbors, as well as those who've been carrying insurance that they could barely afford. It's a huge relief for even more people from the fear of losing their insurance if the economy takes another hit. And it's pretty special for all our critical service workers in our state. I'm proud to be a part of United States of Care at a time when they working to make some of the most urgently needed change. Please join me in sending enormous and special thanks to Majority Leader Cannizzaro, who will hear from later today. To her colleagues and the entire coalition of supporters for getting this public option passed in Nevada and making a real impact to our people here in Nevada. Bringing all of you together to share knowledge and experience is something United States of Care can uniquely do. As a board member, I'd be remiss if I didn't make a good strong pitch and asking for your support that you waste no time in sending us your support so that USofCare, can keep up this good work and help pass the next round of major healthcare legislation. I'm sure all of you will learn so much from each other today and we appreciate you being here. Thank you again for your time and for all your hard work.

04:17 - ERIN HUPPERT

Hello, and welcome, everyone. I'm Erin Huppert. I'm the director of state External Affairs and partnerships that United States of Care, and I am incredibly excited for today's event. All of us are here to celebrate New health care laws that place people and affordability at the forefront. And we are also here to learn from one another and to hear state's approaches to making care more affordable and equitable. I want to kick us off with some background on why we are so glad to be hosting this

conversation today. Wherever we go and whatever group of people we talk to cost is the biggest concern about the American healthcare system. The leaders joining us today have just in the last few months taken a stand to address that concern by creating policies that drive down healthcare costs for their residents. They have championed and passed meaningful laws that bring real relief for people facing unaffordable health insurance and providing high quality options to people and small businesses across their states. With USofCare's mission to help bring affordable care to everyone, regardless of where they live, or how much money they have. It has been a really thrilling year for us. As for all of the advocates, we have been honored to work alongside including in Nevada and Colorado, as well as those continuing to make change in Washington State. Across those states and others, we are there helping support the work of great champions and advocates. And so, depending on what is needed on the ground, USofCare can provide financial resources, technical support, and best practices that we have learned through our previous and ongoing campaigns. We also make connections across state lines so that we can build on victories like these in the next round of solutions centered on people that bring down health care costs. All right let us get started with some brief introductions of our speakers. First, I would like to introduce Senator Nicole Cannizzaro, who leads Nevada Senate in the first in the nation, majority female legislature, and the prime sponsor of Senate Bill 420, the Nevada Public Option. Next I'd like to welcome Representative Dylan Roberts of Eagle County, Colorado and the co-prime sponsor of House Bill 1232, the Colorado Option. Please also give a warm welcome to Representative Iman Jodeh of Aurora, Colorado, who is the first Muslim and Palestinian American elected to the Colorado General Assembly, and co-prime sponsor of the Colorado Option. And finally, let's welcome Sue Birch from Washington. Sue is the director of the Washington State Health Care Authority. Welcome, everyone. So, before I kick things off with the first question, I have just a real brief piece of housekeeping for everyone watching today. If you have questions for our panelists, please enter them into the chat. Be sure to provide your name and what state you're from and if you're a member of the press, please identify yourself and your outlet when you submit your question and we will try to get to as many of these as we can in the hour today. Okay, first question. I would like to hear from each of you. Please give us a snapshot of your state. What needs were you trying to address? What did the environment look like for people's access to healthcare? And let's start with Senator Cannizzaro.

07:56- SEN. NICOLE J. CANNIZZARO

Thank you so much for having me, Erin. And thank you, again, for Anita for being here and talking a little bit about Nevada's unique environment. So, I'll start there. here in Nevada, we have a about a 11%. uninsured rate, which is pretty high, we're seventh in the nation. And we're also seventh in the nation and being one of the only states that actually did work to expand Medicaid under the ACA here in our state. Despite that, we still have what remains that persistently high uninsured rate. And so, one of the challenges that faces us, not only with the affordability of health care, but it's just this population of individuals who can't get access to care. And so, we engaged in a study over the last interim between our legislative sessions, because we only need an odd numbered year and looked at some of the data that's that surrounds that and why people are uninsured here in the state. And what can we do to help start to decrease the cost of insurance so that people can get access to care. And what we came up with was the Nevada Public Option. And what this plan does is it allows for both on and off exchange plans to be sold. There is an implementation deadline for 2025. For us to go into procurement with the first plan your being 2026 here in the state. And the goal is that over time, we would see reductions in the average cost of your gold and silver plans that are being offered here in the

state. These will be available to individuals. And we're also hoping to offer these to some of our small business enterprises. And I think Anita kind of talked a little bit about how important that is here in the state because we do have a lot of small businesses who are just not able to provide affordable health care to their employees or when they do provide that health care. It's not something that's really covering some of those basic needs that we all think of. We also work to make sure that we were investing in network adequacy so that there would be a wide range of providers here in the state. Then built into the procurement process, some parameters to give preference to bidders who do want to bid on these contracts for those who are actually focused on health outcomes, because that was another piece that we saw here in Nevada, that I think is pretty unique as well. And that is that we have a persistently high cost of care, but yet very relatively low health outcomes associated with that. And so we wanted to make sure that we were we were building the public option that we were working to put together a network that would not only provide those kinds of services that Nevadans need, but also to make sure that we are rewarding individuals who are insurers who want to actually provide good health outcomes for the people who are on the public option. And so, I think that's a pretty good snapshot of where we're at. And the other thing I would add is that we are looking to put together sort of a trust fund to utilize some federal waiver dollars in order to help buy down the costs of plans here in the state. And hopefully, between all of those options, what we'll also see is that as health care costs come down for individuals who can't afford or don't qualify for other options that currently exists, don't qualify for Medicaid, that we see a reduction in the uninsured rate. And we also start to see the cost of health care come down here in the state so that people can actually afford to go to the doctor and get the care that they need.

11:29- ERIN HUPPERT

Thank you. You know, Representative Roberts or Representative Jodeh, I don't know if you have a preference for which view goes first, but would love to hear about what you were seeing in Colorado?

11:44- REP. DYLAN ROBERTS

Sure, I'll, I'll start and Rep. Jodeh can fill in anything that I miss or add her perspective to this. But here in Colorado, we while our uninsured rate is a little lower than what it sounds like it is in Nevada, what we were having what we have here in Colorado is a vast disparity, both regionally and racially, as far as access to healthcare and the cost of health care. I represent a more rural part of the state where the two counties that I represent are two of the 10 counties in the state where currently there's only one option on the individual market for health insurance. And so, my constituents don't have any choices when they go shopping for insurance, they just either buy the one plan that's there, or they go without insurance. And because my part of the state has a much higher percentage of individuals who need to buy on the individual market, they were being priced out, and there was significantly higher uninsured rate here in rural Colorado. So, I've been working on this issue ever since I became a representative about three years ago, on behalf of my constituents who constantly get in touch with me about the lack of choice and the ever increasing prices of that one, one option that they do have. So, the goal of this legislation with my co-sponsors was always how do we increase choice? And how do we lower prices. And as well as make sure we're having a product that is quality that people can use that they can get the things covered, that they need covered. And that it's actually an affordable plan that they don't just pay the premium and then can't access health care because of deductibles or other reasons. So, we we've been working on this for a few years. As I said, we passed a bill in 2019 that's studied this issue

and asked the executive branch to come up with proposals for how to do to add a new option to the insurance market. We did introduce a bill on the along the lines of that report last year. It happened to be introduced the week before the first Coronavirus case hit Colorado. And then a week later the legislature got shut down. So, we weren't able to pass that last year. But we did get it done this year. And it was signed into law two weeks ago by the Governor. Where we ended up as sort of a public private partnership in which the Colorado Option will be sold by existing insurance companies. But the state gets to take the lead on crafting a standardized plan which will take input from communities and various stakeholders who want to provide input on what a new plan should cover and what an affordable plan looks like. And then the insurance companies will sell the Colorado option in every county in the state. So, every resident Colorado who buys on both the individual market or the small group market similar to what the Senator was talking about, we will need to help small business owners buy insurance for their employees as well. But every individual market customer and every small group market customer starting and next year during open enrollment, we'll have a new choice in every Colorado County. And I was really excited to work with Representative Jodeh who represents more Metropolitan urban part of the state to provide her perspective. So, I'll toss it to her.

14:49- REP. IMAN JODEH

And thank you Rep. Roberts. Um, you know, one thing that I would add is that while we're seeing a trend, we've got you know, in urban and rural areas, it is, in fact, the quality of care that folks are getting. On our side is, you know, being the first Muslim and Arab into the legislature, I don't have a caucus to join. So, the Black Caucus adopted me. And you know, as such, there was, there was no difference between what we were hearing in our communities, especially Brown, Black and Indigenous communities, about the lack of quality, health care, that didn't really provide folks with an option, that usually meant that for primary care, they were using the emergency room. And so, we really wanted to have this massive shift from this traditional practice that ultimately was derived from the lack of, again, quality, sustainable health care that we believe is a basic human right for everyone. The other thing that we really wanted to make sure of was that it was reflected in again, urban and rural areas, that there was a healthy representation of expertise, of ethnicity of backgrounds, to make sure that the ultimate public option of the Colorado option was a true representation of the needs of the people also based on what they can afford. And knowing that access to health care, was also quite frankly, a systemic racial issue. Because when you don't have that access to sustainable and quality health care, that really prices people out of the market. And oftentimes, it is Brown, Black and Indigenous people. And so, when you think about systemic racism, ironically, when you Google systemic racism, one of those things is in fact, healthcare.

17:23- ERIN HUPPERT

If you're I should say we were involved in the coalition in Colorado. And so, these are things that are very near and dear to my heart as well. And I am really proud that the coalition stood and put health equity as such a sort of cornerstone part of the entire process. And I'm really honored that you helped carry that voice and make sure that it was a meaningful part of the entire process. So, I'm wondering if you could describe Washington a little bit and in your description, would also love to hear what you learned about your first year of implementation of cascade care, since you're in a slightly different place than our previous two states?

18:06- SUE BIRCH

Yeah, thank you. And for the Representatives that are launching the separate, we just applaud you. And we think it's great that this public option work is beginning to spread. So, Washington's initial legislation created what we call our public option, Cascade Care. And that was 2019. We hit it before COVID. And so, we obviously got all the plans lined up, and all everybody all the rules and working in partnership with the Office of insurance commissioner and health benefits exchange, and we launched this January 2021. But initially, the legislation really wanted to create more affordable options for our individual market, and on the health benefit exchange, and it directed the creation of new standardized benefits. And why this was so important is we kept seeing the premiums go up, but really zing, the patient portion. And so, it increased the actuarial values, it lowered the deductibles and the out of pocket expenses and the services before the deductible. The second thing our public option did was it put public purchasing focus on value-based purchasing and affordability components. And so, by that, I want to just say that we use the gravitas of the Health Care Authority. We are the biggest health purchaser for the state of Washington, we buy for Medicaid, and we buy for public and school employees. So about 2.7 million lives get purchased through our Health Care Authority. And we use that gravitas of our purchasing power and we had a drive towards affordability opportunities. So, we set a cap at an aggregate cap of 160% of Medicare, and then we set a floor for primary care physicians. And with this, we really kind of continued our state's mission about value-based purchasing. And we created that link towards quality alignment and value requirements. And you are hearing from our representatives, this notion that we use the public option as a way to start driving towards greater health equity, and to really create better equity. So those were really the two things that Washington's legislation did. And you are right, we launched in 2021. And we have about 3000, covered lives. 19 of the 39 counties had public option products. And we consider it a success, because like everything in healthcare transformation, it's a journey, it takes time, five carriers came in and did meet kind of the affordability and value requirements. And we hope that over time, we can really strengthen the opportunities to create greater leveling, and we hope that we can get all counties covered. We had to back off on some things because quite frankly, we had a lot of the health systems who just said, we're not going to contract at those prices. And so, we're having to look at what other mechanisms and levers we have to get more participation. But it is a beginning and we're pleased with the partners that did come in. And we think over time, we'll see more movement in the public option space. So those are just some high-level introductory pieces about Washington.

21:26- ERIN HUPPERT

That's great. I'm wondering if you could maybe pick up from there and talk a little bit about sort of what has been phrased as Cascade Care 2.0. And what those changes, then reflect and represent. And for our other speakers, just to let you know where I'm heading in this question, we'd love your follow up on if there were any lessons that you took from the original version of Cascade Care that you incorporated into your policy? Sue, I'll turn it back to you.

21:58- SUE BIRCH

Yeah, so our legislative sponsors in the House and the Senate focused on the options for that individual market and using the QHP model to maximize the federal subsidies. And it was really aimed at impacting the affordability for consumers and broadening the choice. And we linked that to the public contracting in our school Employee Benefits board that 300,000 covered lives product that we oversee

and administer. It had to be softened a bit, we had quite a bit of opposition. And it did bring more county coverage in, but it wasn't as kind of robust as we initially had wanted. But the legislative focus on public purchasing was to counterbalance the strong caucus branch that wanted full single payer public option. So, we had quite, we've got quite a bit of movement in Washington towards let's just go towards a single payer or universal health system, and we just aren't, you know, able to move that swiftly. And we think that probably moving state by state is pretty challenging in that universal health monitor single payer mantra. So, it allowed the exchange to be a little more of a selective contractor, which is likely more efficient than a multi-agency multi program layer that had been created. So, it gave us a little bit more selectivity. But we still have challenges about getting everybody to play and come along. And we'll continue again to put more teeth in the bite with what we're trying to do. But we've definitely had to evolve our work in each legislative session, slowly.

23:48- ERIN HUPPERT

Representative Roberts or Representative Jodeh any, any lessons from Washington that you incorporated into your process?

23:56- REP. DYLAN ROBERTS

Sure, yet, so Well, first, I'll just commend Washington, I mean, being first is hard. And I have known, you know, when you take on legislation that no other state has done, or at least you don't have an analogy to work off of it. It's challenging. So, I commend Washington for their leadership on this. I think we definitely learned a lot from Washington and their rollout of theirs. We one thing was, we were committed to making sure this was always a statewide plan that, that it had to be available to every Coloradan regardless of where they lived, and we're happy we did that. And it sounds like Washington is heading in that direction to so that so that you can make sure this is available to every resident of your state, but also create that statewide purchasing power and network and things like that. You know, similarly, we had a push and pull in our caucus and Rep Jodeh can speak to this too. But, you know, there's definitely the you know, progressive more left side of the caucus that wants single payer or a true public option and, and then there were some folks, you know, on the other side, who were very much against that proposal from the beginning. And so, we had to work those politics in those amendments to make sure that we kept everybody on board and arrived at a at a piece of legislation that both accomplish the goals we were trying to accomplish, but also worked administratively. So yeah, it was, it was nice to have Washington out there as an as an example and to learn from and to, to draw upon. So, we definitely learned a lot from them.

25:32 - REP. IMAN JODEH

You know, I think Rep. Roberts summarized it really well. You know, I think we did get some pushback, because, you know, I think there was this preconceived notion that we would maybe have the same model as others. And we wanted something that was exclusive to what worked for Colorado and the people of Colorado. And, you know, the reality is, is that, you know, we're not a monolith. And that can vary from state to state. And, you know, we had to create something that, you know, again, worked for the urban corridor, as well as the rural corridor. And, and I think we were able to achieve that, and really get supporters from, you know, across, you know, the democratic side, to see the good in how we can successfully provide health care for all.

26:42- SUE BIRCH

Yeah, I also want to just thank Colorado, because some of your conversations that were going on, allowed for our 2021 legislation to also have some provisions around additional subsidies and directing us to research options for the 1332 waiver to expand options for undocumented and it definitely gave us a leg up on health equity and health disparities. So, we've got, again, some ideas about subsidies, subsidies, nations, and just ways to keep tackling these issues and leveling the field between kind of our commercial products and our Medicaid product and public option. So again, I think, by states joining in, it really just broadens the conversation and gives us all room to keep improving.

27:29- ERIN HUPPERT

Senator Cannizzaro, were there any big lessons from Washington that you carried forward in Nevada?

27:35- SEN. NICOLE J. CANNIZZARO

Yeah, I am, I would say, you know, we have I think some of the same interesting dynamics here in Nevada. We have very rural parts and very urban parts in the state. And so, we were similar to Colorado, and as Rep Roberts, Rep Jodeh mentioned, very, very interested in making sure that it was a statewide plan. So that is part of our part of our Nevada Public Option, as well. But I will say one of the things that we were pretty focused on was ensuring that not only was that available to Nevadans across the state, but also that we were building into the plan, network adequacy, so that there would be enough providers for individuals, so that they weren't getting plans where they were unable to find a doctor or practitioner to see them. And so, what we have done with the Nevada public option, in our legislative language, is in any insurer who currently bids on our MCO contracts, our public employee benefits contracts, they are required to make a good faith bid for the public option. And so that way, we can make sure that for those folks, and we also, I'm sorry, included the Workers Compensation Program, as well. So, if you bid on or provide any plans under those three sorts of state contracts, then you are required to make a good faith bid for the public option. And I think that that was really an effort to make sure that as we're providing this across the state, because in some of our rural areas, you might, you might have limited providers, but we do have some Medicaid providers who would who would be part of that network. And then, of course, as you're in more urban districts, that we really are building a network where people can get access to care, because that was a huge piece for us and something that we wanted to make sure was part of the legislation. So I think that that was something that we definitely put an eye towards, and wanted to make sure was part of our was part of our plan so that people felt like they would actually be able to get access to care if they did buy into the public option.

29:50- ERIN HUPPERT

So, my next question comes back to something that Representative Jodeh actually mentioned at her opening which is sort of the impact on health disparities, health inequities and the opportunity for proposals like these to start building equity within the system itself. And so maybe starting with you, Representative Jodeh . I'd love for you to talk about how you felt like the legislation that got signed into law addresses some of those things or where you had hoped it would go?

30:22- REP. IMAN JODEH

Yeah, so, you know, I think when I signed on to the bill, there was a lot of concern from minority caucuses, and minority community members that this would actually hurt minority communities . And so, there was a real need to bridge that gap. And, you know, break down a very complicated complex bill. You know, Rep Roberts and I agreed that this is probably one of the most complex bill we will ever work on. And it was, you know, I think, even for legislators, reading something as dense as this, it can be overwhelming. So, to folks that are out of the legislature, you know, reading this for face value that it may have come across as this, this doesn't help us. And so, one thing that my office did was really try and break it down, as this is what's currently happening. This is why it's not working. And this is how this bill will improve quality access to health care. And so that was really important to me, also, while understanding that we have an obligation to our minority communities, and that this wouldn't really be focused on white communities or more wealthier communities. I will also say that, you know, one thing that we heard in our stakeholder ring was, how can we ensure that this bill would also engage Brown, Black and Indigenous communities to be more involved in health care? And what I mean by that is, how can we actually start to change the face of health care by uplifting minority communities to become providers, become nurses, and, you know, actually be the face of what the people need. And I'll give you a great example. I live in Aurora, probably one of the most diverse cities in Colorado, and we have a very high concentration of immigrants and refugees. As such, there was quite a bit of apprehension to get the COVID vaccine. And so we also have quite a few immigrants, and in our case, Arabic speaking providers who could break down that barrier, and provide them a sense of, you know, a reassurance that, you know, this isn't something that you should be afraid of, and, you know, put it in more layman terms that they could understand that they could relate to. And so, I bring this up, because bridging that gap through this piece of legislation would be a pathway to encourage more minority communities to be providers so that people see themselves in, in their doctors and their nurses. And they wouldn't again, end up in the emergency room for primary care.

33:49- ERIN HUPPERT

Yeah, you know, it looked like what was finally included in the legislation that got to the Governor's desk, had some language that might be sort of nation leading around cultural competency and network adequacy. And so, I'm wondering, Representative Roberts or Representative Jodeh, if either of you would like to speak a little bit more about that piece as well?

34:21- REP. DYLAN ROBERTS

Yeah, absolutely. So I think, you know, as my co-sponsor and colleague said, the, I think the big part about this bill that we wanted to make sure was included, was community input, and making sure that when we're creating the standardized plan, we are not just dictating from the state government level of what a plan should include that we're going to get input from those who, who are going to use the product on what they want to see in a health insurance plan. And so that's what's going to happen now between when the bill was signed a few weeks ago until January of this coming year, is the input and the stakeholders and the public hearings will happen all over the state. And we'll be able to get input from communities about what a good health insurance plan looks like for them. We also built in elements of this legislation to ensure that this plan can be sold to people who are undocumented that it will be sold both on the health exchange that we have as well as off the exchange so that people feel comfortable purchasing this and then we can get as many Coloradans regardless of their status covered by health insurance. And we also built in mechanisms to help promote this once it's rolled out,

so that brokers can sell it that it will be promoted by Government entities, by nonprofits. And this was one of the broadest Coalition's I've ever worked with on a piece of legislation, including USofCare, as well as groups on the ground here in Colorado, who have connections to various communities and have positions of trust within those communities so that this isn't just a government plan, talk to them by government officials, that this can be a community based plan that people feel comfortable purchasing and using.

36:08- ERIN HUPPERT

Senator Cannizzaro, how did health disparities and health equity factor into your approach?

36:16- SEN. NICOLE J. CANNIZZARO

Yeah, I think that's a that's a great question. And similarly, you know, we see the same sort of disparities in our state among traditionally disadvantaged or minority communities. And so one of the things that we wanted to make sure was built into the Nevada Public Option, were some parameters around strengthening that access to health care, because we to have some of those communities that just don't frankly, have access to providers, or that's where we're seeing that they can't afford for what is currently offered on our exchange, they don't qualify for their employer plans, they may work for a small, a smaller employer who just doesn't isn't offering the kind of access that they need. Or they're ineligible for a number for a number of reasons. And so one of the things that we did in the Nevada Public Option was to ensure not only that we were declaring as part of the state's health policy, that we are invested in ensuring that that racial disparities and other income disparities throughout the state are being addressed with our approach to this, but also put specifically into our language, a preference to be given for those who are administering the public option here in the state, for the director of our Department of Health and Human Services, who will be sort of tasked with overseeing a lot of this, a lot of this program, that when selecting those individuals who are those insurers or groups that are providing the public option, that were they a lot, they're aligning with our MCO networks, that there's some preference being given there, because we know that that's one way to ensure that there's access. But also, to include that there, there are proposals for them to contract with providers who increase the value for those who have traditionally faced health disparities. So, we are looking for plans and going to give preference to plans that work to reduce some of those health disparities by providing that as part of their proposal in providing the public option. And so, we specifically wrote in language that we want to decrease those disparities among the populations here in the state. We want to give access to health care and health outcomes that supports culturally competent care. And so those parameters are actually built into what the procurement will look like, for our public option here in the state. And I think that that was definitely something that was very apparent not only in the data that we received about folks who are uninsured here in the state, but also something that we wanted to make sure was absolutely part of, of the legislation, because the more that we can increase access to care. And I think to Representative Jodeh point where we see a lot of individuals who seek primary care in the form of emergency care, once something has become a much more acute injury or disease, we wanted to make sure that we were we were reaching out to those individuals who really, who really can benefit from the public option, and so put that in specifically into the procurement as a preference.

39:25- ERIN HUPPERT

That's great. So, we've had a couple of questions come in from the chat. And so, I'm going to come to one of those right now. And Ken from Texas wants to know, what the sort of big drivers or components in your policy are that help address the price issue for consumers? I know some of you have touched on sort of the leverage or the weight of the state or the leverage or the weight of the combination of state programs to provide a little bit of that negotiation power, but I would love to hear from all of you. You know in your view as you approached your policy, what levers and mechanisms do you really see at addressing price?

40:11- SUE BIRCH

Well, this is Sue, I'll start. Washington, obviously, we have kind of an informal target of a 10% reduction. But we applaud the states that came after us that took a lot stronger stance and setting kind of those requirements. We just simply couldn't make it work the first go around. So, we had to, boy do we have to cajole and bring some folks to the table to hit some of those cost targets. But I think that over time, and as we in Washington have launched also, parallel track around understanding total cost of care, and setting cost growth benchmarks that that's going to help people understand and see the variation and take some of the bloat and waste and variation out of the system. So that is our goal for if plans and systems and the providers don't do it. And I actually love that, in Colorado, your Commissioner gets to set those rates on those provider providers if they can't come in and make those filings happen with the plans. But Washington had to take a little softer approach, but it is helping to have set kind of uniform message of we've got to move costs in a better direction. So, it's being on the journey here in Washington.

41:31- REP. DYLAN ROBERTS

So, as Sue alluded to, here in Colorado, we did put in, in statute, price reduction, metrics that have to be met. The way we did in Colorado, the original bill started at a 20% reduction compared to 2021 prices, that through negotiations and amendments that got worked down to 15% reduction over from 2021 prices over a three-year period. So, starting the plan takes effect January 1st of 23. So, it's a 5% reduction in 23, 5% reduction in 24, and 5% reduction in 25 for a total of 15%. And then continuing on from there with accounting for medical inflation. So that we did put that in statute, that's not a goal, it is a metric that needs to be met by insurance companies that offer insurance in Colorado. If they cannot meet those goals voluntarily, through their own negotiation of the insurance companies negotiating with hospitals and providers to figure out how they want to bring prices down themselves. A rate hearing will be called by the Commissioner of insurance where all parties will present evidence as to why they were unable to meet the target that year. And then the commissioner in the division set the rates for that plan, so that they do meet the target. So, I think we're giving the healthcare industry as a whole the opportunity to figure out how to achieve these relatively modest price reductions. And we hope that 5% a year is not overly burdensome. And given the profit levels of a lot of health care providers and hospitals in Colorado, we do believe that is more than reasonable for them to meet. So, they have every opportunity to do that before rate hearing gets called. And we think in most counties, for most plant for most insurance companies, a rate hearing will never be necessary. But in the event, it is necessary, we built in that sort of stick approach to the carrot we offer up front.

43:27- SEN. NICOLE J. CANNIZZARO

And then in in the Nevada Public Option, we similarly have price reduction targets. We have a much longer timeframe and for implementation or procurement won't go out till 2025 with the first plan year being 2026, so that it will align with our MCO contracts. And in part because we are trying to utilize that state purchasing power that Erin had talked about, and I think we've all kind of talked about. And so, we wanted to align those procurements. So that's when we will start doing that for the public option. And then it is over the next few years, there's a 5% each year target reduction, ultimately at 15% for silver and gold plans based on the second highest premiums that existed in that particular area. And so we've built that in and I think with the timeframe that we're looking at for implementation, and pairing that with our state purchasing power when we go out to procurement for some of the MCO contracts as well, that there's more than enough space, I think for insurers to not only accommodate the requirements of the public option in providing reduced premiums to individuals over time, but also flexibility for them to be able to figure out kind of how that that will work. And so I think, you know, we similarly wanted to make sure that there were parameters built into the legislation that would ensure that we're offering something that is at a reduced price, because affordability is so much of a factor in terms of what people are, how they, how they make their health decisions and whether or not they're going to access care. And so, we wanted to make sure that that was built in. And then the second piece that I think we did in Nevada, that will help to reduce costs is that we did establish as part of the public option, that Nevada Public Option Trust Fund here in the state that will be managed by the Department of Health and Human Services. And as part of that are requiring some applications for federal waivers. I think as Sue had mentioned, the 1332 waivers. And so though, that's something that we have built in as well. And the whole reason for that is to make sure that we can utilize any federal monies that we can bring into the state to also help buy down the cost of those premiums. And so those I think, are the two big ways that we've put that into statute but didn't necessarily prescribe. I think to Ken's question, the different things that could be done in order to achieve those lower prices, wanted to provide some flexibility. But I think between the state's purchasing power, our obligation to make sure that we're providing lower premiums over time, and then also the use of federal dollars, we're hoping to see that we're providing something that's affordable, and that's accessible to those who really can benefit from it.

46:30- ERIN HUPPERT

So one of the questions that I think we had wanted to touch on today was for folks who may not know, Congressional leaders have recently released a request for information on you know, what stakeholders and others may feel about how to design a federal approach to a public option. And I'm wondering, given your experiences, if you would have any advice or counsel to your members of Congress?

47:01- SUE BIRCH

So, I'll take a stab at this one. First, from a Washington perspective. First off, again, to all of our brethren states out there, we say there's a huge role for you don't wait and submit comments and start thinking about this. And I see also some questions about how the co-pays and deductibles are where people have been maneuvering and shifting the costs. And the first and easiest thing a state can do is to create a standardized benefit. And so that I remind you increases the actuarial values, it lowers the deductibles and the out of pocket expenses, it sets a threshold basically. And so, it really protects your consumers from them bearing all the shift of expenses. So that's the first thing a state can do. But

secondly, we think there's a huge, that our congressional leaders need to really leverage Medicare's power with contracting, and they need to require providers that accept Medicare to participate, and to set a reimbursement target related to Medicare that is lower than the commercial reimbursement. We also think that the ARPA subsidies should be made permanent. And we've got to explore different options for the undocumented and others excluded from the subsidies. Today, I'm really proud in Washington that our legislature said, "Hey, Sue, go figure out a 1332 for the undocumented", and they've done in prior years, created subsidies for our [inaudible] islanders and really picked up because they really believe that coverage and access are critical for everybody, as do these legislators that I'm speaking with today. And then lastly, I think we've just got to explore alternatives to manage the underlying insurance costs. We can't just keep subsidizing we've got to tackle this issue of what are true costs, and why do we have all this variation? And so we have to, in my opinion, where we don't have as much strength in our regulatory kind of insurance environment, I think we've got to keep bringing more transparency to the true costs of care, and to keep bringing down the overall costs and create those controls. And we got to reinvent the market with Medicare, or Medicare pricing controls. those are those are what I think would help our Congressional leaders to move forward. And I hope everybody submits information for the RFI that they've asked for.

49:26- REP. IMAN JODEH

You know, I think one thing that I think about is, you know, especially in Colorado, we live in a Tabor state. So, it's the taxpayers Bill of Rights. That means that we cannot increase taxes without a ballot measure. And so, in Colorado, it's really hard to you know, random, things that really mean a lot like roads and transportation and education funding. And so, you know, when I think about this, I also think about the you know Congressional delegations that we need to lean on. And so, when people ask us in the state legislature, you know, this isn't a true public option. My response to them is, you know, short of dismantling tabor, this is what we need to do, until it takes an act of Congress to really do what they need to do. And, you know, I think Sue is right, I think we have an obligation as representatives, whether it is, you know, state or federal, to take a look at, you know, I hate to say it this way, but the profiteering of healthcare from, you know, hospitals and providers, and how that is affecting, you know, the average person and not allowing them to have access, you know, as access to quality health care. There is a real concern. And, you know, we experienced this here in Colorado, around what it meant to put profit ahead of the people they serve. And, you know, unfortunately, I think that's true, you know, across the country. And I think that is very predatory in practice. And so, if our federal delegations have the opportunity to really start to hone in on what the people need, and honestly, potentially look at the successes of other countries, then I think we would be on the right path.

51:41- SEN. NICOLE J. CANNIZZARO

And I would tend to agree, I think, you know, we, of course, at a federal level, to start to see expanded access to affordable health care that really is going to serve those communities that are struggling right now, frankly, to make the decision to get health care to go see a doctor before something becomes much more serious, is something that we should all welcome. But in the meantime, states really do have to take the lead, because I think you've heard at least I've heard off, say, from everyone here that there are unique needs in each of the states, I think Colorado, Washington and Nevada, have all tried to take different approaches to address those specific needs. One of the things that we heard during the presentation of our public option here was well, you know, we have implemented pieces of we've

implemented the ACA, we've done Medicaid expansion. You know, there's new federal subsidies under the Our plans and, and we're seeing people get on health care, which I found interesting, because I think what that tells us is that if we can make it more affordable, people are going to access health care. And they're going to start seeking that out. And in Nevada, we also had, I think, the compounding issue of the pandemic, where we lost so much of our workforce that, you know, the state has such a high level hear of individuals who rely on their employer provided health care in order to have access to, to care that when the hospitality industry went down, which is our main driver, economically, we saw so many people who just all of a sudden lost their healthcare and couldn't and couldn't get any access to care in the in the meantime. And so, we have unique needs. And I think probably each state in the country that should be addressed and state legislators, I think, shouldn't wait to start addressing those needs. Because the one thing that I think this last year has highlighted certainly for us here in Nevada, is that there is really a need, and that a public health crisis can dismantle that very quickly, and provide a lack of access to care for so many individuals, literally what feels like overnight. And so, the more that we can be doing at the state level, to ensure that we're putting together pieces, and helping people get access to care, the better. And hopefully, from a federal perspective, what we're doing in the states is going to provide some really good information and pathways forward so that we could have something that from a more federal comprehensive level can start to provide those same things across the nation.

54:21- ERIN HUPPERT

Representative Roberts, anything to add?

54:25- REP. DYLAN ROBERTS

In addition to echoing my panelists, I just say, Congress, just go for it. Like we know what the issue is. We need national leadership on this, that we this is immensely popular. The polling on this is through the roof, Republicans, Democrats, Unaffiliateds. The idea of a public option is something that should get bipartisan support and should be should pass in Congress as soon as possible. I know that's not how Congress works, but I'm an eternal optimist on this, I guess.

54:54- ERIN HUPPERT

Well, I guess we have flown through an hour and so this is going to be the last question that we have time for today. There were a number of questions that came into us that we didn't unfortunately have the ability to address. So, we will try to figure out if there's a way to answer those in either a follow up communication, or perhaps, if we're so lucky, we will invite you all back for a second round down the road. But maybe picking up on where Representative Roberts last spoke, you know at USofCare we have done a fair amount of work to understand the level of support for policies, including things like a public health insurance option. And we have also found that there is widespread support across the political spectrum, across sort of geographic or other ideologies. And so I'm wondering if you could all speak to the level of support that you have seen in your states for your, your policy?

55:58- REP. IMAN JODEH

I mean, I'll go first. I think I don't want to speak on everyone's behalf. But you know, when I was campaigning, and even now, in my first year, as a legislator, hands down, the number one issue topic that I heard on doors, or I get on email, is healthcare is, you know, I cannot afford this. I'm choosing between medication, and, you know, my doctor's visits, and rent and groceries. And, you know, that to

me is, you know, un-American, I literally ran on, you know, everyone achieving the American Dream. And, for me, healthcare is a big part of that. I live with a preexisting condition, and had it not been my access to health care, which I feel is, you know, again, a human right, but at the time, I did think it was a privilege, I would have, quite frankly, a very debilitating lifestyle. And so, but that is the reality for millions of people around our nation. And so, you know, we as legislators have a massive, massive responsibility to provide care and address and tackle this issue with innovative and an expedited solutions so that they are not left in this position.

57:33- REP. DYLAN ROBERTS

The support in Colorado seems to remain high for an idea like this is Rep. Jodeh said, this is an issue that's on the top of minds of our constituents. And I'll also just say, millions and millions of dollars got poured into Colorado to oppose this bill, the ads started before the ability been introduced. And dozens and dozens of lobbyists paid immense amount of money came to the Capitol to try to defeat this bill, it's going to go down in history as the most lobbied against bill in Colorado history. And it didn't work. Every single Democrat except for one out of a very large majority that we have in the legislature voted for this bill. And you know, support never wavered, even despite the health out of state healthcare industry spending in the Colorado. So, you can be back those lobbyists, you can be back all of that out of state money, if you hold true to the principles of what this bill is supposed to do.

58:29- SEN. NICOLE J. CANNIZZARO

And I um, I will say I had a very similar experience with respect to some of the some of the opposition here in Nevada, there was a lot of it. And I think one of the one of the interesting pieces was we kept asking for, you know, okay, well, if this isn't kind of the pathway to get folks access to care, then then what is? And frankly, there just weren't a lot of answers. I think the most prevalent one was well; we should study it a little bit more. And, and here in Nevada, we've studied it many times, including this last interim, which is what sort of led us to Senate Bill 420. But it was interesting, because aside from some of the traditional, you know, like insurance lobbyists and some of the bigger healthcare, healthcare lobbyists, it received a lot of wide-ranging support. And I think even anecdotally, we're all having this experience is when you go and talk to folks at the door, when you talk to constituents about what are the things that they're that they're thinking about? What are the things that they want you to address? Health care, and the cost of it, and the access to it are always, always at the top of those lists. And so, I think we have an obligation to take that very seriously because that's coming from the people who we've been elected to represent. I to think I, you know, grew up in a very working-class family, where my parents, you know, didn't have an education didn't graduate from high school, worked in the hospitality industry, but we had a union health plan. And that union health plan meant we could go to the doctor's office. And I used to think that the doctor's office cost \$20. That's what I thought the doctor's office costs, until I became an adult and got kicked off my parents plan and had to find myself paying quite a bit more money after an accident. And so, you know, people are experiencing that every single day. But we know if you do have access to health care, that that can provide an enormous benefit to families. And that's what we hear from our constituents. But we had a lot of groups, a lot of community groups who came out in support, we had a number of practitioners and practice groups who came out in support, we actually did the bill signing at a local clinic here in town. There's a minority Woman owned clinic, who's providing services here in the state, who was very supportive and obviously saw the benefits here. So, we were very lucky in that respect, we had a lot of our APRNs who

came out in support of this. Small business owners who came and testified in support of this because they recognize the need that exists for them to provide access to care to their employees. And we also had several unions who came out in support of this as well, not because their members may qualify or not qualify for the public option, but because of the same experience that I think I had growing up, which was when you have access to affordable health care, that's one thing that a parent doesn't have to make a decision. Do I take my kid to get access to care because they're sick? Or do I make a decision to put food on the table or a roof over our heads? And those are the kinds of decisions that we shouldn't be asking people to make. Those are the kinds of decisions that when it comes to the cost of health care they are making. So, I you know, I'm very excited about having a public option here in the state because we do have a lot of support from Nevadans. And then I think also from some of our health care folks and business industry, and just really looking forward to seeing what we can do here to improve those, improve those issues and improve our health outcomes here in the state.

1:02:09- ERIN HUPPERT

Thank you all so much for your time today. And thank you to everyone who managed to carve out 60 minutes of your busy schedules to join us. Please, please give a note of appreciation to our panelists, Senator Cannizzaro, Representatives Jodeh and Roberts and Sue Birch from the Washington Health Care Authority. If you haven't already, please continue to follow these state leaders as they continue to pave a path towards more affordable, durable and equitable health care for people. Thank you very much.