

Budget Savings Options 2020

Dollars in Thousands

Agency: Health Care Authority

Source

Agency Priority H, M, L	Impact 1-5	Program/Activity	GF-S				Other Funds				Proviso Y/N	FTE Change		Brief Description and Rationale	Effective Date (MM/YY)	Impacts of Reductions and Other Considerations	Law/Reg. Change Required (cite)
			FY 20	FY 21	FY 22	FY 23	Fund	FY 20	FY 21	FY 22		FY 23	FY 20				
Optional Service																	
H	3	Medicaid Optional Benefit/ Adult Dental		13,324	17,765	17,765	001-C		54,318	49,877	49,877				10/20	We have forecasted 204,000 clients would have received this service. Possible increase in emergency room visits for dental issues.	SPA and RCW change required
H	3	Medicaid Optional Benefit/ Maternity Support		11,731	15,641	15,641	001-C		25,038	21,128	21,128				10/20	We have forecasted 36,306 clients would have received this service	SPA and/or RCW change required
H	3	Medicaid Optional Benefit / School based Medicine		1,744	2,325	2,325	001-C		9,902	9,321	9,321				10/20	We have forecasted 18,714 clients would have received this service	SPA and/or RCW change required
L	3	Medicaid Optional Benefit / Interpreter Services		7,486	9,981	9,981	001-C		18,203	15,708	15,708				10/20	We have forecasted 96,009 clients would have received this service	SPA and/or RCW change required
H	3	Medicaid Optional Benefit / Hospice (FFS)		10,107	13,476	13,476	001-C		16,938	13,569	13,569				10/20	We have forecasted 2,285 clients would have received this service. This will increase hospital stays if service aren't provided at home.	SPA and/or RCW change required
H	3	Medicaid Optional Benefit / Hospice (MC)		2,003	2,671	2,671	001-C		5,803	5,135	5,135				10/20	We have forecasted 1,006 clients would have received this service. This will increase hospital stays if service aren't provided at home.	SPA and/or RCW change required
M	3	Medicaid Optional Benefit / OT/PT/ST (FFS)		239	318	318	001-C		828	748	748				10/20	We have forecasted 21,658 clients would have received this service	SPA and/or RCW change required
M	3	Medicaid Optional Benefit / OT/PT/ST (MC)		5,426	7,234	7,234	001-C		30,791	28,982	28,982				10/20	We have forecasted 71,661 clients would have received this service	SPA and/or RCW change required
H	3	Medicaid Optional Benefit / Abortions		3,086	4,114	4,114									10/20	We have forecasted 9,706 clients would have received this service	SPA and/or RCW change required
H	3	Reduction of Client Group /Breast and Cervical Cancer Treatment (BCCT)		2,504	3,339	3,339	001-C		6,799	5,964	5,964				10/20	We have forecasted 318 clients in this group.	SPA and/or RCW change required
Non-Citizens & COFA Islanders																	
L	3	Reduction of Client Group/Disability Lifeline - un-doc (MCS non citizen)		10,970	14,626	14,626									10/20	We have forecasted 2,157 clients in this group.	SPA and/or RCW change required
L	3	Reduction of Client Group / Non Citizen Children (CHP)		19,527	26,036	26,036									10/20	We have forecasted 19,034 clients in this group.	SPA and/or RCW change required
H	3	Medicaid Optional Benefit/ Kidney Disease		1,773	2,364	2,364									10/20	We have forecasted 666 clients would have received this service	SPA and RCW change required
L	3	COFA Dental		583	629	162									7/20	Funding is provided to provide a Medicaid equivalent dental benefit to certain citizens of Compact of Free Association nations as directed by Engrossed Senate Bill 5274 (pacific islander dental). Delay the start of the program by 2 years	SPA and RCW change required
L	3	COFA Medical		275	550	550									01/21	Funding is provided to provide a Medicaid equivalent medical benefit to certain citizens of Compact of Free Association nations.. HCA would put a cap on the program.	SPA and RCW change required
Budget/Accounting treatments																	
L	1	No July 2020 rate update		2,000											7/20	Built into the original budget was an increase for hospital rate, DOH new born screening, IRT team New E&T Facilities. There will be no update to the rates in July. Without July Rate update we will have realized savings	No Impact the rate increase was not done.
L	4	ESTIMATE: Program 200/150 -FMAP Change CARES ACT	135,000				001-C	(135,000)							6/20	GFs not used do to the higher FMAP. We do not have the full impact of the caseload change due to switching to the enhanced FMAP. It started effective January 2020, there would be no caseload impact until March or April. So we can realize the savings the amount from Jan - March.	A completed forecast for the increase in case load has not been completed. The full impact of the FMAP change is still unrealized. There will probably be an additional expense in FY21 for the increased caseload.
New Items Added from FY 2020 Supplemental																	
L	3	Total cost of insulin		259	259	259									7/20	New requirement that has not started. Pursuant to Engrossed Second Substitute House Bill 2662 (total cost of insulin), one-time funding is provided to support the Total Cost of Insulin Work Group and complete the report.	ESSH 2662 -
H	3	Health Equity		66					66						7/20	Funding and one FTE are provided to identify, analyze, and address health equity disparities in access and outcomes for individuals in the Medicaid population.	This is an Agency Priority to Keep. We have been striving to affordable health care and this is a big step in that direction
H	3	Health care cost board		611	611	611									7/20	New requirement that has not started Pursuant to Second Substitute House Bill 2457 (health care cost board), funding is provided to convene and manage the Health Care Cost Transparency Board and support statewide data aggregation, analysis, and reporting.	This is an Agency Priority to Keep. We have been striving to affordable health care and this is a big step in that direction
L	3	ABCD Outreach		200			001-C		200						7/20	Pursuant to Substitute House Bill 2905 (baby, child dentistry access), one-time funding is provided for the Office of Equity to collaborate with the statewide managing partner of the Access to Baby and Child Dentistry (ABCD) program for increased outreach and the support of local ABCD programs and providers.	SHB 2905

L	1	Children's Mental Health Workgroup		139	139	139													New requirement that has not started. Funding is provided for implementation of Second Substitute House Bill 2737 (children's mental health work group). The Authority is required to coordinate meetings of the work group and related subcommittees and an FTE is provided for these duties.	7/20		SSHB 2737
L	3	Dentist Link		250															One-time funding is provided for the Health Care Authority (HCA) to develop a public-private partnership with a state-based oral health foundation to connect Medicaid patients to dental services and reduce barriers to accessing care.	7/20		ESSB 6168
L	1	Bree Collaborative		300	300	300													Cut new funding. One-time funding is provided for the Bree Collaborative to support collaborative learning and targeted technical assistance for quality improvement initiatives and to promote the adoption of Bree Collaborative recommendations.	7/20		ESSB 6168
L	3	SMA Newborn Screening Fee		70	70	70				113	113	113							New testing not started. The Washington State Board of Health added spinal muscular atrophy to the list of diseases screened through the state's mandatory newborn screening panel in 2019. Funding is provided for a fee increase to cover costs related to the inclusion of this test for newborn screening panels for all covered medical births.	7/20		ESSB 6168
L	1	Partnership Access Line Program		200									001-C	30					Reduce funding for PCL contract. One-time funding is provided to extend the Partnership Access Line (PAL) for Moms and PAL for Kids Referral Assistance Service programs, as described in RCW 71.24.061(3)(a), until June 30, 2021.	7/20		ESSB 6168
L	3	Mental Health education and support		250	250	250													One-time funding is provided to a statewide mental health non-profit serving consumers and families to provide access to programs tailored to peers living with mental illness, family members of people with mental illness, and the community.	7/20		ESSB 6168
H	3	Family Centered SUD Treatment		200															Funding is provided on a one-time basis solely for the Authority to contract with a family-centered substance use disorder treatment program which provides behavioral health services to families engaged in the foster system in Spokane county. This amount must be used to provide wraparound behavioral health services to individuals enrolled in the program.	7/20		ESSB 6168
L	3	Behavioral Health Workforce Report		50	50	50				50	50	50							One-time funding is provided for the Authority to work with the actuaries responsible for establishing behavioral health capitation rates, the University of Washington Behavioral Health Institute, managed care organizations, and community mental health and substance use disorder providers to develop strategies for enhancing behavioral health provider reimbursement to promote behavioral health workforce development efforts.	7/20		
M	1	Involuntary Treatment Act		864	864	864				1788	1788	1788							Funding is provided to implement Second Engrossed Second Substitute Senate Bill No. 5720 (involuntary treatment act). This includes additional funding for estimated increases in involuntary commitment bed days along with reductions in funding for involuntary court costs paid by Behavioral Health Administrative Services Organizations (BHASOs).	7/20	There would be a cost increase in court cost if this funding is removed.	SESSB 5720
M	5	BH-ASO/MCO Non-Medicaid Funding (possible Partial reduction)		3,939															Funding is provided to increase grants to BHASOs for services to individuals not covered by the Medicaid program. The Authority must continue to coordinate with BHASOs to assess the funding gaps for non-Medicaid services and payment models. The allocation of non-Medicaid funding in FY 2021 is modified.	7/20		ESSB 6164
L	3	BH Case Rate Work Group		15	15	15				15	15	15							Rate Changes will not happen in the foreseeable future Study does no good at this time	7/20		ESSB 6165
L	1	Patient Transition Coordinator/ Is this Matchable		93	93	93				(93)	(93)	(93)							It appears that we could get a 50/50 FMAP on this position. the amount reflex the change. Funding is provided for an FTE to coordinate client assessments and implement plans for patients who are hospitalized and likely to need post discharge services including placement in community or out-of-state settings. Client assessments must include information regarding the individual's specific care needs, whether medical, behavioral, or cognitive, and ability to perform activities of daily living. The coordinator must collaborate with the Department of Social and Health Services, the Department of Children, Youth, and Families, and health care organizations to promote the transition of patients to post acute care settings.	7/20		ESSB 6166
L	1	Crisis Plans		75	75	75				(75)	(75)	(75)							It appears that we could get a 50/50 FMAP on this position. the amount reflex the change. Funding is provided for HCA to develop a system to address individuals with intellectual and developmental disabilities who present in an emergency in crisis.	7/20		ESSB 6167
L	5	Criminal Justice Treatment Account (possible Partial reduction)		4,500															Funding is provided from the Criminal Justice Treatment Account (CJTA) for new city or county therapeutic courts or for expanded services in current therapeutic courts engaged in Jail settings	7/20		ESSB 6168

DBHR/ program 150																
M	1	BH/ASO Non Medicaid Funding		4,871	4,871	4,871							Provided solely for persons and services not covered by the Medicaid program. this represents 7.5% of the funding provided	7/20	This amount could effect service provided to clients that would not be covered under Medicaid	ESSB 6168
M	1	Wraparound contracts		1,218	1,218	1,218							Wrap around contracts for MCO's, this represent a 7.5% cut in provided funding	7/20	This amount could effect service provided to clients that would not be covered under Medicaid	
M	1	BH-ASO/MCO Enhancement Funds		1,500	1,500	1,500							Reduce enhancement funds, currently the amount of IMD is \$23 mil per year, taking a 7.5% reduction	7/20	This amount could effect service provided to clients that would not be covered under Medicaid	
M	1	Long term inpatient Beds 90/180 Day beds	20,000	10,000			001-C		20,000	10,000			Freeze current level of 90/180, Facilities have been slow to open and we haven't met the number of budgeted beds.	7/20	There would be fewer beds available than planned. It has been a slower than expected start for this program.	ESSB 6168
L	3	Capital Program Revolving loan	1,000				001-2		500				Program not started and is a huge lift for the Agency. The authority shall establish a revolving fund for loans to operators of new recovery residences or existing recovery residences actively seeking certification and registration.	6/30	There would be no impact as of now. HCA has not loaned any of these funds and it will still take several months for the program to get up and running.	SSHB 1528
H	1	Discharge Wraparound Services (IRT)		1,423			001-C		2,954				Funding is proposed for wraparound services for adults discharging or being diverted from the state psychiatric hospitals into alternative community placements. The Authority is required to consult with the Department of Social and Health Services in the development and implementation of these services.	7/20	The Program has had a very slow start and wont be up and running. We would keep the funding in FY22 and forward.	
H	3	BH Services		1,875	2,500	2,500	001-C		1,875	2,500	2,500		Reduction in Mental Health Day support, An intensive rehabilitative program which provides a range of integrated and varied life skills training (e.g., health, hygiene, nutritional issues, money management, maintaining living arrangement, symptom management) for Medicaid enrollees to promote improved functioning or a restoration to a previous higher level of functioning. The program is designed to assist the individual in the acquisition of skills, retention of current functioning or improvement in the current level of functioning, appropriate socialization and adaptive coping skills. Day support is not widely done in our state, it's not in every region and it's challenging to do.	10/20	This service would no long be available.	SPA Change
M	3	Alternatives to Arrest and Jail		500	(500)				500	(500)			One-time funding is provided pursuant to Second Substitute House Bill 1767 (Arrest & jail alternatives) to create a grant program administered through the Washington Association of Sheriffs and Police Chiefs to support local initiatives to identify persons who become involved in the criminal justice system, who have substance use disorders and other behavioral health needs, and to engage those persons with therapeutic interventions and other services. The HCA must develop a memorandum of understanding with the Criminal Justice Training Commission to provide funding for community grants to provide treatment services pursuant to the program.	7/20	We would push this funding into the next biennium. HCA does not believe it could be used this coming FY.	SSHB 1767
L	1	5181 Involuntary TX Procedures (firearms compliance)		18	18	18			18	18	18		Funding is provided for conducting increased firearms background checks pursuant to Substitute Senate Bill 5181 (Involuntary treatment procedures). HCA would continue the work with current resources			SSB 5181
H	1	CLUB Clubhouses (Partial Cut of Funding)		1,428	1,428	1,428			3,900	3,900	3,900		Funding is provided to increase the number of clubhouse programs. The HCA must explore opportunities for allowing Managed Care Organizations to leverage federal funding by providing clubhouse services in lieu of other services and report to the Legislature on the status of these efforts by December 2019. Partial reduction		There would not be as many Clubhouse facilities started.	
L	4	ESF Intensive BH TX Facilities ***		1,401	(1,401)				3,210	(3,210)			Funding is provided for a new community facility type to address the need for additional discharge placements for individuals leaving the state psychiatric hospitals. Intensive behavioral health (BH) treatment facilities serve individuals who possess higher levels of behavioral challenges that existing alternative behavioral health facilities cannot accommodate.		HCA would like to keep the program and push the funding into the next FY.	
L	4	GAC Assertive Community Treatment ***		1,647					3,950				Currently there are 14 Program for Assertive Community Treatment (PACT) teams across the state and a Flexible Assertive Community Treatment (FACT) team being piloted in the Great Rivers Behavioral Health Organization. Funding is provided for eight additional PACT teams statewide. In FY 2020, funding is provided for three full teams and two half teams. In FY 2021, funding is provided for an additional three full teams. The time to stand up teams is taking longer than budgeted. HCA purposes standing Half up in FY 21 and the rest in the following FY22.			
L	1	Secure Detox Facilities		941					941				Facilities have opened a slower than budgeted rate. Funding is provided for a new 16-bed secure withdrawal management and evaluation facility in FY 2020 and an additional 16-bed facility in FY 2021. The Authority is authorized to increase the fee for service per diem rate secure withdrawal management and evaluation facilities up to \$650 and must require managed care organizations pay no less than the fee for service rate beginning in calendar year 2020.			

M	3	PJTL Same Day Visit		1,168	1,168	1,168									Funding is provided for transportation and an incentive payment to providers to hold appointments so that individuals releasing from jail have no disruption in access to medication-assisted treatment for opioid use disorder, effective July 1, 2019.			
H	1	Residential Treatment Start-up (Partial reduction)		295											Start-up and operational funding is provided for two 16-bed pregnant and parenting women (PPW) Residential Treatment sites. This amount represents a partial reduction in the funding for this FY only.		HCA would continue the work in the next Biennium	
L	3	Assisted Outpatient TX Pilot SFY 21		225											Funding is provided to continue one pilot project in Pierce County to promote increased utilization of assisted outpatient treatment programs through the Behavioral Health Administrative Services Organization. The pilot project has not proven to be useful. HCA thinks it is best to discontinue it.		Checking with Pierce County to get there take on how the pilot project is performing.	
L	5	Trueblood Settlement underspend	6,000												Program start was slower than anticipated. This is program savings from FY20	6/20		
HBE																		
M	1	Health Benefit Exchange Reductions		810					*	*	*				The Health Benefit Exchange (HBE) is appropriated as a distinct program (300) within the HCA. The Exchange would reduce expenditures for contracts, equipment and travel, preserving services to Washington consumers seeking health care coverage	7/20	* A corresponding/offsetting increase in appropriation from the Exchange's dedicated account (177) would mitigate program and service impacts while meeting GFS reduction targets.	
Admin Funding																		
ADMIN	M	1	ADMIN - Salaries and Benefits	1,500	2,500	2,500	2,500											
ADMIN	M	1	ADMIN - Travel		53	53	53											
ADMIN	M	1	ADMIN - Admin Contracts		1,700	1,700	1,700											
ADMIN	M	1	ADMIN - Goods and Services/Training		250	250	250											
				163,500	138,679													
PEBB/SEBB Savings																		
			PEBB (GFS)	-	6,542	48,586	89,588											
			SEBB (GFS)	1,000	3,983	98,103	199,291											
			Total PEBB/SEBB	1,000	10,525	146,689	288,879											

Priority:
L = Low priority agency activity or program
M = Medium priority agency activity or program
H = High priority agency activity or program

Impact:
1 = Allows continuation of the program/activity at a reduced level
2 = Eliminates the ability to perform program objectives
3 = Eliminates agency function
4 = Long term implications (moves the problem to next biennium)
5 = Short term (reduction to one time increase)