OFFICE of the INSURANCE COMMISSIONER
WASHINGTON STATE

Ensuring Access to Primary Care

2027 Legislative Proposal, Concept Paper as of 10/1/2026

Background

This legislative proposal addresses the problem of poor access, long wait times and underinvestment in primary care in Washington state. Even with insurance, many Washingtonians struggle to find a primary care provider who will accept them into their practice. And for the growing number of people losing their health coverage due to federal policy changes, this access gap is even more severe.

The research is clear, primary care is the fundamental building block for keeping people healthy and containing health care costs.[i] In 2022, the Washington state legislature established a primary care spending goal of 12 percent of total medical expenses, and yet, spending continues to hover around 4 percent.[ii] To get our state on track to meet this goal and fortify our primary care system for the future, this proposal recommends the development of a new financing and payment model.

This model would replace complex fee-for-service insurance billing with a multi-payor financed common fund that would pay providers based on a per member per month payment for each patient attributed to their practice. As existing innovations demonstrate, administrative simplification and predictable, prospective payment enable providers to spend less time on paperwork and more time with patients. Moving in this direction will lay the foundation for Washington to ensure access to advanced primary care for all Washingtonians.

Proposed Bill Summary

The bill establishes that the legislature intends to pursue the design of a financing and payment model through which primary care services could be accessed outside of traditional insurance; and establishes the following goals:

- Ensure access to timely, high-quality, comprehensive primary care and preventive health services for Washington residents;
- Simplify administrative requirements for primary care providers and practices;
- Improve the health of residents and reduce their need for hospitalizations and emergency department visits.

It directs the Office of the Insurance Commissioner (OIC) to work in collaboration with the Governor, the Health Care Authority, the Department of Health, and Tribal Leaders, and in consultation with interested parties to design and develop this model and submit a report and proposed implementation plan to the legislature by June 30, 2028.

This initial work would be funded from the OIC's regulatory account.

For more information contact: Ingrid Ulrey, Senior Health Policy Advisory, Ingrid.Ulrey@oic.wa.gov

Primary Care System Challenges

Poor access, fragmented care and high costs.

- In Washington, approximately one out of every five adults lack a usual source of primary care, which means they lack a regular doctor, clinic or health center where they can consistently go for medical advice or routine check-ups.[iii]
- Up to one out of every 10 Americans now name an urgent care center, a "minute clinic" or walk-in pharmacy as the place they go for care.[iv]
- Having a usual source of primary care is associated with 54 percent lower total health care expenditures for adults managing a chronic condition.[v]

Provider burnout and workforce shortages.

- More than 5 million Washingtonians live in an area with a shortage of primary care health providers.[vi]
- Primary care providers have low compensation compared to other providers and experience increased burnout and reduced job satisfaction, with 44% identifying administrative burden as the primary reason for their distress.[vii]
- Washington is failing to prepare enough primary care providers for the future, and hospitals are cancelling family residency slots to focus on more lucrative specialties. [viii]

High-cost hospital care is driving unsustainable cost growth.

- Timely access to comprehensive primary care improves chronic disease management and reduces emergency room visits and hospitalizations.[ix]
- Approximately 40 percent of all Emergency Department claims in Washington state are "primary care sensitive" and could be avoided with better coordinated primary care.[x]

Designing a Model for the Future

In Washington, some large employers are moving away from using traditional insurance and paying directly for primary care[xi], and a growing number of Washingtonians are choosing to enroll in Direct Primary Care practices.[xii] These models replace traditional coding, billing, and prior authorization processes with prospective, direct payments to the practice. While these private sector innovations show promise in improving patient outcomes and reducing emergency department and hospital care costs, they are unavailable or unaffordable to most Washingtonians.

To take this innovation to scale, state health policy leadership is needed. National thought leaders recommend that states consider pooling existing resources from multiple payors through the establishment of a common fund as a key strategy to simplify payment and sustain primary care as a more universal, common good.[xiii] This approach would ensure access to primary care, while leaving in place traditional insurance which would "wrap around" and continue to cover all other benefits. Moving in this direction would put Washington on track to fortify our primary system, contain costs and ensure access to primary care for all Washingtonians.

Key areas to consider

The development of the new financing and payment model will require research and analysis, economic modeling and deep stakeholder engagement across a broad range of issues, including:

- **Governance** – Structure and process for establishing a Board of Directors and identification of oversight authority and requirements.
- **Financing** – Identification of revenue sources including existing resources attributed to primary care, and long-term savings generated by the model. Process to consolidate diverse revenue streams into a single financial repository and maintain solvency reserves.
- **Enrollment** – Consumer eligibility, enrollment, and attribution or assignment of member groups or individual consumers to participating providers or practices.
- **Provider participation requirements** – Definition of eligible primary care providers, credentialing, data sharing agreements and aligned quality metrics.
- **Scope of benefits** - Primary care covered services and delivery models to incorporate, including consideration of advanced primary care, behavioral health integration and team-based care.
- **Reimbursement** – process for developing a prospective, per member, per month prospective payment structure, and risk adjustment or reinsurance programs;
- **Administrative simplification** - consideration of ways to simplify, reduce or eliminate traditional administrative requirements such as coding, billing, claims, prior authorization, credentialing, contracting, and reporting;
- **Wraparound Insurance Integration** – process and procedure to define how the new model would interact with health insurance markets and public coverage programs, prevent cost shifting and support care coordination.
- **Primary care workforce strategies –** how the model, and other state policy efforts, could improve the supply of primary care providers.

Sample implementation plan

A recommendation for phased implementation of the new model across health insurance markets and coverage programs would account for necessary federal approvals. Sample phrases:

- Phase 1 – Develop the organization and IT systems
- Phase 2 – Launch geographic pilots
- Phase 3 – Expand into state jurisdiction markets
- Phase 4 – Open to small and large group market participation
- Phase 5 – Open to beneficiaries of federally administered programs

Footnotes

[i] Physicians Foundation, https://www.milbank.org/publications/investing-in-primary-care-the-missing-strategy-in-americas-fight-against-chronic-disease/

[ii] Health Care Cost Transparency Board, https://www.hca.wa.gov/assets/program/cost-board-primary-care-meeting-20260423.pdf

[iii] Milbank Memorial Fund, https://www.milbank.org/primary-care-scorecard/

[iv] Health Care Science, https://www.milbank.org/primary-care-scorecard/

[v] Milbank Memorial Fund, https://www.milbank.org/primary-care-scorecard/

[vi] Health Resources Services Administration, https://bhw.hrsa.gov/sites/default/files/bureau-health-workforce/data-research/State-of-the-Primary-Care-Workforce-2025.pdf

[vii] Commonwealth Fund, https://www.commonwealthfund.org/publications/surveys/2025/nov/causes-impacts-burnout-primary-care-physicians-10-countries

[viii] Seattle Times, https://www.seattletimes.com/seattle-news/health/providence-swedish-to-cut-residency-slots-citing-looming-medicaid-cuts/

[ix] Physicians Foundation, https://www.milbank.org/publications/investing-in-primary-care-the-missing-strategy-in-americas-fight-against-chronic-disease/

[x] WA Office of Financial Management, https://ofm.wa.gov/wp-content/uploads/sites/default/files/public/dataresearch/researchbriefs/brief115.pdf

[xi] Boeing Primary Care+ FAQs, https://boeingprimarycare.com/wp-content/uploads/2025/03/Primary-Care-Puget-Sound-FAQs_031725.pdf

[xii] WA Office of the Insurance Commissioner, https://www.insurance.wa.gov/sites/default/files/2025-11/direct-practices-report-2025.pdf

[xiii] Journal of American Medicine, https://jamanetwork.com/journals/jama/article-abstract/2849331