

2012 Legislative Summary

Primary Care Safety Net Protected in 2012

The 2012 Legislative Session was a roller coaster for the primary care safety net. Several years of budget cuts have deeply impacted the community health center system and its patients, leaving no room for more reductions. The lead up to Session offered no relief with worsening economic forecasts and a \$2 billion budget deficit. In October, the Governor announced budget recommendations from state agencies that set the tone by proposing a series of devastating health care cuts to balance the state budget. They included elimination of Basic Health, Medical Care Services (Disability Lifeline) and Medicaid Adult Pharmacy coverage, among other draconian health care cuts.

In the end, the community health center system was able to protect funding for all of its legislative priorities in the final supplemental budget, saving health care coverage for nearly 50,000 people. State legislators recognized that a healthy community is vital to ensuring a strong and productive economy, and key public programs are an important part of that equation. We congratulate our state leaders for having the foresight and wisdom to protect vulnerable Washingtonians now and to maintain the health care bridge to 2014 when federal health care reform expands coverage.

Looming Budget Deficit Sets the Tone

Leading up this legislative session, several years of deep budget cuts had left community health centers struggling to keep their doors open and a growing number of Washingtonians without health coverage. In the previous session, the community health center 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, who represent one-third of community health center patients. In response to years of budget cuts, health centers have had to cut to the bone through staff and provider layoffs, salary freezes and furloughs, and cutting programs and hours of operation. Although health centers were doing everything possible to continue providing care to their communities, further cuts would have pushed the primary care safety net past the breaking point. There simply would not be enough funding to keep all the clinic doors open or to meet the ever-growing demand for their services.

The lead up to Session offered no relief with worsening economic forecasts and a \$2 billion budget deficit. In October 2011 state agencies set the tone by announcing that a series of devastating health care cuts would be necessary to balance the state budget. In total, the hundreds of millions of dollars in proposed program eliminations would have dismantled the primary care safety net that serves one-tenth of the state's population, creating costly consequences. Eliminating coverage doesn't eliminate the need for health care – it only increases the number of uninsured people seeking care at community health centers and expensive hospital emergency rooms.

Governor's Budget Charts a New Course

In the face of this fiscal crisis, Governor Gregoire took a step in the right direction by proposing a budget that raised new revenue instead of taking an "all-cuts" approach, which would have threatened the livelihood and lives of hundreds of thousands of people across the state. Her proposal protected some essential programs, such as Apple Health for Kids, but left others in a very tenuous position. While the proposal identified Basic Health and Disability Lifeline as priorities to be protected with new revenue funding, this solution proved to be one of the most

contentious issues in the Legislature. Eliminating these programs would have resulted in a loss of health coverage for over 57,000 people virtually overnight, putting lives at risk.

In a positive move, the Governor's proposal also protected services for 55,000 high risk pregnant women and essential Medicaid pharmacy coverage for 277,000 adults, which the Health Care Authority had proposed to eliminate. But it did include eliminating nonemergency dental coverage for 38,000 adults and medical interpretation for 70,000 people. While Medicaid adult dental coverage was at the top of the Governor's list of priority items to fund with new revenue, it remained in danger. At the start of the first Special Session in December 2011, protecting all of these key health care programs seemed very unlikely.

Legislative Champions Fight to Protect Health Care

During a lengthy run of regular legislative and special sessions, the community health center system leveraged grassroots, media and lobbying work to reinforce Senate and House legislative champions. With this support, Basic Health and Apple Health for Kids were successfully kept off the chopping block in all six legislative budget proposals. Although initially threatened, key Medicaid services were also consistently protected, including Adult Pharmacy, Adult Dental coverage, Interpreter Services and Maternity Support Services. Legislative budget writers accomplished this feat largely due to the better than expected revenue and caseload forecasts in February. These forecasts dramatically altered the budget debate and opened up new opportunities to balance the budget without either deep cuts or new revenue. Even though this was good news for the overall budget outcome, many legislators shared the concern that balancing the budget may only be possible by not providing services to all of those who need them.

Disability Lifeline, however, was consistently threatened with elimination. Although legislative champions in the House consistently protected the program, the tumultuous budget process kept program funding uncertain until final negotiations. Throughout this process, committed community health center system staff and patients joined with a coalition of stakeholders to highlight the importance of this reformed program that has demonstrated cost savings and improved health outcomes to the state.

Primary Care Safety Net Protected in the Final Budget

In the end, the community health center system was able to protect funding for all of its legislative priorities in the final supplemental budget, saving health care coverage for nearly 50,000 people. The Legislature made the compassionate and responsible choice to ensure essential health care services remain available to communities across Washington. State legislators recognized that these programs are critical components of a strong, productive, and compassionate society. We congratulate our state leaders for having the foresight to protect vulnerable Washingtonians now and to maintain the health care bridge to 2014 when federal health care reform extends coverage.

Legislative Session Brings Unique Opportunities for Washington

Staff and lobbyists worked closely with legislative staff and community stakeholders to leverage opportunities and neutralize threats through legislative session via testimony, legislative contact and coalition work. When the dust settled, the 2012 Legislative Session also moved forward several key opportunities for Washington.

- *Implementing the Affordable Care Act ([House Bill 2319](#))* – One of this session's most significant opportunities was shaping the legislation that defines how Washington's Exchange will function when it launches in late 2013. Exchanges are new individual and small group insurance market places created under federal health care reform. The legislation covers issues including Qualified Health Plan criteria, insurance market rules, Exchange Board authority, how to select Essential Health Benefits, and the future of the Washington State Health Insurance Pool (WSHIP). During the debate, staff and lobbyists worked closely in coalition with other stakeholders to ensure that this legislation would strengthen the primary care safety net. Particularly notable was the community health center system's support of the Federal Basic Health Option. The final

legislation includes a formal commitment to study and consider the adoption of this unique public program which is based on Washington's own Basic Health. Community Health Plan also stood out as one of the few health insurance companies supporting legislation, including efforts to ensure that ratings for Qualified Health Plans showcase the additional services provided by community health centers including transportation and different languages.

- *Integrated care for dual-eligible enrollees* – Community Health Plan staff worked closely with legislative staff, Health Care Authority (HCA), and community stakeholders to create a path towards streamlined, comprehensive care for people who are eligible for both Medicaid and Medicare (dual-eligibles). The final budget authorizes the state to participate in a demonstration program for this population if it is approved by both the federal government and a selected county. The demonstration will allow for three-way contracts between the State, a health plan and the federal Centers for Medicare and Medicaid Services CMS to provide integrated care for dual-eligibles in the selected counties. Currently, the state is planning to launch the project in January 2014.
- *Medical Assistant Career Pathway (Senate Bill 6237)* — This legislation creates a new certification process for medical assistants, starting in 2014, and offers the potential for different categories of medical assistants and what they are authorized to do. The career ladder and continuing opportunity to utilize nursing technicians as medical assistants will provide excellent opportunities for community health center workforce improvements.

Grassroots Advocacy: Save Health Care in Washington

The grassroots advocacy program Save Health Care in Washington kept the pressure on policy makers to protect key programs through direct contact with legislators. This year:

- Nearly 21,000 people sent postcards to Olympia urging legislators and the Governor to protect Disability Lifeline, Apple Health for Kids, and Basic Health.
- Over 3,000 people sent emails and 600 people called their legislators at pivotal decision-making points.
- We organized participation at 31 town halls with a focus on influencing legislative decision-makers.

Innovation: “A Day Without a Community Health Center”

In November 2011, community health centers in King County, Yakima, and Spokane launched an innovative campaign to demonstrate the effect on real people if community health centers disappeared. By partnering with local hospitals, three unique “A Day without a Community Health Center” events brought to life the costly hit to the health care system of unnecessary emergency room visits. The visual impact was captured through a [short video](#) that was shared with legislators and the media, multiplying each event's reach. The video is still paying dividends at the state and federal level and is likely to have an enduring impact.

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www.SaveHealthCareInWA.org