

WASHINGTON STATE MEDICAL ASSOCIATION  
HOUSE OF DELEGATES

Resolution: B-16  
(A-20)

Subject: Investigating Systemic Bias in Reimbursement of  
Minority and Women-Owned Medical Practices  
in Washington State

Introduced by: Samir Master, MD, Delegate  
King County Medical Society

Referred to: Reference Committee B

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1 WHEREAS, for many years in United States history, minorities were prohibited from ownership  
2 of medical practices, membership in the American Medical Association<sup>1</sup>, or even immigration  
3 into the United States during periods when many large Washington health care systems or their  
4 predecessor organizations were established; and

5  
6 WHEREAS, physicians who have been working for more than 30 years are more likely to be  
7 practicing medicine in small or solo practice if they are African American or Hispanic, and work  
8 in rural areas<sup>2</sup>; and

9  
10 WHEREAS, there is an increasing consolidation of small solo practices and their absorption into  
11 the larger healthcare systems; and

12  
13 WHEREAS, many of said large health care delivery systems may not have corporate and  
14 organizational structures in place to appropriately represent the diverse communities they may  
15 be serving; and

16  
17 WHEREAS, hospital system boards overwhelmingly lack diversity; white professionals make  
18 up 83% of system boards, 91% of free standing boards<sup>3</sup>, and 89% of executive leadership,  
19 despite minorities making up half of all health administration program applicants and 32% of  
20 patients being served in communities<sup>4</sup>; and

21  
22 WHEREAS, this consolidation of healthcare providers may lead to increased ownership, counter  
23 cultural, and managerial influence of the practice of medicine by these corporations and not-for-  
24 profits headquartered outside of Washington State; and

25  
26 WHEREAS, large health care delivery systems are capable of negotiating significantly higher  
27 reimbursement rates with insurance carriers for outpatient medical services than small minority-  
28 and women- owned healthcare practices offering similar medical care; and

29  
30 WHEREAS, hospital systems have the unique ability to charge additional facility fees<sup>5</sup>, not  
31 available to independent practitioners, that are based on hospitals' ability to leverage lobbying

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<sup>1</sup> [www.ama-assn.org/about/ama-history/history-african-americans-and-organized-medicine](http://www.ama-assn.org/about/ama-history/history-african-americans-and-organized-medicine)

<sup>2</sup> Liaw WR, Jerry A, Peterson SM, Peterson LE, Bazemore AW. Solo and Small Practices: A Vital, Diverse Part of Primary Care. Ann Fam Med. 2016;14(1):8-15. doi:10.1370/afm.1839

<sup>3</sup> <https://www.modernhealthcare.com/providers/lack-diversity-succession-planning-revealed-aha-survey>

<sup>4</sup> <https://www.modernhealthcare.com/article/20181013/NEWS/181019970/fostering-diversity-for-the-next-generation-of-healthcare-leaders>

<sup>5</sup> <https://app.leg.wa.gov/Rcw/default.aspx?cite=70.01.040>

