



2010 Legislative Summary

Legislators stood strong for affordable health care during the 2010 Legislative Session, saving affordable health coverage for more than 100,000 Washingtonians and helping our state bridge toward larger health care reforms and coverage expansions in 2014.

Overview

After 60 days of regular session and a 29-day special session, the 2010 Legislature passed a one-year budget that preserves funding for primary care safety net programs, including Basic Health, Disability Lifeline (formerly General Assistance-Unemployable), Community Health Services grants, basic adult dental care and maternity support services for Medicaid recipients, and Apple Health for Kids. These programs are the foundation for ensuring that children, low-income adults and the uninsured receive cost-effective health care services.

As a lead partner in the Rebuilding Our Economic Future Coalition, the community health center (CHC) system advocated tirelessly for a balanced approach, including both cuts and new revenue, to resolve the state's \$2.8 billion budget deficit. The threat of an all-cuts budget loomed large over the Legislative Session, threatening the elimination of nearly every state-only funded health care program. After last year's budget, another all-cuts budget this year would have devastated our state's primary care safety net and put CHCs' ability to care for their patients in jeopardy. Eliminating key programs would have left more than 100,000 additional Washingtonians uninsured.

In the end, the Legislature made the tough decision to balance the budget by closing tax loopholes, raising new revenue and making targeted cuts. New revenues are a small part of the overall budget solution, accounting for only eight percent of the solution to the two-year budget deficit. But these revenues had a big impact—without them health care programs that form the fabric of our state's health care safety net would have disappeared. Legislators' courageous decision to raise revenue to help fund these programs will help hundreds of thousands of Washingtonians continue to receive the care they need, while maintaining programs that will be critical in the implementation of federal health care reform.

Basic Health

Basic Health is the only affordable health insurance option for tens of thousands of working adults in Washington State. It has provided low-income Washingtonians access to preventive, specialty, pharmacy and hospital care for more than 20 years, although enrollment has been cut over the past decade due to state funding shortfalls. Further, Basic Health will play a critical role in health care reform; Washington State hopes to receive federal matching funds to support the program as early as this year. With the program's future in jeopardy, the Friends of the Basic Health Coalition, a group of diverse

stakeholders united in their support for Basic Health, was reestablished. The coalition worked tirelessly to advocate for the preservation of the program, and as a result, the Legislature maintained funding for 65,000 people on Basic Health, with the possibility of expanding the program by 4,000 new members.

Now, Basic Health will serve as a bridge toward comprehensive federal health care reforms and coverage expansions in 2014. Washington State has already applied for a waiver to begin receiving federal funding to help support programs like Basic Health as early as this year.

Community Health Services (CHS) Grants

Outside of hospital emergency rooms, CHCs are the only providers required to treat the uninsured regardless of ability to pay. The Office of the Insurance Commissioner predicts that nearly one million individuals—one in seven Washington residents—will be uninsured this year. Last year, CHCs saw a 14 percent increase in the number of uninsured patients finding health care homes at their clinics. This percentage will grow higher as the economy struggles to recover following the economic downturn.

The Community Health Services (CHS) Program funds grants to CHCs and other safety net providers to help care for Washington's growing uninsured population. This represents Washington State's fundamental commitment to increasing access to primary care for uninsured people. CHCs rely on CHS grants to help offset the cost of providing primary medical, dental and migrant health services for uninsured people in their communities. Federal grants are the only other dedicated funding source available to CHCs for uninsured care, but these grants cover only a small portion of the cost.

Both the Governor's proposal and the Senate's Ways and Means Chair's initial budget draft proposed eliminating the CHS program for the second year of the biennium. CHCs and many allies spoke out in force against these cuts, and lawmakers listened. CHS grants were fully funded in the final budget, helping CHCs to continue caring for the growing number of uninsured people in our state.

Disability Lifeline (GA-U)

More than 20,000 low-income people who are physically or mentally disabled and unable to work rely on the General Assistance-Unemployable (GA-U) medical program for access to health care. Over the last five years, Community Health Plan of Washington and its community and mental-health center partners piloted new integrated managed care models linking GA-U patients to a health care home to help reduce inappropriate emergency room use, reduce pharmaceutical costs and improve patient outcomes. The integrated managed care model was taken statewide in November 2009.

An all-cuts budget would have eliminated this state-funded program, leaving thousands of vulnerable people uninsured and without needed access to primary, specialty and mental health care. Instead, the program was reformed and fully funded under a new name: Disability Lifeline. As part of the reform the Legislature mandated two pilot programs to streamline how the program functions. The first will redesign the medical and mental health "incapacity" exams that determine clients' eligibility, and the second will expedite the processes that help people transition onto long-term support programs such as Social Security Income (SSI). With these changes, the program will continue to serve as a lifeline to thousands of patients.

The Legislature instituted a time limit of 24 months of coverage out of every 5 years to reduce costs, with a required SSI review before enrollees can lose coverage. This could leave people with very complex conditions without coverage. While these patients would continue receiving primary care at their local community health clinics, a sudden shift of complex patients to uninsured status would be difficult for already-struggling CHCs to financially bear. Further, patients would lose access to critical specialty and hospital services. We are already working with state agencies and other partners to attempt to mitigate the impact of time limits on enrollees and providers.

Apple Health for Kids

More than one-third of the children in our state have access to affordable and comprehensive health care coverage through Apple Health for Kids. This public insurance program ensures that children receive the preventive, primary and specialty care they need to grow into healthy adults. Apple Health for Kids has been a pivotal resource for families during the economic downturn, making sure that children's health coverage is not put at risk due to changes in their parents' employment. The Caseload Forecast Council projects that the number of children on public health insurance programs will continue to surge with up to 44% of all children in Washington State on public insurance programs within two years due to the weakened economy.

An all-cuts budget would have left many of these children uninsured. Thankfully, the health insurance program was funded, and 16,000 children in our state will keep their health insurance. Unfortunately, the elimination of outreach funding in the final budget will limit efforts to find and enroll eligible children in health coverage and may reduce the state's eligibility for future federal performance bonuses.

Medicaid Dental Program

Dental care is an essential component of overall health. Periodontal disease has been linked to cancer, vascular disease, and diabetes. It also can lead to complications and low-birth weight babies if left untreated during pregnancy. Further, dental treatment is required prior to chemotherapy, organ transplants and immune suppressive treatment.

Last year, more than 125,000 adults and 376,000 children received a wide range of dental services through Washington's Medicaid program. Due to the rising uninsured population and previous funding cuts, CHC dental programs find it difficult to meet the growing demand for primary dental care, especially for adults. Yet an all-cuts budget would have eliminated Medicaid coverage for all non-emergency dental care for adults, forcing

Raising Our Voices for Affordable Health Care

Community Health Center system patients, staff and supporters spoke out loudly for affordable health care this legislative session, and legislators listened.

Contacting Legislators

Throughout the legislative session, nearly 30,000 people sent post-card and email messages to their legislators through Save Health Care in Washington. From Spokane to Port Orchard, the message was clear: stop deeper cuts to health care.

When the State Senate threatened to eliminate Community Health Services grants in the Ways and Means chair's initial budget proposal, we flooded the Senate with calls in support of the program. Funding for the program was restored and retained in the final version of the budget.

Rallying at the Capitol

We joined more than 5,000 people to rally on the Capitol Steps to support new revenues, doubling the number of attendees at an anti-tax rally held the same day.

Testifying at Hearings

In February, nearly 100 CHC system staff, board members and supporters attended a hearing to express support for revenue increases to protect low-income health care programs. By the end of the hearing, even legislators were wearing "Stop Cuts to Health Care" stickers.

people to delay care, experience excruciating pain and use emergency rooms for avoidable dental health problems. Fortunately, the legislature did not fully eliminate the program. Instead, the final budget cut \$6.4 million from the Medicaid dental program for the remainder of this biennium. DSHS was directed to focus reductions on the fastest growing cost areas of dental care and to avoid cuts to preventive care, especially for children, if at all possible.

Maternity Support Services (MSS)

For more than 20 years the Maternity Support Services (MSS) program has provided a wide range of essential preventive services to support pregnant women and their infants covered by Medicaid and CHIP. Not only do timely maternity support services reduce infant illness and death, they also help contain the excessive long-term health care costs associated with premature and low birth weight babies. In 2009, over 50 percent of Washington State births were funded by Medicaid and over 50,000 women received MSS.

Even though the program has a proven track record of saving state resources, last year the Legislature enacted a 20% reduction in the MSS program for the 2009-2011 biennium. This year, the Governor proposed eliminating it altogether if the Legislature was not able to raise revenue. Fortunately, the Legislature fully recognized the value of this program and maintained its funding.

Conclusion

Due to tireless advocacy of the CHC system and the courage of a majority of legislators to take difficult political votes to raise new revenue, the CHC system and our patients avoided a catastrophe this year. In the end, the Legislature and Governor agreed that preserving critical public structures was worth risking their political futures for, and continuing to cut our way out of the economic crisis was not a solution that Washington could live with.

But the struggle for CHCs and our patients isn't over. For over 25 years, our system has provided solutions to some of the state's most intractable problems and made positive contributions to the state's health care system. After the deep cuts taken in the 2009 State Legislative Session, our system is struggling to maintain its financial viability while serving one-tenth of our state's population. CHCs have had to make painful choices that hurt their communities. During this biennium, over 85% of CHCs have or will have laid off staff and 75% are reducing or totally eliminating cost-effective programs like behavioral health.

The wisest health care investment the state can make in these turbulent economic times is in the primary care safety net — CHCs and public insurance programs. These investments will ensure that our communities receive the right care, at the right time, in the right venue and in a proven cost-effective manner. The important role of CHCs and the preventive care they provide will only continue to grow as health care reform takes shape and our state continues to build the infrastructure for larger reforms and coverage expansions in 2014.

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