

November 4, 2025

To: Patty Kuderer, Washington State Insurance Commissioner; the Honorable Bob Ferguson, Governor, State of Washington; The Honorable Rick Larsen, U.S. Representative, Washington's 2nd District; The Honorable Maria Cantwell, U.S. Senator, Washington State; The Honorable Liz Lovelett, State Senator, 40th Legislative District; The Honorable Debra Lekanoff, State Representative, 40th Legislative District; The Honorable Alex Ramel, State Representative, 40th Legislative District

Re: Urgent Concerns Regarding Loss of Insurance Carriers in San Juan County and Impacts to Rural Healthcare Access

Dear Commissioner and Legislators,

We, the superintendents of the Public Hospital Districts of San Juan County, are writing on behalf of concerned residents and healthcare stakeholders in San Juan County. Public Hospital Districts are community-created, governmental entities authorized by state law to deliver health services to district residents and others in the districts' service areas. Owned and governed by local citizens, hospital districts tailor their services to meet the unique needs of their communities. Our letter is to express urgent concerns regarding the loss of all but one health insurance carrier in the individual market for 2026. This development will significantly restrict access to care for residents and challenges the sustainability of local healthcare services.

Beginning January 1, 2026, Ambetter (Centene) is slated to become the sole carrier offering individual market plans in San Juan County. However, this coverage excludes many of the regional providers our residents rely on, including UW Medicine, Island Health, Skagit Regional Health, Sea Mar Community Health Centers, and Swedish/Providence. This effectively severs access to essential services for individuals living on Lopez, Orcas, Decatur, and Shaw Islands, further isolating our communities from critical healthcare infrastructure.

While we understand that carriers must remain solvent and responsive to actuarial pressures, the current model—where coverage is tied to county-level ZIP codes—creates a

patchwork of inequity. Rural and ferry-served counties like ours are left out, especially when providers are unwilling or unable to contract with the only remaining insurer.

Key Concerns:

- **Loss of Network Adequacy:** Ambetter’s current network includes Eventide Health in Friday Harbor, the PeaceHealth system, and Whidbey Hospital District. There is no confirmation yet that Ambetter will offer access to critical nearby providers, such as those in Island and Skagit County. This puts continuity of care at risk.
- **Access Barriers:** Residents who cannot find in-network care locally will be forced to travel significant distances—and face ferry limitations—to reach providers. This is especially burdensome for those with chronic conditions or mobility challenges.
- **Provider Participation Unclear:** UW Medicine will leave Lopez Island Clinic in June 2026, and a new operator has not been identified. Ambetter does not contract with UW, and it is unknown if a future provider will. Without a contract, residents may face high out-of-network costs and reduced access to care.
- **ACA Changes & Premium Increases:** The expiration of federal ACA tax credits will further destabilize the individual marketplace, potentially forcing more residents to drop coverage altogether.
- **Insurer Volatility:** Carriers are withdrawing due to denied rate increases and high regional costs (such as air ambulance transports). While we recognize these financial realities, the state’s response must also prioritize rural health equity.

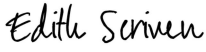
Recommendations:

1. Reevaluate the county-based insurance model to allow for regional or statewide coverage options, especially for rural and frontier counties with low populations.
2. Encourage or incentivize insurers to maintain rural market presence, possibly through risk pooling or shared rural coverage mandates.
3. Ensure greater transparency and timeliness in network adequacy disclosures, so communities and clinics can prepare.
4. Engage rural stakeholders early in the rate-setting and carrier approval processes at the OIC level.

While we understand that private insurers are not required to serve every market, state policy decisions—particularly around rate approvals and service area definitions—play a critical role in shaping access. Without intervention, San Juan County may become increasingly isolated from meaningful healthcare access.

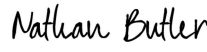
We urge you to view this not only as a market issue, but as a public health and rural equity issue—and to act accordingly.

Sincerely,

Signed by:

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Edith Scriven, Superintendent
Lopez Island Hospital District
SJCPHD#2

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Chris Chord, Superintendent
Orcas Island Health Care District
SJCPHD#3

Signed by:

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Nathan Butler, Superintendent
San Juan County Public Hospital District #1
SJCPHD#1