



Position Paper

2012 Legislative Session

January 4, 2012

Protect the health care safety net for hundreds of thousands of Washingtonians by examining every available revenue option, including sending a revenue referendum to the people. Prioritize funding for Basic Health, Disability Lifeline and Apple Health for Kids.

The Governor showed leadership in proposing a budget that includes new revenue instead of taking an “all-cuts” approach, which would threaten the livelihood and lives of hundreds of thousands of people across the state. The Governor’s budget took a step in the right direction by protecting the Apple Health for Kids program from the premium increases and program elimination options that had been previously considered. Other key programs, however, remain in a very tenuous position. While the proposal identified Basic Health and Disability Lifeline as priorities to be protected with new revenue funding, they are far from safe. Eliminating these programs would be devastating and result in a loss of health coverage for over 57,000 people virtually overnight, putting lives at risk.

In a positive move, this proposal does not include the elimination of services for 55,000 high risk pregnant women and essential Medicaid pharmacy coverage for 277,000 adults—both were included in previous lists. But it does propose eliminating coverage for 38,000 adults in need of dental care and 70,000 people who need medical interpretation assistance. While Medicaid adult dental coverage is at the top of the Governor’s list of priority items to fund with new revenue, it remains in danger.

The Legislature must build on the Governor’s proposals to create a balanced budget with the compassion and the foresight necessary to save health care and save lives.

Although the Governor suggests prioritizing new revenue funding to save key health care items, they remain slated for elimination in her budget. In total, the hundreds of millions of dollars in proposed program eliminations would dismantle the primary care safety net that serves one-tenth of the state’s population. Eliminating coverage doesn’t eliminate the need for health care – it only increases the number of uninsured people seeking care at community health centers (CHCs) and expensive hospital emergency rooms.

Community health centers are already struggling to keep their doors open after years of deep cuts to essential public programs. Just last session, the CHC system took over \$300 million in state budget cuts, including the elimination of all state funding that offset the cost of caring for the uninsured. In response to a series of all-cuts budgets, health centers have cut to the bone through staff and provider layoffs, salary freezes and furloughs, and cutting programs and hours of operation. Although health centers will do everything possible to continue providing care to their communities, these cuts will push the primary care safety net past the breaking point. There simply won’t be enough funding to keep all the clinic doors open.

The voters want to decide Washington’s future – send a revenue referendum to the people. A series of all-cuts budgets has not solved our economic crisis. The wisest investment for the state in these turbulent economic times is in its primary care safety net. These investments will ensure that our communities receive the right care, at the right time, in the right place and in a proven cost-effective manner.

We urge the Legislature to let voters have a say in our state’s future by sending a revenue referendum to the people. Recent polling demonstrates that voters are ready to raise taxes

to save these key programs. We also urge the Legislature to examine all additional revenue options on the table with as much scrutiny as they give potential cuts. Together we can ensure that these cuts do not dismantle the safety net.

An all-cuts approach is the wrong direction—cuts cost us all more. The question isn't *whether* we will pay for the costs of caring for the newly uninsured, but *how* we will pay. We can pay for comprehensive programs that improve the health of people and communities or we can pay via:

- more hospital emergency rooms visits for primary care;
- longer hospital stays because people get sicker when they delay care;
- more babies born prematurely, potentially with life-long disabilities; and
- higher insurance premiums for everyone as costs are shifted.

Impact on Dollars and Lives	Governor's Proposed Cuts: \$345 million
<i>\$139 M cut 35,000 people become uninsured</i>	PRIORITY: Protect Basic Health from elimination (<i>Governor prioritized for new revenue</i>). Health centers now see about 60% of patients on the Basic Health Program—virtually all of these patients would continue coming to health centers for care if they became uninsured.
<i>\$176 M cut 22,000 people become uninsured</i>	PRIORITY: Protect Disability Lifeline (Medical Care Services) from elimination (<i>Governor prioritized for new revenue</i>). Health centers serve as the primary care network for <i>all</i> managed care patients on Disability Lifeline (DL). If the DL program is eliminated, these complex patients will continue seeking care at health centers as uninsured patients.
<i>Not cut in Gov budget. Protects coverage for over 160,000 kids</i>	PRIORITY: Protect Apple Health for Kids. The Governor's budget did not include the deep premium additions and whole program eliminations that had been proposed in earlier lists.
<i>\$17 M cut 38,000 people lose dental coverage</i>	Protect Medicaid Adult Dental from elimination (<i>Governor prioritized for new revenue</i>). Health centers previously treated about one third of adult Medicaid dental patients, ¹ many of whom lost coverage as a result of last session's deep cuts. This proposal would eliminate all remaining non-emergency coverage for adults, including pregnant women.
<i>Not cut in Gov budget. Protects care for 55,000 pregnant moms</i>	Protect Maternity Support Services (MSS). The Governor's budget did not include program eliminations seen in earlier proposals. Almost 60% of MSS funding goes to health centers to provide critical services to the highest risk pregnant women.
<i>Not cut in Gov budget. Protects access to medication for 277,000 adults</i>	Protect Adult Medicaid Pharmacy from suspension. The Governor's budget doesn't eliminate the program like earlier proposals. Cutting coverage would cause the cost of Medicaid patients trying to manage their chronic conditions to skyrocket: instead of paying \$20 for a bottle of insulin, the state could pay \$30,000 for a hospital stay.
<i>\$12.5 M cut 70,000 people impacted</i>	Protect Medicaid Interpreter Services from elimination. Health centers serve tens of thousands of people who depend on interpreters to understand the complex medical information discussed at a visit to their health care home.

¹ Available 2009 adult dental data identified FOHC users, but did not split out pregnant women or disabled patients.