



May 1, 2019

The Honorable Jay Inslee
Governor of Washington
Office of the Governor
PO Box 40002
Olympia, WA 98504-0002

Re: SB 5526 – Cascade Care – Veto Request

Dear Governor Inslee:

I write today on behalf of America's Health Insurance Plans (AHIP) to request your veto of SB 5526. We know that health care needs to be improved. But a one-size-fits-all, government-controlled health care system is not the answer. Americans want to improve what's working and fix what's broken. **We believe that this bill will limit access, stifle innovation, and reduce choices for Washingtonians.**

AHIP is the national association whose members provide insurance coverage for health care and related services. Through these offerings, we improve and protect the health and financial security of consumers, families, businesses, communities and the nation. We are committed to market-based solutions and public-private partnerships that improve affordability, value, access and well-being for consumers.

Today, over 3.7 million residents in Washington are covered through a job, with the average employer paying more than the vast majority of the cost of each employee's coverage. Throughout the nation, more than 70 percent of employees are satisfied with their coverage – and among the main reasons why they like their coverage is because they have choice and control.

Consumers in the United States have more personal choices than anywhere else in the world when it comes to coverage, doctors, and treatments. SB 5526 will result in fewer choices for Washingtonians, and create uncertainty regarding whether their local doctors and hospitals will be able or willing to provide services under the terms set by the state. More specifically, this bill will:

- Threaten choice and competition as insurance providers exit the individual market, per previous reform efforts.
- Do nothing to truly bring down out of control drug prices, and the impact those prices have on consumers and patients. The greatest percentage of premium dollars go toward drug prices, consuming nearly 25% of every premium dollar spent. This bill would do nothing to change that.
- Establish government price setting for all hospitals, doctors and other care providers.

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- Allow the government to choose winners and losers, and limit comprehensive affordable coverage options. More specifically, the government can restrict health coverage how they see fit, including reducing the number of products available.
- Shift costs from the individual marketplace to the employer-provided coverage market, making health care more expensive for hardworking Washingtonians and their families.

There is a better way. Government and the free market must work together to protect patients and their choices, control, and coverage while bringing down costs for everyone. Consumers deserve a stable system, and the certainty that health care services will be available when they are needed.

The stakes are simply too high for legislation that has been rushed through in the waning days of the 2019 Legislative Session. While we all want to be attentive and responsive to the needs of the insurance-buying public, making a mistake with this policy could have profoundly negative consequences for all concerned. **We respectfully request that you veto SB 5526 to allow for further work and policy analysis on this important issue in the interim, to develop a well-considered plan before the 2020 legislative session.**

Sincerely,

A handwritten signature in black ink that reads "Leanne Gassaway". The signature is written in a cursive, flowing style with a large loop at the end.

Leanne Gassaway
Senior Vice President, State Affairs