

## 2022 Supplemental Budget Comparison — February 22, 2022

The House and Senate on Monday, Feb. 21 released their proposed supplemental budgets for the remainder of the 2021-2023 biennium. The chart below highlights WSHA’s budget priorities, as well as other items of interest to hospitals and health systems and compares them to items that were previously proposed in the governor’s budget. The final budget, representing the compromise reached by both chambers, will be released following negotiations between the chambers over the next couple of weeks.

The charts below list state funds and total funds, which includes a sum of state funds and other funds, such as federal funds or funds derived from fees or local intergovernmental transfers. We have indicated WSHA’s position on the budget line items.

Our top budget priorities for this supplemental budget include:

- **Health care workforce**—investing in nursing education and pipeline development
- **Difficult to discharge** – investing in the long-term care system to ensure patients who are ready to discharge have an appropriate place to receive long-term services and supports during the pandemic and beyond
- **Behavioral health** – improving the behavioral health system of care across the continuum
- **Washington Medical Coordinating Center** – sustaining the WMCC through the biennium, so it is ready to level load patients across the state during an emergency, such as another COVID-19 surge

### Health care workforce investments

Item	Governor Proposal (12/17/21)	Senate Proposal (2/21/22)	House Proposal (2/21/22)	WSHA Position
Funding for nursing education, to increase the number of nursing slots and graduates at UW (\$1.24M) and in community colleges and to purchase two simulation vans (\$3.76 M).	<i>Not funded</i>	<i>Not funded</i>	\$5 million - GFS	Strong support – WSHA priority
Funding for the registered nurse to Bachelor of Science in nursing program at Western Washington University to increase enrollments and align program tuition rates with other state supported undergraduate degrees.	<i>Not funded</i>	\$433,000 - GFS	\$113,000 – GFS \$433,000 – Total	Strong support – WSHA priority
Funding to establish a Masters of Science in Nursing program at Western Washington University.	<i>Not funded</i>	\$461,000 - GFS	\$461,000 - GFS	Strong support – WSHA priority

Funding to establish a Bachelor of Science in nursing program at Eastern Washington University.	<i>Not funded</i>	\$6.2 million - GFS	<i>Not funded</i>	Strong support – WSHA priority
Administer grants for nursing programs to purchase and upgrade simulation lab equipment to help expand capacity and serve more nursing students.	\$13 million - GFS	\$15.2 million – GFS	\$13 million - GFS	Strong support – WSHA priority
Preceptor grant program through the Nursing Commission for nurses willing to supervise nursing students in health care settings	\$6 million - GFS	\$6 million- GFS	\$6 million- GFS	Strong support – WSHA priority
Adds 10 FTE to DOH to process nursing licenses in seven days or less.	\$0 GFS \$2 million - Total	\$0 GFS \$2 million - Total	\$0 GFS \$2 million - Total	Support
One time funding for DOH to process additional applications for provider credentials and address delays caused by the pandemic.	\$2.5 million - GFS	\$2.5 million - GFS	\$2.5 million - GFS	Support
Implementation of HB 2007 on nurse educator loan repayment to increase graduate level nurse instructors.	<i>Not funded</i>	<i>Not funded</i>	\$3 million - GFS	Strong support – WSHA priority
Funding for sexual assault nurse examiner (SANE) training under HB 1622 (half for UW, half for WSU)	<i>Not funded</i>	<i>Not funded</i>	\$244,000 GFS	Support
<b>TOTAL</b>	<i>\$21.5M – GFS</i> <i>\$23.5M – Total</i>	<i>\$30.8M – GFS</i> <i>\$32.8M – Total</i>	<i>\$30.3M – GFS</i> <i>\$32.6M – Total</i>	

Post-acute care (difficult to discharge) investments

<b>Item</b>	<b>Governor Proposal (12/17/21)</b>	<b>Senate Proposal (2/21/22)</b>	<b>House Proposal (2/21/22)</b>	<b>WSHA Position</b>
Incentive payments to long-term care settings to accept non-acute patients from acute care hospitals (DSHS)  House includes funds to continue rapid response staffing teams and incentive payments not otherwise funded in the Governor's Hospital Staffing Initiative from January-June 2022.	\$3.24 million - Total	\$9 million – GFS \$21 million – Total (DSHS) \$66,000 –Total (DDA specific)	\$10.5 million – GFS \$21 million - Total	Strong Support – WSHA priority

Incentive payments to skilled nursing facilities to take Medicaid clients discharged from inpatient care (HCA)	\$840,000 - Total	\$2.2 million – GFS \$4.5 million – Total	\$2.2 million – GFS	Strong Support – WSHA priority
Funding to reduce the numbers of individuals in acute care hospital settings who no longer need that level of care by increasing the capability to transition them to other home and community-based settings.	<i>Not funded</i>	\$20 million – GFS \$40 million – Total	<i>Not funded</i>	Strong Support – WSHA priority
Renew Initiative 2 (long-term supports for older adults) for 5 additional years under the state’s Medicaid Transformation Project, subject to federal approval. This proposal includes funding for two WSHA priorities: funding Office of Public Guardian slots and implementing Medicaid presumptive eligibility for patients discharging from acute care hospitals.	OPG: \$847,000 Total  Presumptive Eligibility: \$8 million Total	OPG: \$847,000 Total  Presumptive Eligibility: \$8 million Total	OPG: \$847,000 Total  Presumptive Eligibility: \$8 million Total	Strong Support – WSHA priority
COVID-positive units in nursing homes	\$3.4 million - Total	<i>WSHA is checking on funding</i>	<i>WSHA is checking on funding</i>	Strong Support – WSHA priority
Reduce the average caseload ratio of case managers serving ALTSA clients with significant behavioral health needs and phase-in 60 additional behavioral health placements in Enhanced Adult Residential Care facilities, as well as for contract monitoring and transition coordination staff.	<i>Not funded</i>	<i>Not funded</i>	\$3.3 million – GFS \$6.5 million – Total	Strong support
Add case management staff to reduced case manager caseload ratios, including for hospital discharge case managers, AAA case managers, and for case managers serving clients in residential settings.	<i>Not funded</i>	<i>Not funded</i>	\$8.2 million – GFS \$17 million - Total	Strong Support
Establish Area Agencies on Aging (AAA) care coordinators stationed in acute care hospitals. These care coordinators will help transition clients ready for hospital discharge into home and community-based settings. <b>This item is part of the Governor's Hospital Staffing Initiative.</b>	<i>Not funded</i>	\$4.2 million – GFS	\$1 million – GFS \$1.4 million - Total	Strong support

One-time funding for incentive payments to home- and community-based service providers who accept clients ready to discharge to a lower-level setting from acute care hospitals and nursing homes. Additionally, ongoing funding for a daily rate add-on for 36 Specialized Dementia Care clients. <b>This item is part of the Governor's Hospital Staffing Initiative.</b>	<i>Not funded</i>	<i>Not funded</i>	\$3 million – GFS \$6 million - Total	Strong Support
One-time funding is provided for contracted nurse staffing teams to support 242 beds opened in nursing homes that will serve individuals discharged from acute care hospitals after their medical needs have been met. <b>This item is part of the Governor's Hospital Staffing Initiative.</b>	<i>Not funded</i>	<i>Not funded</i>	\$18 million – GFS \$36 million – Total	Strong support
Fund 8 Assistant Attorney General staff dedicated to guardianship issues to help create and maintain bed capacity at acute care hospitals by facilitating the transition of patients to the community after their medical needs have been met. <b>This item is part of the Governor's Hospital Staffing Initiative</b>	<i>Not funded</i>	<i>Not funded</i>	\$2.9 million - GFS	Strong Support – WSHA priority
DSHS staff to assist with individuals whose transitions from acute care is delayed due to guardianship issues. DSHS will pass through funding to the Office of Public Guardianship for 2.0 FTE staff and for the cost of guardianship and legal fees. <b>This item is part of the Governor's Hospital Staffing Initiative.</b>	<i>Not funded</i>	<i>Not funded</i>	\$2.1 million – GFS \$2.9 million – Total	Strong Support – WSHA priority
A new contract at the Transitional Care Center of Seattle (TCCS): a DSHS-owned nursing home created to accept difficult-to-place residents from acute care hospitals. The new contract includes a higher daily rate, smaller total client capacity and elimination of the empty bed payments.	\$10.9 million – GFS \$22.3 million - Total	\$10.7 million – GFS \$22.3 million – Total	\$10.7 million – GFS \$22.3 million – Total	Support, but disappointed by reduction in capacity
Funding to help developmentally disabled patients transition care settings – including creating transition coordination teams, mobile diversion and rapid response teams, and enhanced support for providers.	\$4.8 million – GFS \$8.5 million – Total	\$2.2 million – GFS \$3.8 million – Total	\$4.8 million – GFS \$8.5 million – Total	Support

Funding to increase the reimbursement rate for in-home skilled nursing services, nurse delegation, in-home private duty nursing, and adult family home private duty nursing. (HCA)	<i>Not funded</i>	\$640,000 – GFS \$1.3 million – Total	\$640,000 – GFS \$1.3 million – Total	Support
Funding to complete DSHS DDA financial eligibility determinations within a 45-day time frame, reduce the backlog of clients waiting for eligibility determination, and reduce wait times in the call center.	<i>Not funded</i>	\$1.4 million – GFS \$2.5 million – Total	\$1.4 million – GFS \$2.5 million – Total	Support
Continue the COVID-19 rate enhancements to contracted long-term care providers, with reductions over fiscal years 2023 & 2024.	\$116.5 million – GFS \$321.6 million – Total	\$89.5 million – GFS \$184.4 million – Total (DSHS) \$37.3 million – GFS \$75 million – Total (DDA specific)	\$72 million – GFS \$151.4 million – Total (DDA specific)	Support
Expand access to the enhanced case management program from 700 to 1,500 DDA clients and to establish a process for clients to receive automatic nursing referrals in certain circumstances.	<i>Not funded</i>	\$2.5 million – GFS \$4.3 million - Total	<i>Not funded</i>	Support
Funding for two FTEs to regularly review and maintain the DDA no-paid services caseload and to provide case management services to individuals on the no-paid services caseload.	<i>Not funded</i>	\$2.6 million – GFS \$4.6 million – Total	<i>Not funded</i>	Support
Rate add-on of \$153 per day for specialized behavior support contracts to increase residential setting options to deliver long-term care services and supports to a growing number of clients who are registered sex offenders.	\$1.9 million – GFS \$3.8 million – Total	\$1.1 million – GFS \$2.2 million - Total	\$1.9 million – GFS \$3.8 million - Total	Support
Reduce the threshold for occupancy penalties for skilled nursing facilities for purposes of July 1, 2022, rate development.	\$30.9 million - Total	\$8.25 million – GFS \$16.5 million - Total	\$16.8 million – GFS \$33.6 million - Total	Support
Funding for a 20 percent rate increase for private duty nursing providers and for a 10 percent rate increase for private duty nursing adult family home providers. (DSHS)	<i>Not funded</i>	\$1.1 million – GFS \$2.3 million – Total	\$1.1 million – GFS \$2.3 million – Total	Support

Funding to increase home health services rates by 10%	<i>Not funded</i>	\$140,000 – GFS \$406,000 – Total	\$140,000 – GFS \$406,000 – Total	Support
Increase Medicaid nursing home rates so that low-wage direct care and indirect care workers may receive hourly wage increases of up to \$4.	<i>Not funded</i>	<i>Not funded</i>	\$24.3 million – GFS \$58.1 million - Total	Support
Funding supported housing to serve individuals who don't qualify for Medicaid or who need an extended time to apply for and obtain Medicaid – comparable to the foundational community supports initiative in the Medicaid transformation waiver	<i>Not funded</i>	\$208,000 – GFS \$208,000 – Total \$4.9 million 2023-2025	<i>Not funded</i>	Support
Increase rates for DDA Enhanced Respite Services for children and Overnight Planned Respite for adults effective April 1, 2022, and for other respite and HCBS providers. Additionally, funding for an assistive technology program manager to help connect DDA clients with appropriate technological resources	<i>Not funded</i>	<i>Not funded</i>	\$1.8 million – GFS \$2.8 million - Total	Support
Increase rates for contracted Supported Living and other community residential service, with the intent of providing at least a \$20/hour wage for employees of community residential services contractors providing direct care to DDA clients	<i>Not funded</i>	<i>Not funded</i>	\$98.2 million – GFS \$196.6 million – Total	Support
<b>TOTAL</b>	<i>\$134 million – GFS \$403 million – Total</i>	<i>\$193 million – GFS \$398 million - Total</i>	<i>\$285 million – GFS \$588 million – Total</i>	

### Behavioral health investments

<b>Item</b>	<b>Governor Proposal (12/17/21)</b>	<b>Senate Proposal (2/21/22)</b>	<b>House Proposal (2/21/22)</b>	<b>WSHA Position</b>
Prenatal-to-25-year-old behavioral health facilitation to help facilitate the Children and Youth Behavioral Health Workgroup and develop a <b>strategic plan</b> for behavioral health services for children and youth.	\$300,000 - GFS	\$300,000—GFS	\$563,000 – GFS  <i>Also incl. \$200/day stipends</i>	Strong Support – WSHA priority

Increase the number of community-contracted Children’s Long-Term Inpatient Program (CLIP) beds.	\$15 million – GFS \$30 million – Total	\$2.6 million – GFS \$5.3 million – Total	\$6.3 million—GFS \$12.6 million – Total	Strong Support – WSHA priority
Expand the Partial Hospitalization and Intensive Outpatient pilot programs to an additional site beginning in FY 2023	<i>Not funded</i>	\$2.9 million—GFS	<i>Following up on House funding</i>	Support
Youth inpatient navigators to help support families and children that need, but are unable to find, long-term inpatient beds.	\$4.6 million – GFS \$5.5 million – Total	<i>Not funded</i>	\$2.1 million – GFS \$2.6 million – Total	Support
Increase in Medicaid reimbursement rates for community behavioral health providers contracted through managed care organizations. This is in addition to the 2-percent increase provided in the current 2021-2023 budget.	\$10.7 million – GFS \$30.5 million – Total (4.5% increase)	\$18.1 million – GFS \$53.2 million – Total (7% rate increase)	\$17.4 million – GFS \$51 million – Total (7% rate increase)	Support
One-time funds to assist behavioral health providers that serve Medicaid and state-funded clients and experienced revenue losses or increased expenses due to the COVID-19 epidemic.	\$50 million – GFS	\$100 million — GFS	\$42 million — GFS \$100 million – Total	Neutral
Funds to supply Naloxone kits distributed by hospitals and providers and expand Naloxone distribution programs.	\$10 million – GFS	\$8.5 million GFS	<i>Not funded (\$5M for overdose prevention)</i>	Support
Establishment of a 32-bed, short-term <b>Residential Crisis Stabilization Program</b> for youth with severe behavioral health diagnoses.	\$132,000 – GFS \$265,000 – Total	\$48,000—GFS \$97,000—Total	\$48,000—GFS \$97,000—Total	Support
Youth suicide prevention efforts, including strategies to prevent youth suicide and staff to implement youth suicide prevention campaigns.	\$1.4 million – GFS	\$1.4 million – GFS	\$1.4 million – GFS	Support
Manage and contract for 16 beds at the residential treatment facility in Vancouver and 16 beds planned for the residential treatment facility in Snohomish County.	\$3 million – GFS \$4.3 million - Total	\$2.8 million—GFS \$4 million—Total	\$2.2 million—GFS \$3.1 million – Total	Support
Opioid youth education programs and mobile treatment services for underserved populations	<i>Not funded</i>	\$4.2 million – GFS \$6.5 million – Total	\$3.8 million—GFS \$4.7 million – Total	Support

Opioid treatment provider rate funding for bundled payments based on current Medicare Part B rates for opioid disorder treatment services	<i>Not funded</i>	\$4.6 million—GFS \$16.9 million—Total	\$2.4 million—GFS \$8.8 million – Total	Support
Behavioral Health wraparound services for individuals with long-term care and behavioral health needs	<i>Not funded</i>	\$2.3 million – GFS	\$2.3 million – GFS	Support
988 Behavioral Health Crisis Response Line call volume	<i>Not funded</i>	\$80,000 – Total	\$10.2 million – Total	Neutral
One-time funding for a task force to review and make recommendations related to short-term civil commitment	<i>Not funded</i>	\$290,000 – GFS \$348,000 – Total	<i>Not funded</i>	Support
Trueblood Programs	<i>Not funded</i>	\$13 million—GFS \$15.6 million – Total	\$14.25 million—GFS \$ 17.1 million – Total	Neutral
One time funding for King County behavioral health response teams to follow up with individuals following behavioral health crisis for up to three months and establish long term community supports.	<i>Not funded</i>	\$3.9 million – GFS	\$3 million – GFS \$4 million – Total	Neutral
Reduce instances during which individuals discharge from state hospitals to homelessness	<i>Not funded</i>	\$775,000 – GFS	\$775,000 – GFS	Neutral
Funding for a grant for two additional evaluation and treatment units and staff to expand services to sexually exploited youth	<i>Not funded</i>	\$1.5 million – GFS	<i>Not funded</i>	Neutral
Funding for reopening E&Ts, increasing staff capacity, and expanding outpatient services for young adults ages 18-24 in Clark and Spokane counties	<i>Not funded</i>	<i>Not funded</i>	\$1.5 million – GFS	Neutral
Increase the number of mobile crisis teams in King County and the service delivery capabilities	<i>Not funded</i>	\$4.7 million – GFS	\$4.7 million – GFS	Neutral
Assisted Outpatient Treatment to implement HB 1773	<i>Not funded</i>	<i>Not funded</i>	\$4.4 million – GFS \$5.3 million – Total	Neutral
Non-Medicaid Funding to increase BH-ASO and MCO wraparound service contract and implement a 7% rate to address services needs that cannot be paid for with Medicaid funds.	<i>Not funded</i>	<i>Not funded</i>	\$30 million – GFS	Neutral

Mental health access project for youth behavioral response teams to conduct behavior health therapy and trauma-focused cognitive behavioral health therapy, screening and assessments for youth.	\$1.7 million – GFS	<i>Not funded</i>	\$1.7 million – GFS	Neutral
<b>TOTAL</b>	<i>\$96.8 million – GFS \$134 million – Total</i>	<i>\$171.9 million - GFS \$228.3 million -Total</i>	<i>\$140.8 million – GFS \$262.4 million - Total</i>	

### COVID-19 Response

<b>Item</b>	<b>Governor Proposal (12/17/21)</b>	<b>Senate Proposal (2/21/21)</b>	<b>House Proposal (2/21/21)</b>	<b>WSHA Position</b>
Fund Washington Medical Coordinating Center for remainder of biennium	\$1.3 million – GFS	\$1.3 million – GFS	\$1.3 million – GFS	Strong Support – WSHA Priority
COVID-19 Contain the Spread. Funds to continue supporting statewide efforts for diagnostic testing, case investigation and contact tracing, care coordination, outbreak response, disease surveillance, public communications, and other necessary operational support.	\$173.2 million – GFS \$198.4 million – Total	\$156 million – Total	\$198 million - GFS	Support
Expand COVID-19 vaccinations.	\$99.9 million – GFS	\$100 million – Total	\$99.8 million – GFS	Support
COVID-19 response activities (expires December 31, 2021)	<i>Not funded</i>	<i>Not funded</i>	\$33 million – Federal funds	Support
<b>TOTAL</b>	<i>\$274.4 million – GFS \$299.6 million – Total</i>	<i>\$1.3 million – GFS \$257.3 million – Total</i>	<i>\$299.1 million – GFS \$332.1 million – Total</i>	

## Other important health care investments

Item	Governor Proposal (12/17/21)	Senate Proposal (2/21/22)	House Proposal (2/21/22)	WSHA Position
Provide continuous enrollment or Medicaid-eligible children with family income less than 215 percent of the federal poverty level through 6 years of age under a 1115 waiver filed with the Centers for Medicare and Medicaid Services.	\$7.8 million – GFS \$7.8 million – Other	\$6 million – GFS \$6.2 million - Other	\$6 million – GFS \$6.2 million - Other	Support
Setting up analysis to expand Apple Health to undocumented Washingtonians who do not qualify for other state-funded health care assistance programs, beginning January 2024.	\$3.7 million – GFS	\$3.4 million – GFS \$3.4 million – Total	\$3.4 million – GFS \$3.4 million –	Support – WSHA joined coalition
Expand grants for new school-based health centers and add behavioral health capacity for existing school-based health centers.	\$814,000 – GFS	\$814,000- GFS	\$914,000- GFS	Neutral
Increase Medicaid payment rates for dental services to children to align with rates for adult dental services.	\$7.5 million – GFS \$15.7 million – Total	\$14.5 million – GFS \$29.5 million - Total	\$10 million –GFS \$20.4 million - Total	Neutral
Implement the Community Health Access and Rural Transformation (CHART) model.	\$81,000 – GFS \$2.08 million – Other	\$81,000 – GFS \$163,000 - Total	\$81,000 – GFS \$163,000 - Total	Neutral
Procure Electronic Health Record (EHR) software and procure services of a lead organization to set up, operate and maintain EHR services for providers that do not have EHR capability.	\$22.1 million – GFS \$26.6 million – Total	\$22.1 million – GFS \$26.6 million - Total	<i>Not funded</i>	Support
Hospital transparency (HB 1272 (2021)) data collection, with \$2 million grant program designated for rural hospitals' compliance.	<i>Not funded</i>	<i>Not funded</i>	\$3.7 million- GFS	Support
Align appropriation authority for the Medicaid Quality Improvement Project (MQIP) with anticipated Medicaid Transformation Project spending and 5-year waiver renewal.	\$102.4 million – Total	\$156 million - Total	\$156 million - Total	Support

Renew Initiative 1 (Accountable Communities of Health) for 5 additional years under the state’s Medicaid Transformation Project, subject to federal approval.	\$35.8 million – Total	\$35.5 million - Total	\$35.5 million - Total	Neutral
Renew Initiative 3 (foundational community supports) for 5 additional years under the state’s Medicaid Transformation Project, subject to federal approval.	\$20.5 million - Total	\$20.5 million - Total	\$20.5 million - Total	Neutral
SB 5532 Rx Drug Affordability Board Implementation	<i>Not funded</i>	\$1.5 million - GFS	<i>Not funded</i>	Neutral
Funding to reconvene the Sexual Assault Forensic Examination Best Practices Advisory Group (AGO)	<i>Not funded</i>	<i>Not funded</i>	\$58,000 – GFS	Support
Local appropriation authority is provided for the Health Care Cost Transparency Board in anticipation of local support for enhanced policy and data analysis of health care cost drivers.	<i>Not funded</i>	<i>Not funded</i>	\$1.5 million - Total	Neutral
Appropriation is provided solely for the HCA to procure technology and related services for a community information exchange (CIE)	\$2.2 million – GFS \$2.5 million – Total ( <i>Study of CIE</i> )	<i>Not funded</i>	\$13.1 million – GFS \$14.8 million - Total	Support
Resources for the maintenance of public health data systems: Washington Disease Reporting System, Rapid Health Information Network, Washington Immunization Information System, and Data Exchange Services.	\$15.9 million – GFS \$19 million - Total	\$15.6 million -GFS \$19 million -Total	\$15.6 million -GFS \$19 million -Total	Support
Long-term care nursing staff: funding for NCQAC to make changes to curriculum and testing for nursing assistants, including online options, and to facilitate the implementation of a LPN apprenticeship program in coordination with the Workforce Training and Education Coordinating Board	\$0 GFS \$761,000 - Total	\$0 GFS \$761,000 - Total	<i>Not funded</i>	Support
Funding for AGO legal services and office of administrative hearing related to HB 1868 (Health care staffing).	<i>Not funded</i>	<i>Not funded</i>	\$123,000 – Other \$47,000 – Other	Strong oppose
Funding for the Department of Labor & Industries to implement HB 1868 (Health care staffing) if passed.	<i>Not funded</i>	<i>Not funded</i>	\$3.2 million - Total	Strong oppose