



September 9, 2014

Sent via email to Tamarra.Paradee@hca.wa.gov

MaryAnne Lindeblad
Director, Medicaid
Washington State Health Care Authority
626 8th Avenue SE
Olympia, WA 98504

Dear Ms. Lindeblad,

On behalf of the Washington State Hospital Association (WSHA) and the Association of Washington Public Hospital Districts (AWPHD), we write to provide input and express our concern on the joint HCA-DSHS designation of regional service areas for Medicaid Purchasing. The Washington State Medical Association, the Washington Association of Community & Migrant Health Centers, Community Health Plan of Washington, and Community Health Network of Washington are all providing separate comment on this important issue.

WSHA and AWPHD share serious concerns about the proposed regional service areas and the implications if these areas are used to delineate Medicaid purchasing boundaries. The regional service area boundaries are a critical decision with long-term implications for the health of citizens of our state. These boundaries must not act as barriers to improving our health care system.

While our organizations have actively participated in the Adult Behavioral Health Task Force, we were unable to express our concerns about the regional service areas earlier because the regional service area maps were not publicly disclosed until the July 18 meeting of the Adult Behavioral Health Taskforce. By that time, the boundaries were all but finalized. The process for determining these boundaries did not allow for the important input from providers once the boundaries were in the final stages.

Regionalization Should Not Come at the Destruction of Natural Medical Referral Patterns.

As part of health system transformation, Washington State has focused heavily on “regionalization” of systems that support health. This includes the health care delivery system, public health, and community and social services. We support this effort to coordinate and integrate the various systems that impact the health of people in our state.

However, it is unclear to us how these regional boundaries will benefit consumers who need care outside of them. For example, access to specialists will undoubtedly be impacted if the service areas are used as barriers to receiving services. The proposed

regional service areas could significantly disrupt medical referrals in the future. Right now, we do not feel we have the assurances that these boundaries will benefit consumers.

Regional Services Areas Must Account for Both Medical Care And Behavioral Health Referral Patterns.

While the new regional service areas may make sense for the behavioral health needs of Medicaid clients, it is clear from discussions with our member hospitals, providers, and clinics that in some parts of the state, the medical care (non-behavioral health) referral patterns are different.

The recommended boundaries were developed in the context of aligning mental health and chemical dependency services. However, in certain areas of the state, we believe that the proposed new boundaries do not “reflect natural medical and behavioral health service referral patterns” as required in SB 6312. While behavioral health services are an important part of the health care delivery system, medical services must also be considered. The proposed regional service area boundaries may complicate Medicaid procurement in the future in ways that are not being discussed with non-behavioral health providers.

Because the Behavioral Health Organizations (BHOs) are ultimately financially responsible only for the behavioral health needs of their clients, they may not be considering the impact of the proposed service area on overall medical care, such as access to certain medical specialties. We are concerned that if HCA adopts the proposed regional service areas as Medicaid procurement areas, there will be negative impacts for patient access to medical services.

Cowlitz County Concerns

The hospital and medical providers in Cowlitz County have expressed serious concerns about the regional service area boundaries. The natural referral patterns for specialty medical care largely flow south from Cowlitz County into Clark County. However, the recently adopted regional service area proposal has Cowlitz County joining a 5-county area to the west and north (Wahkiakum, Lewis, Pacific, and Grays Harbor).

The hospital and medical providers in the Cowlitz County area need assurances that the regional service area boundaries and Medicaid procurement decisions will not result in the changing of access standards for patients. Based on currently available information from HCA, hospitals and providers do not have these assurances. They are concerned that the regional service areas boundaries will create barriers for patients to access specialty care. Such barriers would disrupt existing business relationships and threaten the adequacy of provider networks.

Chelan-Douglas Area Concerns

The regional service area proposal requires Chelan and Douglas Counties to join the Spokane regional service area. We recently learned that the Great Columbia region has declined to include Chelan and Douglas Counties in the Greater Columbia RSN. Inclusion in the Spokane regional service areas would mean that patients must travel very long distances to receive the full scope of medical care. It would also fail to reflect natural patterns of care. Confluence Health in Wenatchee is the largest hospital in the North Central Region. Confluence Health provides specialty services to the residents of Chelan, Douglas, Grant, Kittitas and Okanogan Counties. Community health in both Grant and Okanogan counties refer to Chelan-Douglas. Divisions between these counties create unnecessary obstacles and disrupt referral patterns.

In addition, these five counties (Chelan, Douglas, Grant, Kittitas and Okanogan Counties) have already come together as an accountable community of health. HCA and DSHS have suggested that there should be a single Accountable Community of Health within each regional service area. The proposed regional service area boundaries would result in overlapping and awkward "regional entities" that would not reflect local planning.

We Look Forward to Working with The State on Health Reform.

Thank you for the opportunity to provide comments on the developments of the regional service areas. We want to continue to work with you in the future on ensuring health reforms are successful in our state. Right now, it is unclear to us how all of the new layers are benefiting consumers and not disrupting well-established patterns of care.

Sincerely,



Cassie Sauer
Senior Vice President, Advocacy and Government Affairs

cc: Jane Beyer, Assistant Secretary, Behavioral Health Service Integration
Administration, DSHS
Nathan Johnson, Assistant Director, Policy Planning and Performance, HCA