



AMERICAN SOCIETY OF
PLASTIC SURGEONS[®]

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THE PLASTIC SURGERY
FOUNDATION[™]



March 22, 2019

The Honorable Eileen Cody, Chair
The Honorable Joe Schmick, Ranking Minority Member
Washington House Health Care & Wellness Committee
Olympia, WA 98504

RE: Opposition to S.B. 5822

Dear Chair Cody and Ranking Minority Member Schmick,

On behalf of the American Society of Plastic Surgeons (ASPS) and the Washington Society of Plastic Surgeons (WSPS), we are writing in opposition to S.B. 5822. The Washington Society of Plastic Surgeons is the largest association of plastic surgeons in Washington, and in conjunction with our national affiliate the American Society of Plastic Surgeons, collectively represent 137 board-certified plastic surgeons in the state. ASPS and WSPS strongly oppose single payer health systems and believe that the working group established in S.B. 5822 would set the wheels in motion to implement a new single payer health system in the state without open-minded deliberation on its political feasibility. Simply put, we believe that government-run healthcare is not in the best interest of patients, providers, businesses or taxpayers.

S.B. 5822 would direct the Washington Health Care Authority to convene a working group charged with identifying mechanisms to establish a universal health care system in Washington. ASPS and WSPS have serious concerns with this legislation, primarily for its presumptions and lack of appropriate initial focus. It does not direct the Authority and invited stakeholders of the working group to debate and research the merits of a single payer system and potential consequences associated with its implementation. Instead, the bill jumps immediately to a conclusion, that this system is in the best interest of Washingtonians, and charges the working group with providing recommendations on financing, coverage, and private sector implementation. Instead, the legislature should begin by looking at other efforts to implement a universal health care system and determine whether or not the concept is practically feasible.

In addition, ASPS and WSPS believe that it is premature to establish a working group in anticipation of the enactment of federal legislation regarding single payer health systems, as outlined in the bill. The United States Congress has yet to begin hearings on specific single payer proposals including, H.R. 6079, and we would note that both the United States Senate and the White House are controlled by people who will not countenance something like H.R. 6079. It would be misguided to waste state resources in this environment.

The track record for single payer systems at the state level, most notably Vermont, demonstrates that they are poor policy. When Vermont set off in pursuit of its own single payer system and approved the creation of Green Mountain Care, it did so with the expectation of federal funding. They anticipated \$267 million, but in the end, only \$106 million was available. In 2014, Green Mountain Care was completely abolished. Vermont Governor Peter Shumlin not only abandoned the single payer system due to a lack of federal funding, but also cited unacceptably high tax rates. In order to fund Green Mountain Care, the state would

need to implement a uniform 11.5 percent tax increase on all Vermont businesses' payroll and an individual income tax increase of as much as 9.5 percent. Even with this sizeable additional tax burden, the new program was projected to run a deficit after just four years.

While the average medical savings per patient may be appealing, it is imperative to consider the holistic impact a single payer health care system will have on the state. A 2012 report by Growth & Justice reported that the state of Minnesota could lose 42,000 jobs in health care administration in the insurance sector, hospitals, and physician practices if single payer was adopted.¹ In order to avoid unemployment spikes, we encourage the legislature to perform an analysis on the impact to employment in the state, were a single payer system fully implemented. This is imperative due to the potential trickle-down impact on all sectors – and warrants due diligence before a wide-reaching reform such as single payer is enacted.

Assuming that sufficient economic analyses are done, that a politically palatable financing plan – and the tax increases that will accompany it – is produced, and a single payer system is implemented in Washington, there is substantial evidence from nationalized health systems in other countries that those systems have negative consequences for patients. In some countries, outcomes are worse than what would be expected based on socioeconomic indicators. In other countries, lower costs are achieved through systems that limit the type or quantity of care that patients may receive, also known as “rationing care.” In countries such as Canada, wait times are dramatically longer than they are in the United States and significantly longer than what physicians deem clinically reasonable.

America already has a physician shortage that is only expected to worsen for the foreseeable future. Mandating physician participation in a single payer system that undercompensates them below cost for many of their services will put Washington, unfortunately, at the leading edge of that problem. If Medicare, or something that reimbursed physicians at similar levels, covers everyone and no corresponding price controls for health care products are put in place, physician practices will be forced to shutter.

For the reasons outlined above, we believe pursuing a single payer system in Washington as called for in S.B. 5822 is ill-advised and urge you to vote against this bill. Thank you for your consideration of our comments. If you have any questions or need further assistance, please contact Patrick Hermes, Director of Advocacy and Government Affairs, at phermes@plasticsurgery.org.

Sincerely,



Alan Matarasso, MD, FACS
President, American Society of Plastic Surgeons



Shannon Colohan, MD, MSc, FRCSC, FACS
President, Washington Society of Plastic Surgeons

cc: Members, House Health Care & Wellness Committee

¹ Lange, Amy. “Beyond the Affordable Care Act: An Economic Analysis of a Unified System of Health Care for Minnesota.” Growth & Justice. March 2012.