



April 12, 2012

Duals Project Team
Post Office Box 45600
Olympia, WA 98504-5600

Dear Project Team:

I am writing on behalf of the Whatcom Alliance for Healthcare Access (WAHA) in response to your invitation to provide public comment dated March 12, 2012.

WAHA is an incorporated coalition representing all elements affected by the health care system in Whatcom County – hospitals, physician groups, the long term care and behavioral health sectors, consumers, business and local government. Further information about WAHA can be viewed at www.whatcomalliance.org. Since December 2010 the Alliance has led a community-wide effort, “Transforming Whatcom Healthcare,” to create a fully integrated delivery system across medical, public health, behavioral health and long term care subsystems. This emerging delivery system incorporates health home concepts and multiple types of care coordination all within a framework of managing care in an aligned risk environment. The Whatcom plan envisions aligning with one or more health plans, dividing administrative responsibilities in a mutually agreed fashion. Attached, for your information, is a copy of “Phase I Executive Report: Designing the Future of Healthcare in Whatcom County” which further describes our vision.

We are generally supportive of the “Design Proposal” for service integration for dual eligibles. Likewise, in general, we also believe that the Draft Health Home Proposal dated February 22, 2012 is a positive step toward better coordinating care for these public clients. Having stated this general support, however, we believe that our state government has overestimated the power and ability of health plans to truly transform actual care delivery, induce better coordination, and span system silos through the vehicle of traditional health plan contracts. While it is clear to us that our state’s proposals are trying ultimately to drive change toward Strategy 2 (or close variations thereof), and we completely support that direction as it aligns with our plans, we believe that more explicit support and development of local delivery systems would quicken the pace of transformation.

Our primary concern about the proposed plans is that they not impede the work underway in Whatcom County. Over the past 15 months we have made significant headway with the financial and time investment of multiple local organizations as well as the Federal government, national and local foundations. Since the outset our intent has been to pilot a new ACO-like delivery system, first serving dual eligibles by 2013. Strategy 2 does not appear to impede our plans except in regard to the 5,000 dual eligibles floor currently proposed.

We question the source of and wisdom of this 5,000 duals requirement. What evidence has led to the choice of this number as the actuarial floor? If any actuarial basis is valid at all it is the number of actual enrollees, not the number of potential ones. 2,500 actual Whatcom enrollees is a more

stable experiment than would be enrollment of 30% of Yakima's 5,500. The eligibles requirement precludes mid-sized counties such as Thurston, Kitsap and Whatcom from participating unless they somehow align with neighboring areas. As you know, health care delivery is local – there is little overlap between the Whatcom delivery system and that of Skagit, Island or other counties. Further, there are significant differences in local area readiness to manage to capitated risk. Whatcom will be in position to do so only because of a year's preparation and multiple hundreds of thousands of dollars in infrastructure development.

To deal with the problem created by the artificial 5,000 duals requirement, WAHA suggests one of the following approaches:

- Reduce the eligibles threshold to 3,000,
- Grant Whatcom an explicit waiver from this requirement, or
- Allow Whatcom to operate within an eligibles pool consisting of at least 3,000 duals plus an additional 2,000 Medicaid clients all served within the same health plan contract.

WAHA urges you to adopt one of these three approaches so that our area is not precluded from participation and meaningful reform at the local level here can continue. We would be pleased to discuss this concern with you directly.

Sincerely,

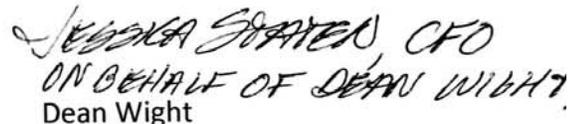


Larry A. Thompson
Executive Director,
Whatcom Alliance for
Healthcare Access



Regina Delahunt
Director,
Whatcom County
Health Department

President,
WAHA Leadership Board



JENIKA SPATES, CFO
ON BEHALF OF DEAN WIGHT

Executive Director,
Whatcom Counseling
and Psychiatric Clinic

Chair, Ad hoc committee
to review Washington's Dual
Eligibles proposal

Cc: Barbara Brenner, Whatcom County Council Member
Representative Vincent Buys, District 42
Sam Crawford, Whatcom County Council Member
Senator Doug Ericksen, District 42
Kathy Kershner, Whatcom County Council Member
Bill Knutzen, Whatcom County Council Member
Pete Kremen, Whatcom County Council Member
Representative Kristine Lytton, District 40
Ken Mann, Whatcom County Council Member
Representative Jeff Morris, District 40
Representative Jason Overstreet, District 42
Senator Kevin Ranker, District 40
Carl Weimer, Whatcom County Council Member
Jonathan Seib, Executive Policy Advisor