



STATE OF WASHINGTON

December 9, 2016

The Honorable Kevin McCarthy
Majority Leader
United States House of Representatives
H-107, U.S. Capitol Building
Washington, D.C. 20515

Dear Majority Leader McCarthy:

We want to make clear first and foremost that it would be a moral outrage to repeal the health care policies that are so beneficial to millions of Washingtonians without providing an alternative system to make sure all our families continue to have access to affordable care.

The Affordable Care Act (ACA) has had a profound, positive impact on the residents of our state. It has improved not only the health of our residents but also the strength of our economy and the stability of our state budget. Repealing or significantly undermining the ACA puts hundreds of thousands of our residents at risk of losing their health coverage. Any effort to repeal the law without a viable replacement will seriously undermine our health insurance market and our state's economy.

Under the ACA, our uninsured rate has dropped from 14 percent to an unprecedented 5.8 percent. Nearly 600,000 people have gained coverage through our expansion of Medicaid, and our uncompensated care costs have fallen 50 percent, from \$2.3 billion to \$1.2 billion. Also as a result of implementing the ACA, Washington State has added 51,000 jobs – most in the private sector. Our GDP has increased by more than \$2.7 billion, and we've cut state expenditures by \$350 million and increased state revenue. Our state's health care rate of inflation has also been greatly moderated by the law. Our expenditures for health care have increased at about 3 percent per year - well below historic inflation.

Washington has a thriving individual health insurance market, with 13 insurers selling 154 health plans. Enrollment for 2017 through our exchange is up 9 percent from last year with over 160,000 Washingtonians having enrolled in qualified private health plans.

Now that most Washingtonians are covered, we are focusing on additional improvements, including working with health providers and insurers to build performance-based incentives that create real quality improvements, at a lower cost. We are working to integrate mental health and substance use treatment with our physical health system to improve the quality and coordination of care, decrease emergency room use and improve the medical care for our most vulnerable patients. This work is being done in close partnership with private managed care plans that serve the vast majority of Washington's Medicaid enrollees. All of these improvements will not be possible if people lose their health coverage.

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The ACA and our country's health care system need improvements. We ask that when considering proposals, that you first do no harm. Any actions you take must improve the health of our residents and the quality of our health care system, while protecting our state budget and economy. Decisions to cut funding before developing a replacement puts the health of Washingtonians at great risk through undermining and destabilizing their health care.

As statewide elected officials charged with overseeing the health and welfare of our state's residents, we look forward to discussing all proposals that do not cause our people to lose coverage and that will not destabilize our health insurance markets, raise premium or drive up uncompensated care costs.

As the 115th Congress convenes, we also urge you not to undermine the Medicaid, Children's Health Insurance and Medicare programs. They have provided affordable health coverage for millions of people for fifty years. In Washington State, the Medicaid/CHIP and Medicare programs cover approximately 1.79 million and 1.19 million seniors, disabled and low-income children and adults, respectively. Our residents cannot afford any dismantling of these essential federal programs – whether through block grants, per-capita caps, privatization or other means.

On behalf of the people of the state of Washington, we strongly urge Congress to reconsider repealing or undermining the Affordable Care Act. We stand ready to work with you to maintain gains and improve the law so more Americans have access to affordable, quality health care.

Sincerely,



Jay Inslee
Governor



Mike Kreidler
Insurance Commissioner

cc: The Honorable Kevin Brady, Chairman, House Committee on Ways & Means
The Honorable Fred Upton, Chairman, House Committee on Energy & Commerce
The Honorable John Kline, House Committee on Education and the Workforce
The Honorable Greg Walden, Chair-Elect, House Committee on Energy & Commerce
The Honorable Virginia Foxx, House Committee on Education & the Workforce