

2020 Final Supplemental Budget Comparison — March 11, 2020

The following compares the Legislature’s final supplemental budget released March 11, 2020 and the proposed Senate and House supplemental budgets released Feb. 24, 2020. The chart lists state funds and total funds, which includes the state fund and federal (or other) funds. We have indicated the items that WSHA actively supports. This budget analysis contains the following sections:

- WSHA hospital/health system top budget priorities
- Difficult to discharge issues
- Other health care items
- Mental health
- Substance use disorder and addressing the opioid crisis budget items
- Work groups and reports

WSHA Hospital / Health System Top Budget Priorities

Item	Final budget	House proposal	Senate proposal	WSHA position
<p>Improve process for hospitalized patients needing post-acute care. WSHA advanced a policy bill (SB 6275) that was not enacted, but led to these investments. (DSHS)</p> <p><i>See Difficult to Discharge chart below</i></p>	<p>DDA: \$1.2 million state funds; \$2.4 million total</p> <p>AL TSA: \$1.2 million state funds; \$2.4 million total</p> <p>DSHS and HCA directed to seek a presumptive eligibility waiver</p>	<p>DSHS and HCA directed to seek a presumptive eligibility waiver</p>	<p>DDA: \$4.2 million state funds, \$8.5 million total</p> <p>AL TSA: \$4.3 million state funds, \$8.5 million total</p> <p>WSIPP: \$172,000 state only funds</p>	<p>Necessary, but not sufficient</p>
<p>Intensive outpatient/partial hospitalization (HCA). A pilot program in Seattle and another in Spokane for IOP/PHP for children and adolescents, effective 1/1/21. HCA to establish criteria and payment methodology. HCA is to make recommendations to</p>	<p>\$1.8 million state funds, \$1.8 million total</p>	<p>Not funded</p>	<p>\$1.9 million in state funds, \$5.2 million total</p>	<p>Support</p>

expand statewide and to include adults.				
90- and 180-inpatient psychiatric bed rate methodology. (HCA) Sufficient amounts from the \$64 million appropriated in the last budget is for fiscal year 2021 for the HCA to reimburse community hospitals serving Medicaid clients in long-term inpatient care beds.	<p>For hospitals with costs that exceed current inpatient psych rates, a new rate at 100% of costs based on most recent cost report.</p> <p>For hospitals without a recent cost report, rate is higher of the statewide average or their current inpatient psychiatric rate.</p> <p>For hospitals with costs not exceeding their current psych rate based on cost report, rate will be set at \$940 per day.</p> <p>Future rate increase will be informed by the health care growth benchmark est. by the health care cost transparency board (HB 2457).</p>	<p>For acute care and psych hospitals with costs that exceed current psych rates, a new rate at 100% of costs based on most recent cost report.</p> <p>For acute care and psych hospitals with costs not exceeding their current psych rate based on cost report, rate is increased by 5% (\$871).</p> <p>Future rate increases are not addressed.</p>	<p>Adopt the methodology in the HCA's Dec. 2019 report. This include for hospitals with costs that exceed their current in-patient costs, a new rate at 100% of costs.</p> <p>For hospitals with costs not exceeding their current inpatient psych rate, new rate set at - \$995.</p> <p>The HCA reports allows for future rate increases.</p>	Support final budget proviso (preferred Senate language)
Psychiatric Hospital Enforcement (DOH). Implements SHB 2426 (new psychiatric regulatory structure).	\$724,000 state funds, \$742,000 total	Same as final	Same as final	Support

Health System Transparency. (DOH) To implement HB 2036, which would increase financial reporting requirements of hospitals to DOH.	Not funded because the bill died in Senate Ways and Means	Same as final	Not funded as final	Opposed policy bill
Prior Authorization Data. (OIC) To pay for data collection for the prior authorization workgroup in SB 6404.	\$15,000 other funds only	Not funded	Same as final	Support
Health Care Cost Board. (OIC & HCA) For the Health Care Cost Transparency Board in HB 2457.	HCA: \$611,000 state funds, \$611,000 total OIC: \$0 state funds, \$23,000 total	Same as final	Not funded	Neutral

Difficult to Discharge Issues

Item	Final budget	House proposal	Senate proposal	WSHA position
Specialty Dementia Care Rate. Funding to increase rates paid to Specialty Dementia Care providers by approximately \$10 per-client per-day.	\$ 1.4 million state funds; \$3 million total	Same as final	Not funded	Support
Nursing Home Rates. (DSHS) To cover expected nursing home costs and three-year inflationary rate increase.	\$18.8 million state funds; \$37.6 total	\$25.7 million state funds, \$50.2 million total	\$33.6 million state funds, \$66 million total	Support
Nursing Home Rates for Public Hospital Districts. (HCA) To supplemental payments to nursing homes operated by PHDs.	\$0 state funds, \$1 million total funds	Same as final	Not funded	Support
Home Health Rates. (HCA) To increase home health rates in three annual, equal increments beginning Jan. 1, 2021 to ramp up to 75% of Medicare costs.	\$770,000 state funds, \$1.6 million total	Same as final	Same as final	Support

Health Homes Rate Increase. (DSHS) To increase rates to serve dually eligible Medicare-Medicaid clients.	\$1.4 million state funds, \$2.8 million total	Not funded	Same as final	Support
Hospital Transitions. (DSHS) To state Area Agency on Aging (AAA) coordinators in acute care hospitals to facility timely discharge.	Not funded	\$1.9 million state funds only	Not funded	
AAA Case Management. (DSHS) For 23 AAA case managers to serve in-home clients with mental health needs	\$1.3 million state funds, \$2.9 million total	\$1.6 million state funds, \$3.5 million total	\$1.5 million state funds, \$2.9 million total	Support
ER Crisis Plan for DD Patients. (HCA) Funding to develop a system to address individuals with intellectual and developmental disabilities who present in an emergency department in crisis.	\$150,000 state funds	Same as final	Not funded	Support
Patient Transition Coordinator. (HCA). Funding for one FTE to coordinate assessments for patients who are hospitalized and likely to need post-discharge services, including placement in community.	\$187,000 state funds, \$187,000 total	Same as final	Not funded	
Developmental Disabilities Administration capacity. (DSHS) To increase services for 300 individuals through the Basic Plus and Individual and Family Services waivers and to update the non-paid services caseload count.	\$1.1 million state funds; \$2 million total	Not funded	\$1.4 million state funds, \$2.6 million total	Support

Other Health Care Items

Item	Final budget	House proposal	Senate proposal	WSHA position
<p>Primary Care Provider Rate Increase. (HCA) Funding is provided for rate increases for primary care and vaccine services for Medicaid patients</p> <p>Final: 15% increase to primary care 21% increases to pediatric/ neonate critical care</p>	<p>\$9.9 million state funds, \$29 million total</p>	<p>\$14.5 million state funds, \$43.6 million total</p>	<p>Same as final</p>	<p>Support</p>
<p>COVID-19 Outbreak Response. (DOH) One-time funding to cover the costs associated with a dedicated call center and monitoring cases of COVID-19, including one-time costs incurred by Local Health Jurisdictions.</p>	<p>\$100 million from the Disaster Response Account, \$25 million from federal funds</p>	<p>\$5 million other funds</p>	<p>\$5 million state funds, \$7 million total</p>	<p>Support</p>
<p>Foundational Public Health Services. (Special Appropriations) Funding is provided for foundational public health services. Some funds from the Foundational Public Health Services Account are moved to the general fund.</p>	<p>\$6 million additional state funds</p>	<p>\$4 million additional state funds</p>	<p>Not funded</p>	<p>Support</p>
<p>Enhanced Community Residential Services Rate. (DSHS) To increase the rate for development disability</p>	<p>\$2.9 million state funds; \$5.8 million total</p>	<p>Not funded</p>	<p>\$4.9 million state funds, \$9.6 million total</p>	<p>Support</p>

community residential service providers.				
Adult Day Rate. (DSHS) To increase rates for adult day health and adult day care by 6%.	\$262,000 state funds; \$528,000 total	Not funded	Not funded	Support
Rural Health Clinic Reconciliations. (HCA) One-time funding is provided for RHC reconciliations for 2014-2017.	\$34.1 million state funds, \$40 million total	Same as final	Same as final	Support
SOLA Expansion. To increase capacity of state-operated living alternatives.	\$1.2 state funds; \$2.3 million total	\$1.5 million state funds; \$2.9 million total	Not funded	Support
Post-Partum Coverage. (HCA) Beginning Jan. 1, 2021, extend postpartum coverage for pregnant and parenting persons from 60 days to one year, pursuant to E2SSB 6128. Funding to begin once state receives federal waiver.	HCA: \$242,000 state funds, \$242,000 total HCA/HBE: \$325,000 state funds, \$325,000 total	Not funded	\$3.7 million state funds, \$3.7 million total	Support
SMA Newborn Screening. (DOH) To increase the test fee to support the state lab to conduct blood sample testing for spinal muscular atrophy recommended by Board of Health.	\$6,000 state funds, \$366,000 total	Same as final	Same as final	
Partnership Access Line Program. (HCA) To continue the PAL for pregnant women and mothers.	\$510,000 state funds, \$586,000 total	Same as final	\$511,000 state funds, \$1 million total	Support
Telemedicine Training (UW). To implement SSB 6061 (promoting telemedicine training in schools).	\$60,000 state funds, \$60,000 total	Not funded	Same as final	

Public Option. (HCA) Funding and one FTE to plan and administer the new annual procurement effort to secure new QHPs on the HBE.	\$558,000 state funds, \$558,000 total	Same as final	Same as final	
Medicaid Quality Improvement Program. (HCA) For payments to MCOs and partnering providers to reinforce delivery of quality health care and support community health.	\$36.5 million local funds, \$89.4 million federal funds, \$126 million total	\$69.3 million local funds, \$169.6 million federal funds, \$238.9 million total	\$0 local funds, \$68.8 million federal funds, \$68.8 million total	
LNI Healthcare Employees Investigations – HB 1155. (LNI + AGO) For legal services and complaint investigation to implement HB 1155. New requirements in 2019 for meal and rest breaks and overtime for certain health care employees began in 2020.	LNI: \$395,000 other funds AGO: \$44,000 other funds	Same as final	LNI: \$351,000 other funds	Support
Training for Sexual Assault Nurse Examiners. (UW) To increase training for sexual assault nurse examiners in rural areas and web-based services.	\$300,000 state funds, \$300,000 total	Same as final	Not funded	Support
Criminal Investigation Practices and Unreported Sexual Assault Kits. (WSP) To implement storage and preservation for sexual assault kits (HB 2318). Unreported kits would be transported and stored by local law enforcement, rather than hospitals.	\$50,000 state funds, \$50,000 total funds	\$34,000 state funds, \$34,000 total	Not funded	Support
Lowering Tobacco and Vapor Product Use (DOH). For tobacco and vape product cessation support services for youth aged 18-20, in	\$1.0 million state funds	\$989,000 state funds only	Not funded	

compliance with WA's recent Tobacco-21 law.				
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Mental Health

Item	Final budget	House proposal	Senate proposal	WSHA position
Involuntary Treatment Act. (HCA) One-time funding to implement 2E2SSB 5720 (Involuntary Treatment Act).	\$864,000 state funds, \$2.7 million total	Not funded	\$1.3 million state funds, \$4 million total	Neutral after the House improved the bill
MH Waiver for Evaluation and Support. (HCA) One-time funding to support the submittal of a mental health IMD waiver to CMS to allow longer stays in IMD settings to be covered by Medicaid.	\$540,000 state funds, \$1.8 million total	\$776,000 state funds, \$4.4 million total	Same as final	Support
BHO Rate Adjustment for CY 21. (HCA) To account for assumed increases in managed care rates for CY 21 and 22 for behavioral health services.	Not funded	Not funded	\$25 million state funds, \$75 million total	
BH-ASO Reserve Funding. (HCA) Funding for a one-time basis for reserve funding for ASOs providing crisis service and state-only funding in three regions transitioning to funding integration.	\$2.5 million state funds, \$2.5 million total	Not funded	\$2.4 million state funds, \$2.4 million total	
Recruitment and Crisis Training. (DSHS) To increase recruitment efforts and crisis training at Western State Hospital.	Crisis Training: \$1.2 million state funds only New Employee Training: \$1.6 million state funds only	\$2.9 million state funds only	Not funded	

Behavioral Health Primary Care Provider Rate Increase. (HCA) To increase professional rates by 15% for behavioral health services provided to Medicaid patients.	\$1.9 million state funds, \$5 million total	\$3 million state funds \$8.3 million total	Not funded	
Behavioral Health Workforce Investments. (DOH + HCA) One-time funding for HCA to develop strategies to promote behavioral health workforce development efforts, and for DOH to establish a reciprocity program for behavioral health professionals.	HCA: \$50,000 state funds, \$100,000 total DOH: \$0 state funds, \$227,000 total	Same as final	HCA: not funded DOH: same as final	

Substance Use Disorder and Addressing the Opioid Crisis Budget Items

Item	Final budget	House proposal	Senate proposal	WSHA position
Ambulance Cost for Secure Detox. (HCA) People under Ricky’s Law must be safety transported to a secure withdrawal facility. Medicaid does not cover downtime while an ambulance crew waits.	\$846,000 state funds, \$846,000 total	\$328,000 state funds, \$328,000 total	Same as final	Support
Substance Use Disorder Coverage. (HCA + OIC) To implement HB 2642, which would expand SUD coverage for certain services. Includes increases in MCO capitation rates and funding for the OIC to implement these changes.	HCA: \$766,000 state funds, \$2.3 million total OIC: \$71,000 other funds	Same as final	Not funded	Support
Prescription Drug Monitoring Program. (HCA + DOH) To continue	HCA: not funded	Same as final	HCA: \$0 state funds, \$1.13 million total	Support

supporting the initiative to reduce prescription drug abuse and misuse.	DOH: \$48,000 other funds		DOH: \$48,000 other funds	
Substance Use Disorder Professions. (DOH) To continue modernizing substance use disorder professional practice, per ESHB 1768 passed in 2019.	\$14,000 state funds, \$908,000 total	Same as final	Same as final	
Secure Drug Take Back Program. (DOH) Authorizes DOH to spend funds received through the Safe Medication Return/Drug Take-Back program.	\$0 state funds, \$1 million total	Same as final	Same as final	
Chemical Dependency Bed Expansion. (DOC) To add 34 Residential Drug Offense Sentencing Alternative and intensive inpatient chemical dependency beds in the community.	\$2.2 million state funds, \$2.2 million total	Same as final	Same as final	

Work Groups and Reports

Item	Final budget	House proposal	Senate proposal	WSHA position
DD Continuum of Care Workgroup. (DSHS) To establish a Joint Executive and Legislative Task Force to address service delivery for individuals residing in residential habilitation centers, including those with complex behavioral needs.	\$180,000 state funds, \$300,000 total	Not funded	Same as final	Support
Model Sexual Assault Protocols for Hospitals. (AGO) To implement SB 6158, which would create sexual assault community task force to	\$59,000 state funds, \$59,000 total funds	Not funded	Same as final	Support

establish model protocols for supporting victims of sexual assault seeking care at hospitals or clinics.				
Death with Dignity Study. (DOH & UW) To study barriers to the use of the Washington Death with Dignity Act.	\$66,000	\$200,000 state funds only	Not funded	Support
Mental Health Advance Directive Workgroup. (HCA) To establish a workgroup to look at the current use of the directives and make recommendations.	Not funded	Not funded	\$97,000 state funds only	
Children's Mental Health Workgroup. (HCA) To continue the workgroup.	\$139,000 state funds, \$139,000 total	Same as final	Not funded	Support