

OIC Rules Coordinator

From: Cassandra Helvey <cassandra@millcreekchiropractic.com>
Sent: Wednesday, July 30, 2025 9:32 AM
To: OIC Rules Coordinator
Subject: R2025-05 First Prepublication draft comment

External Email

Dear Commissioner Patty Kuderer,

I am writing on behalf of Mill Creek Chiropractic- a chiropractic office serving patients throughout Mill Creek, WA. We are reaching out to formally express serious concerns regarding the growing trend of arbitrary and unexplained reductions in reimbursement payments from insurers such as Allstate, National General, and others.

In recent months, we have seen a troubling pattern where our claims are being significantly reduced without clear justification. The most common denial code we receive refers to the Washington Supreme Court ruling in *Schiff v. Liberty Mutual*, stating:

"In light of the WA Supreme Court ruling in *Schiff v Liberty Mutual*, the allowed amount for services rendered is based on the 80th percentile of the FAIR Health Charge Benchmark Database."

This rationale is deeply flawed and problematic. First, it allows insurers to cut provider payments based not on the actual care provided or the needs of the patient, but on opaque pricing guidelines. The FAIR Health database—though advertised as an "independent nonprofit organization"—is in fact a private, non-transparent system that aggregates cost data through undisclosed algorithms and undefined geographic groupings.

In practice, this database combines costs from both high-cost metropolitan and low-cost rural areas to generate "average" reimbursement values. This methodology artificially lowers allowed charges and does not accurately reflect the real cost of delivering care in our region. As a result:

- We are routinely paid significantly below fair market value for our services.
- Patients are being denied access to appropriate treatment out of fear they will be left with unexpected out-of-pocket expenses.
- Providers are being forced to accept reimbursement rates that do not support the continued delivery of high-quality care.

This situation is not only unsustainable for providers but also dangerous for patients who may forgo essential care due to concerns over cost.

We urge your office to investigate the use of the FAIR Health database and the current lack of transparency in its application. Specifically, we request:

1. **Full disclosure of the methodology and geographic data used by FAIR Health** in determining its reimbursement benchmarks.
2. **Oversight on the use of private databases by insurers** to justify arbitrary reductions in provider payments.
3. **Restoration of fair and transparent reimbursement practices** that reflect the true cost of care based on actual provider services and patient needs—not algorithmic averages.

We appreciate your attention to this matter and look forward to your response. Our goal is to ensure fair treatment for both patients and providers in Washington State.

In good health,

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