



February 25, 2014

The Honorable Eileen Cody
Chair
House Health Care & Wellness Committee
Washington State Legislature
157A John L. O'Brien Building
P.O. Box 40600
Olympia, WA 98504

Re: AMA support for Senate Bill 6016, An Act Relating to Ensuring Continuity of Care for Enrollees of the Washington Health Benefit Exchange during Grace Periods

Dear Chairwoman Cody:

On behalf of the American Medical Association (AMA) and our physician and student members, I am writing in **support of Senate Bill (H.B.) 6016**, "An Act Relating to Ensuring Continuity of Care for Enrollees of the Washington Health Benefit Exchange during Grace Periods." The AMA supports this legislation because it would, among other improvements, require health insurers to provide physicians with necessary information to help ensure continuity of care for patients in Washington's health insurance exchange plans.

Under the Affordable Care Act (ACA), if certain patients fail to pay their premiums, they enter a 90-day "grace period." During this time, patients continue to have coverage, but insurers may withhold payment to physicians during the second and third months of the grace period until patients pay their premiums. If patients fail to pay their premiums by the end of the grace period, physicians may not receive payment for care provided. Many physicians will struggle to absorb the potential financial impact of this provision.

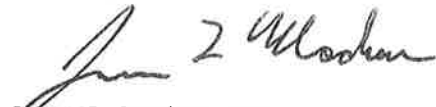
Also under the ACA, insurers are broadly required to notify physicians of patients' grace period status. Guidance from the Centers for Medicare & Medicaid Services encourages insurers to do so when responding to an eligibility verification request, without going as far as to require notification at this touch point. The uncertainty around notification has led to concern among many physicians and has the potential to cause confusion and disruption to physicians' offices, hospitals and patients seeking care under the ACA.

To help alleviate these problems for patients, physicians and other providers, S.B. 6016 requires insurers to provide detailed information in a timely manner to physicians regarding a patient's grace period status. S.B. 6016 also may have the additional and important benefit of encouraging Washington physicians to participate in the state exchange.

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For the aforementioned reasons, the AMA supports S.B. 6016. If you have any questions, please feel free to contact Daniel Blaney-Koen, Senior Legislative Attorney, Advocacy Resource Center at daniel.blaney-koen@ama-assn.org or (312) 464-4954 or Emily Carroll, Senior Legislative Attorney, Advocacy Resource Center, at emily.carroll@ama-assn.org or (312) 464-4967. Thank you for the opportunity to provide our input. We look forward to working with you toward enactment of this important legislation.

Sincerely,

A handwritten signature in cursive script, appearing to read "James L. Madara".

James L. Madara, MD

cc: Members of the House Health Care & Wellness Committee
Washington State Medical Association