

October 19, 2020

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Aaron,

During the September SCPP meeting Senator Schoesler, Committee Chairman asked me to provide some additional information. It appears the required out of pocket payment for medical bills followed by a request for reimbursement is more prevalent than we realized. I surveyed fifteen LEOFF I Disability Boards. Seven required reimbursement, four paid medical providers directly and four required reimbursement and paid directly.

The Association of Washington Cities (AWC) surveyed thirty-eight LEOFF I Disability Boards. Five percent paid medical providers directly. Forty-five percent paid directly and required reimbursement. Fifty percent required out of pocket payment by member and reimbursement.

For the recurring approved payments to nursing homes, assisted living and memory facilities forty percent paid providers directly. Forty percent required out of pocket payment by the member or family followed by reimbursement. Twenty percent paid directly and also required out of pocket payment and reimbursement. I contacted the remainder of the boards that had not received a survey and received eleven responses. Five boards pay medical bills directly. Four required out of pocket payment by the member followed by reimbursement. Two required reimbursement and paid directly.

I contacted two medical providers in the Seattle-Edmonds area for information on their admitting and payment policy. I went to a large medical clinic that has five doctors on staff who treat patients and perform surgeries at their surgery center. They explained that they first bill Medicare or other insurance and then bill the patient if there is a deductible or for the twenty percent not covered by Medicare. The patient, if a LEOFF I member, can then forward the bill with a claim if necessary to the Disability Board for payment. There is no need for an out of pocket payment. After approved by the board the employer can pay the provider directly or make out a check to the member and the provider. The member can endorse the check and forward it to the provider.

I also contacted the admitting department at Swedish Hospital in Edmonds and was advised that they have the same policy.

If a board or employer was interested they could subscribe to Premara Blue Cross for a fee. Premara would pay the bills as approved by the board. The employer would receive a discount on prescriptions, doctor and hospital charges. For example: a board recently had a \$1,271.00 bill discounted to approximately \$840.00 due to the Premara discount. The discounts almost pay the Premara fee and the employer saves the cost of two employees by using Premara.

Hopefully we can discuss this in more detail during the SCPP virtual meeting tomorrow morning, October 20, 2020.

Respectfully,
Richard C. Warbrouck
President Retired Firefighters of Washington