



September 10, 2021

Keenan Konopaski  
Legislative Auditor Joint Legislative Audit and Review Committee

Re: JLARC Preliminary report on 2021 Tax Preference Performance Reviews

Mr. Konopaski,

Thank you for the invitation to provide comments in response to the preliminary 2020 Tax Preference Performance Review, for the Washington Health Benefit Exchange (Exchange).

The exemption allows the state the Exchange to maximize its funding for operating the state's health insurance marketplace. Without the exemption, the Exchange would pay Business and Occupation taxes on appropriations from the legislature. We appreciate JLARC's thorough analysis, and the assessment provided by the Citizen Commission for Performance Measurement of Tax Preferences.

On behalf of the Exchange Board and Exchange leadership, we concur with JLARC staff and State Auditor's recommendations. We are hopeful JLARC members will endorse the recommendation that the Legislature eliminate the July 2023 expiration date, making the current preference permanent.

As noted in the JLARC findings, the preference allows the Exchange to maximize its state funding for operating a health insurance marketplace, which over one in four Washingtonians use to access health insurance coverage. The current preference reduces the Exchange's administrative costs by one million dollars a year, which enables us to provide more affordable coverage to Washington residents.

Thank you again for the opportunity to provide comment. We appreciate the work of you, your staff and the Commission. If you have any questions, please contact me or Jim Crawford, CFO, at [jim.crawford@wahbexchange.org](mailto:jim.crawford@wahbexchange.org) or 360.688.7720.

Sincerely,

A handwritten signature in black ink, appearing to read "Pam MacEwan". The signature is fluid and cursive, with a long horizontal stroke at the end.

Pam MacEwan  
Chief Executive Officer

P.O. Box 657 | Olympia, Washington 98507  
Direct: 360.688.7700

Enclosures (1)

cc: Washington Health Exchange Board Members  
Chair: Ron Sims, *retired Deputy Secretary, U.S. Department of Housing and Urban Development, and former King County Executive*  
April Betts Gibson, *Regional Executive Director, Proliance Surgeons*  
Don Conant, *General Manager, Valley Nut and Bolt, and Assistant Professor, School of Business at St. Martin's University*  
Melissa Cunningham, *Corporate Counsel, Physicians Insurance*  
Mabel Bodell, MD, *Nephrologist, Confluence Health*  
Maureen McLaughlin, *Independent Hospital and Health Care Professional*  
Hiroshi Nakano, *Director of Value Based Care, Valley Medical Center*  
John Schapman, *Deputy Director, North Central Accountable Community of Health*  
Mark Stensager, *Retired Health System Administrator*  
Ex-Officio: Mike Kreidler, *Washington State Insurance Commissioner*  
Ex-Officio: Susan Birch, *Director, Washington State Health Care Authority*  
Dana Lynn, JLARC  
Jim Crawford, Chief Financial Officer, Exchange  
Leah Hole-Marshall, General Counsel and Chief Strategist, Exchange  
Joan Altman, Director of Government Affairs and Strategic Partnerships, Exchange