

2019-21 Final Budget (With Comparisons to Earlier Proposed House and Senate Budgets)

Over the weekend, the Legislature released its final 2019-21 budget. The chart below outlines key items in the final budget, along with how the House and Senate addressed each of these in their respective proposed budgets, which were released in late March. Capital budget items are noted where indicated. The chart lists state funds and total funds, which includes federal funding.

Top Hospital/Health System Budget Items

Item	Final Budget (Released 4/27/19)	House Proposed (Released 3/25/19)	Senate Proposed (Released 3/29/19)	WSHA Position
Operating funding to expand capacity of 90- and 180-day civil commitment beds in community hospitals (interim rate: higher of current psych rate or \$1,171; workgroup to establish methodology).	\$47.3 million state (\$89 million total)	\$42.8 million state (\$65.6 million total)	\$58 million state (\$86.3 million total)	Disappointed in the rate methodology language
Capital funding to support hospitals to increase capacity of 90- and 180-day civil commitment patients	\$26.9 million for: <ul style="list-style-type: none"> • Virginia Mason Memorial: \$2.2 million • Providence Everett: \$4.7 million • MultiCare Auburn: \$20 million Also, \$47 million for a competitive grant for behavioral health capacity	\$31.9 million for: <ul style="list-style-type: none"> • Virginia Mason Memorial: \$2.2 million • Providence Everett: \$4.7 million • MultiCare Auburn: \$25 million Also, \$40 million for a competitive grant for behavioral health capacity	\$21.4 million for: <ul style="list-style-type: none"> • Virginia Mason Memorial: \$2.2 million • Providence Everett: \$4.2 million • MultiCare Auburn: \$15 million Also, \$21.3 million for a competitive grant for behavioral health capacity	Very pleased in state investment in behavioral health capacity
Add partial hospitalization and intensive outpatient services as a Medicaid benefit	Not funded in final budget	Not funded in House budget	\$4.5 million state funds (\$12 million total) - starts 7/1/2020	Very disappointed in lack of funding
Maintain hospital safety net assessment program	Same	Requires no state funds – funded as WSHA supports	Same	Very pleased in funds for hospitals

Additional funds for WRHAP hospitals to continue current support for behavioral health and care coordination	\$927,000 additional state (\$1.6 total, and with carry forward is \$4.4 million total)	No additional	No additional	Pleased to see additional support
Increase community respite beds for adults and children with developmental disabilities	\$3.7 million state (\$4.4 million total)	\$3.2 million state (\$3.6 million total)	\$4.4 million state (\$5.1 million total)	Supported
Increase the daily rate for community respite beds for adults and children with developmental disabilities	\$903,000 state (\$1.1 million total)	Not funded	\$903,000 state (\$1.1 million total)	Supported
Crisis stabilization for DDA clients following hospitalization	\$1 million state	\$1.1 million state	\$700,000 state	Supported
Expand placements to transition DDA clients from community settings after crisis stabilization	\$4.2 million state (\$8.4 million total)	Not funded	\$6.3 million state (\$12.4 million total)	Supported
Enhanced rates for DDA community providers	\$62.2 million state (\$123.2 million total)	\$62.2 million state (\$123.2 million total)	\$17.7 million state (\$75.2 million total)	Supported
Improve the state's Prescription Monitoring Program to ensure providers can access timely information to help combat the opioid crisis	\$0 state (\$330,000 total)	\$100,000 state (\$430,000 total)	\$0 state (\$330,000 total)	

Behavioral Health Budget Items

Item	Final Budget (Released 4/27/19)	House Proposed (Released 3/25/19)	Senate Proposed (Released 3/29/19)	WSHA Position
Increase bi-directional behavioral health rates for health and behavioral codes and psychotherapy codes	\$5.7 million state (\$15.8 million total)	\$5.7 million state (\$15.8 million total)	Not funded in the Senate budget	Supported
Create and operate a tele-behavioral health video call center for on demand tele-psychiatry and SUD consults	\$3.6 million state (\$4.1 million total)	\$3.6 million state (\$4.1 million total)	Not funded in the Senate budget	Supported
Support new intensive behavioral health treatment facility for patients leaving state psychiatric hospitals	\$2.9 million state (\$6 million total)	\$1.9 million state (\$3.5 million total)	\$2.9 million state (\$6 million total)	Supported

Mental health drop-in facility to divert patients from crisis and inpatient care	\$708,000 state (\$1.5 million total)	\$237,000 state (\$449,000 total); funding for one pilot center	\$708,000 state (\$1.5 million total); funding for five centers	Supported
Establish eight Program for Assertive Community Treatment (PACT) teams	\$6 million state (\$18.6 million total)	\$6 million state (\$18.6 million total)	Same as House	Supported
Increase psychiatric residency positions at UW	\$600,000 state (\$600,000 total)	\$600,000 state (\$600,000 total)	\$2 million state (\$2 million total)	Supported
Pre-design, planning and design of University of Washington 150-bed behavioral health teaching hospital	\$33.3 million – capital	\$33.8 million - capital \$167,000 state - operating	\$1 million - capital \$0 - operating	Supported
Community placement for aging patients discharging from state psychiatric hospitals. WSHA will be advocating for funding to be used for community placements for hospitals.	\$10.7 million state (\$18.0 million total)	\$29.3 million state (\$54.2 million total)	\$7.8 million state (\$15.7 million total)	Supported
Add 150 community beds for specialized dementia services for individuals discharging from state hospitals	\$5.5 million state (\$11.1 million total)	Not funded in House budget	\$5.6 million state (\$11.1 million total)	Supported
Create two new 16-bed secure withdrawal management and evaluation facilities and increase per diem rate up to \$650. Require MCOs to pay no less than FFS rate in 2020	\$9.4 million state (\$15.6 million total)	\$9.4 million state (\$15.6 million total)	\$4.4 million state (\$10 million total)	Supported
Substance use disorder services supports, including ED linkages, medication assisted treatment, peer recruitment, family education and navigators, benefit access, recovery programs, supported employment	\$0 state (\$7.9 million total)	\$0 state (\$7.9 million total)	Not funded in Senate budget	Supported
Increase access to substance use disorder peer supports	\$500,000 state (\$2.2 million total)	\$500,000 state (\$2.2 million total)	Not funded in Senate budget	Supported
Return of reserves from Behavioral Health Organizations	-\$35 million state (-\$61 million total)	-\$35 million state (-\$61 million total)	Same	
Funding for Minor Behavioral Health Services: <ul style="list-style-type: none"> Funding Children’s Mental Health services around early identification and intervention 	\$1.6 million state (\$2.7 million total) <ul style="list-style-type: none"> \$1.15 million state (\$2.2 total funds) 	<ul style="list-style-type: none"> Not referenced in house budget 	\$300,00 in state funds <ul style="list-style-type: none"> \$300,00 in state funds 	Supported

<ul style="list-style-type: none"> Funding to support adolescent behavioral health including online training and annual surveys 	<ul style="list-style-type: none"> \$424,000 state (\$548,000 total) 	<ul style="list-style-type: none"> Not referenced in House budget 	<ul style="list-style-type: none"> Not referenced in Senate budget 	
---	---	--	---	--

Other Health Care Budget Items

Item	Final Budget (Released 4/27/19)	House Proposed (Released 3/25/19)	Senate Proposed (Released 3/29/19)	WSHA Position
Assumed Medicaid saving based on “fraud and abuse” recoupments from Medicaid	-\$101.8 million state (-\$351.6 million total)	Not included	-\$101.8 million state (-\$351.6 million total)	Significant concerns
Increase testing of sexual assault forensic evidence kits by the state crime lab	\$9 million state (\$116 million state to support sexual assault survivors)	\$10.9 million state	Same	Supported
Increase crime victim compensation payment rates to health care providers	\$6.8 million state	\$6.8 million state	Same	Supported
Hold on certain rural health clinic recoupments for 2011-2017 reconciliation	Same	No state	Same	Supported
Increase support for foundational public health services , including the ability of public health to address communicable disease and environmental health	\$10 million state (\$23.35 million total) \$1 million earmarked for youth tobacco/vapor prevention programs	\$22 million state	\$12 million state + \$3.06 million from vaping tax \$1 million earmarked for youth tobacco/vapor prevention programs	Supported
Expanding access to services aimed at addressing the opioid crisis	\$1.98 million state (\$6.95 million total) Funding provided to implement opioid bill, including expanding LEAD diversion grants and fentanyl testing.	\$901,000 total Funding provided for prevention and education efforts in Yakima, and fentanyl testing to prevent overdose deaths	\$1.1 million state (\$6 million total) Funding provided to implement opioid bill, including expanding LEAD diversion grants	Supported
Improve vaccination rates for the MMR vaccine (HB 1638)	\$44,000 state	\$44,000 state	Not funded in Senate budget	Supported

Improve license processing times for health professions	\$2.01 million total	\$2.01 million total	Same	Supported
Develop a palliative care roadmap	\$25,000 state	\$25,000 state	Not funded in Senate budget	Supported
Biennial maternal mortality review report	\$344,000 state	\$344,000 state	Same	Supported
Medicaid hospital payment add-on for newborn screening Department of Health screening costs for Pompe/MPS-1/X-ALD	\$360,000 state (\$980,000 total funds), paid for by increased testing fees	\$362,000 state (\$980,000 total) \$1.9 million (paid by increased testing fees)	Same	Supported
Actuarial consulting and contract management to implement public option	\$500,000 state (\$1.5 million total) to implement HB 1523	\$500,000 state (\$1.6 million total) to implement HB 1523	\$100,000 state (\$1.1 million total to implement SB 5226	
Dementia care funding using Project ECHO telehealth	\$482,000 state	\$482,000 state	\$500,000 state	Supported
Studies and workgroups: <ul style="list-style-type: none"> • Collaborative work on preventable hospitalizations in Pierce County • Develop strategies to address the nursing shortage in long-term care • HCA actuarial review of DRG high dollar outlier policies and thresholds 	<ul style="list-style-type: none"> • \$750,000 state • \$100,000 state • \$20,000 state 	<ul style="list-style-type: none"> • \$750,000 state • \$200,000 state • Not funded 	<ul style="list-style-type: none"> • \$225,000 state • Not funded • Not funded 	
Reduce homelessness and develop supportive housing: <ul style="list-style-type: none"> • Homelessness: Youth • Homelessness: Families • Homelessness: Rent assistance • Emergency Shelter • Better Health Housing • Housing & Essential Needs 	\$26.5 state (\$35.5 million total) including: <ul style="list-style-type: none"> • \$4m state (\$8.5 million total) • \$0 state (\$4.5 million total) • \$7 million state • Not funded • \$1 million • \$14.5 million 	\$42.24 million state, including: <ul style="list-style-type: none"> • \$9 million • Not funded • \$12.44 million • \$204,000 • \$1.5 million • \$12.7 million 	\$20.2 million state, including: <ul style="list-style-type: none"> • Not funded • \$5.2 million state (\$9.2 million total) • Not funded • Not funded • Not funded • \$15 million 	Support

<p>Budget restorations for assumed savings that will not be realized:</p> <ul style="list-style-type: none"> • Healthier Washington • Pharmacy savings • Dental savings 	<ul style="list-style-type: none"> • \$27 million state (\$61 million total) • \$7 million state (\$25 million total) • \$11.3 million state (\$29.4 million total) 	<ul style="list-style-type: none"> • \$55 million state (\$120.6 million total) • \$14.2 million state (\$49.7 million total) • \$11.3 million state (\$29.4 million total) 	<ul style="list-style-type: none"> • \$0 state funds • \$0 state fund • \$11.3 million state (\$29.4 million total) 	
<p>Medicaid Home Health payment rate increase to Medicare rate</p>	Not included	Not included	Funded in general appropriation	
<p>Savings from managed care performance withhold</p>	-\$367,000 state, (-\$1.25 million total)	Not included	-\$49 million state (-\$166.3 million total)	
<p>Savings from anticipated delay in federal Disproportionate Share Hospital payment reductions</p>	-\$46.1 million state (-\$119 million total)	Not included	-\$46.1 million state (-\$119 million total)	
<p>Federal match for IMD facilities for stays up to 30 days</p>	-\$16.2 million state	Not included	-\$16.2 million state funds	