

HCA Overview

Senate Health and Long-Term Care

Sue Birch, HCA Director

Evan Klein, Special Assistant for Legislative and Policy Affairs

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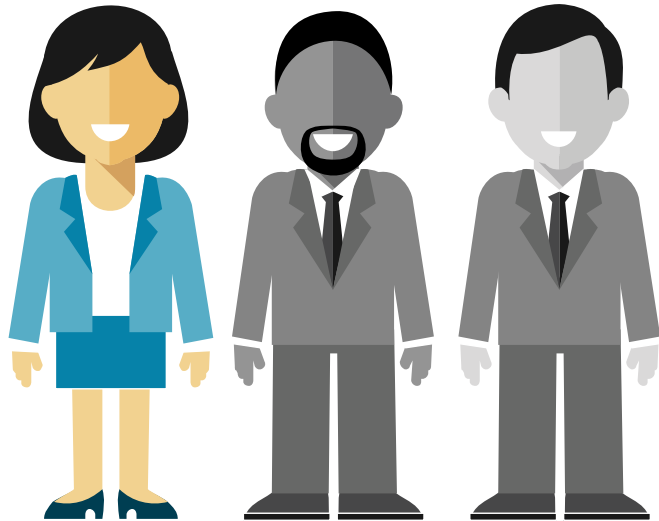
Washington State
Health Care Authority

Agenda

- ▶ Introduction to HCA
 - ▶ Apple Health
 - ▶ Behavioral Health
 - ▶ Employee & Retiree Benefits
- ▶ Agency priorities & areas of focus

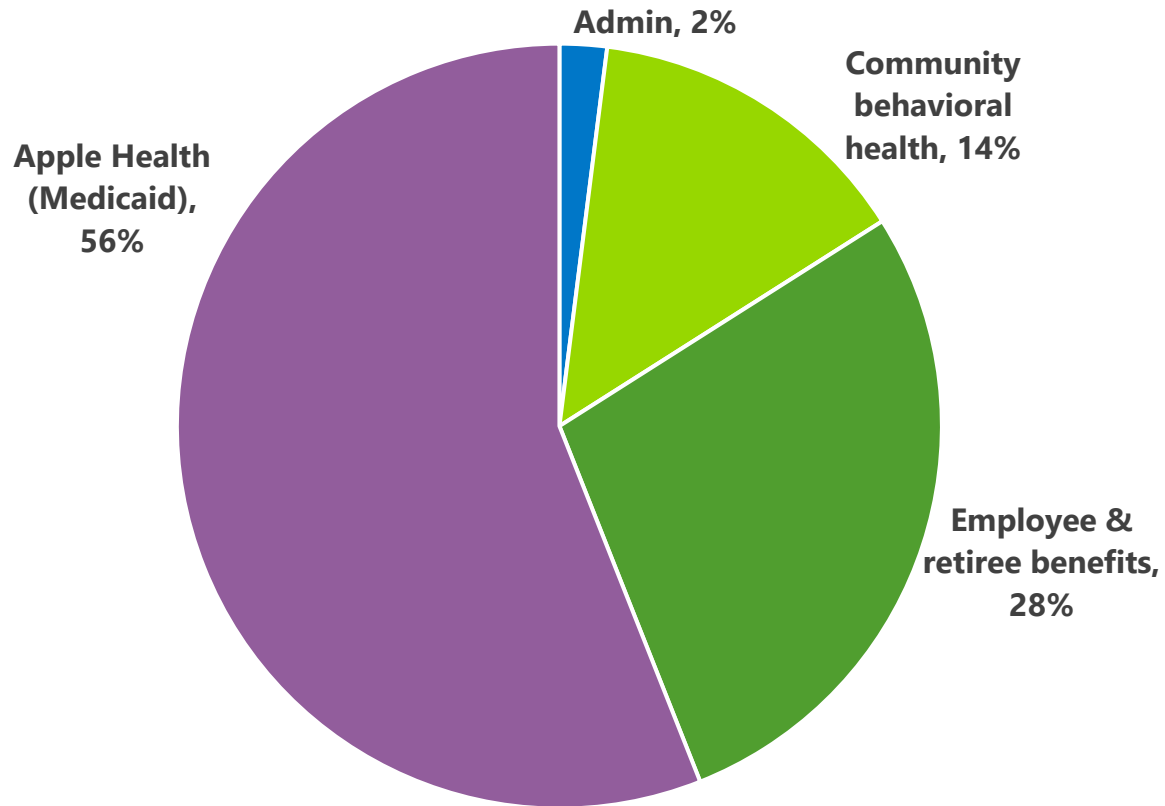
The state's largest health care purchaser

We purchase care for
1 in 3 non-Medicare
Washington residents.



- ▶ We currently purchase health care for nearly 3 million Washington residents through:
 - ▶ Apple Health
 - ▶ The Public Employees Benefits Board (PEBB) Program
 - ▶ The School Employees Benefits Board (SEBB) Program
- ▶ Designated Single State Authority for Behavioral Health, with services for all state residents

Agency budget (2021-23 biennium)



Administration	\$0.8 billion	2%
Community behavioral health	\$4.8 billion	14%
Employee & retiree benefits	\$9.3 billion	28%
Medicaid	\$18.8 billion	56%
Total budget*	\$33.6 billion	100%

Total employees (full-time equivalents): 1,509

Sources: Agency Financial Reporting System (AFRS) Allotments

** Based on 2021-23 Biennial budget ESSB 5092*

** Excludes Health Benefit Exchange budget*

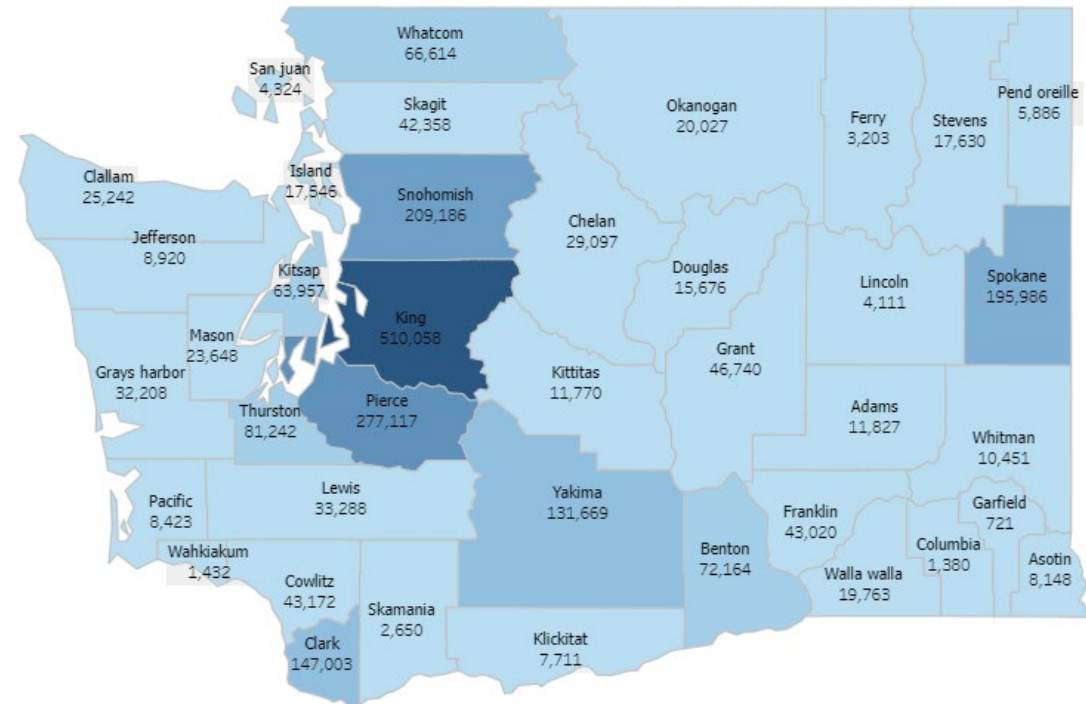
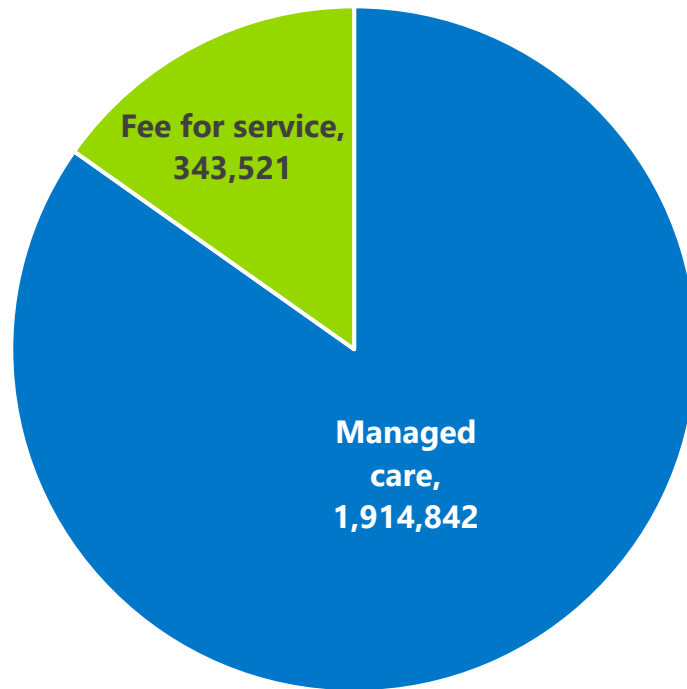
Apple Health (Medicaid)



The Health Care Authority (HCA) is designated the single state Medicaid agency in Washington state, responsible to:

- ▶ **Oversee & monitor the state plan and program functions to ensure system cohesiveness and effectiveness (e.g., managed care, behavioral health personal care, discharge transitions, etc.).**
- ▶ **Determine eligibility.**
- ▶ **Act as state spokesperson with the Centers for Medicare & Medicaid Services (CMS) for waiver and other major decisions (e.g., Medicaid Director issues final orders).**
- ▶ **Maintain a process to ensure Indian Health Programs and Tribal Health Organizations are consulted.**
- ▶ **Administer and decide upon fair hearings.**
- ▶ **Delegate a limited set of responsibilities to other agencies (DSHS primarily).**

Current Apple Health enrollment



The fee-for-service population are primarily American Indian/Alaskan Native and dually eligible Medicare and Medicaid clients (with behavioral health offered under managed care).

Behavioral Health - Single State Authority (SSA)



- ▶ **Evolution of Behavioral Health in Washington**
 - ▶ In 2009, the Division of Alcohol and Substance Abuse and Mental Health Division combined to become the Division of Behavioral Health and Recovery (DBHR).
 - ▶ In 2018 DBHR moved from the Department of Social and Health Services and became part of HCA.
- ▶ **Integration of Community Behavioral Health services with Medicaid - 2020**
- ▶ **Safety net**
 - ▶ HCA treatment resources are a safety net for those who do not have private insurance to pay for critical treatment services.
 - ▶ Prevention, outreach and engagement, and recovery support services are available to Washingtonians regardless of insurance status.

Who did we serve in the Behavioral Health Delivery system in FY 2022?

- ▶ **446,546** individuals received Mental Health treatment services.
- ▶ **89,447** individuals received SUD treatment services.
- ▶ **12,516** individuals received prevention services.



● Mental Health Treatment Services
● Substance Use Disorder Treatment Services
● Substance Use Disorder Prevention Services
1 figure = approx. 3,000 people

Employee & Retiree Benefits



Commercial insurance program with fully- and self-insured health plan options, administered by HCA

▶ PEBB

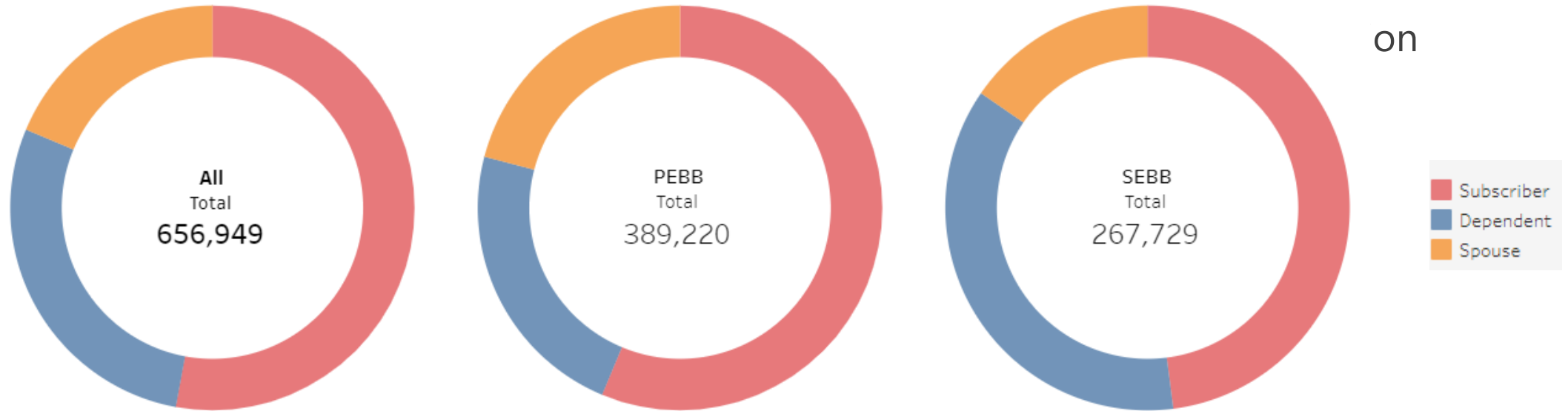
- ▶ State agencies, all higher education institutions, and elected officials (legislators, statewide elected officials, judges/justices)
- ▶ *Optional participation by public entities (cities, counties, water districts, ports, etc.)*

▶ SEBB

- ▶ All employees of school districts and charter schools, plus represented employees of Educational Service Districts (ESD)
- ▶ Non-represented employees of ESD required participation effective January 1, 2024

▶ Two risk pools: Non-Medicare and Medicare

PEBB & SEBB covered lives (October 2022)



Waived medical coverage		
30,787	12,550	18,237

There are an additional ~50,000 members enrolled only in dental and/or vision.

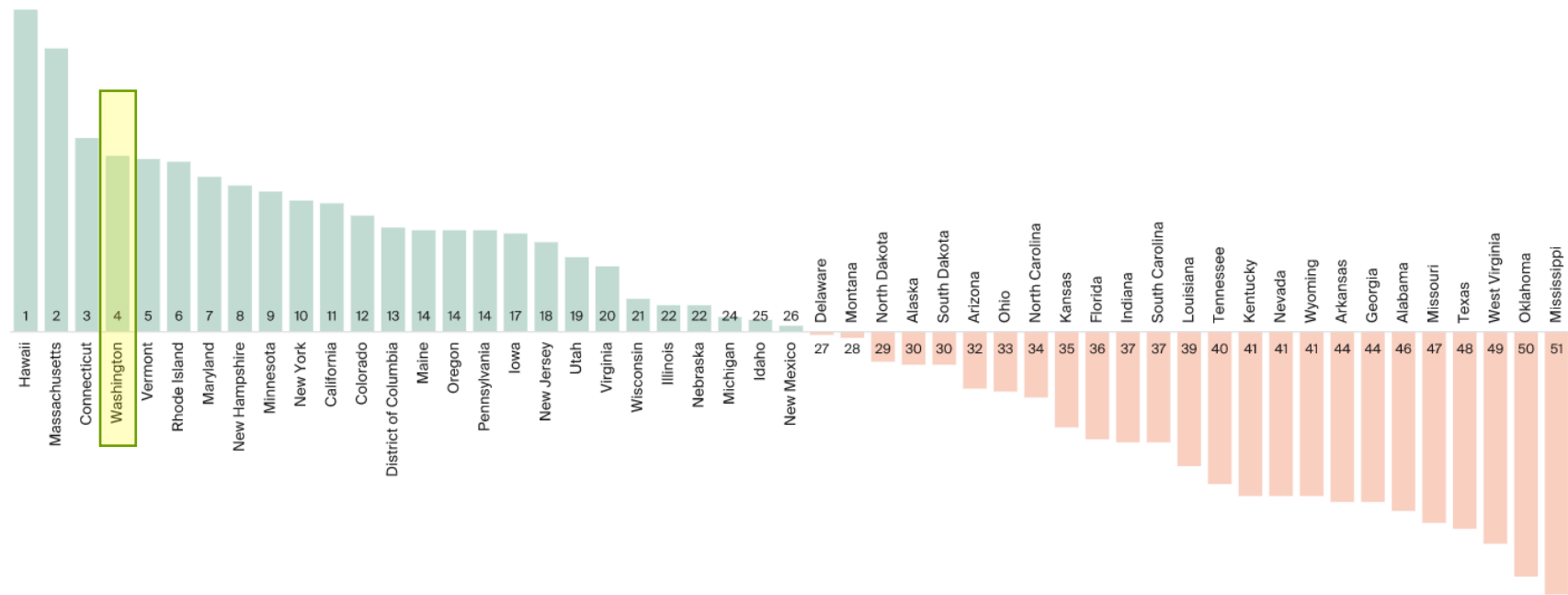
Shared expertise and efficiency

Washington is one of a handful of states that have combined purchasing and expertise across markets (commercial and Medicaid).

- ▶ Shared purchasing strategies:
 - ▶ Paying for value and outcomes.
 - ▶ Driving cost controls.
 - ▶ Utilizing data-informed approach.
 - ▶ Enhancing customer experience.
 - ▶ Focused on social determinants of health.

Health system performance scorecard

Overall 2022 Rankings



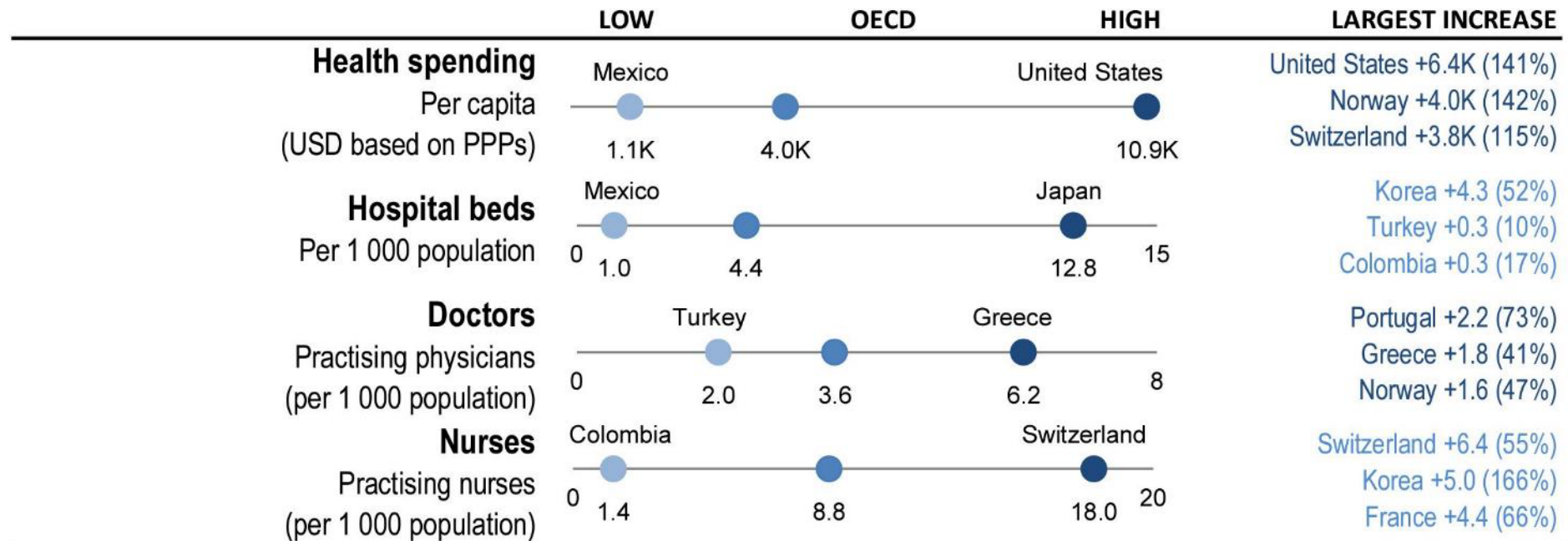
Notes: States arranged in rank order based on overall ranking. Bar height corresponds to overall performance score, aggregated from 56 performance indicators. Green bars indicate higher than average performance; orange bars indicate lower than average performance.

Source: David C. Radley, Jesse C. Baumgartner, and Sara R. Collins, *2022 Scorecard on State Health System Performance: How Did States Do During the COVID-19 Pandemic?* (Commonwealth Fund, June 2022). <https://doi.org/10.26099/3127-xy78>

For more information: commonwealthfund.org

Health expenditures in the U.S. are higher while outcomes are poorer

Health system capacity and resources across the OECD, 2019 (or nearest year)



Note: Largest increase shows countries with largest changes in absolute value over time (% change in brackets).

Source: OECD Health Statistics 2021.

Health Care Cost Transparency Board

The Board is responsible for determining Washington's total health care expenditure, identifying cost trends, setting a cost growth benchmark and reporting to the Legislature.

▶ **Significant progress over the past year:**

- ▶ Finalized the cost-growth benchmark for 2022-2026.
- ▶ Secured grant funding to support an On-Point cost driver analysis.
- ▶ Issued first cost benchmark data call to 11 health carriers and 2 state agencies.
- ▶ Have begun project planning for primary care measurement.

For more information: <https://www.hca.wa.gov/about-hca/who-we-are/health-care-cost-transparency-board>

Pandemic related impact on Apple Health

- ▶ On January 27, 2020, Health and Human Services (HHS) declared the COVID-19 pandemic to be a public health emergency (PHE).
- ▶ The most recent PHE extension issued by HHS is set to expire on April 1, 2023.
- ▶ Congress just decoupled the PHE with the continuous enrollment requirement. We are still assessing impacts of policy changes in federal budget reconciliation bill and awaiting additional guidance.

For more information: hca.wa.gov/phe

Building Behavioral Health delivery system capacity

- ▶ Focusing on administering multiple provider rate increases, and distributing \$100M in provider relief funding to frontline providers
- ▶ Implementing 988 crisis line and the Native and Strong lifeline with DOH
- ▶ Investing in the [Children's Long-Term Inpatient Program](#)
- ▶ Expanding community-based behavioral health care
- ▶ Applying to become a [Certified Community Behavioral Health Clinic](#) pilot state.

Medicaid Transformation Project (MTP)

MTP is Washington's Section 1115 Medicaid demonstration waiver between HCA and CMS.

- ▶ [MTP 2.0 application](#) submitted last summer – on-going negotiations with CMS.
- ▶ Proposed continuing programs and new programs and services:
 - ▶ Long-Term Services and Supports, continued and expansions*.
 - ▶ Foundational Community Supports, continued and expansions*.
 - ▶ IMD coverage for Mental Health and Substance Use Disorder, continued.
 - ▶ Taking Action for Healthier Communities (focus on health-related social needs – HRSN*; community hubs;).
 - ▶ Continuous Apple Health enrollment for children, 0-6.
 - ▶ Apple Health postpartum coverage extension, 12 months.
 - ▶ Re-entry connections for justice involved individuals.
 - ▶ Washington Integrated Care Assessment (BH integration support).

IT and customer experience

- ▶ **HHS Coalition:** Partnering with OFM, OCIO, DCYF, DSHS, DOH, HBE on shared vision for technology investments, such as:
 - ▶ Integrated Enrollment & Eligibility.
 - ▶ Master Person Index.
 - ▶ Community Information Exchange.
 - ▶ Electronic Health Records.
 - ▶ Electronic Consent Management.
- ▶ **Human-Centered Design:** Goal is to deliver equitable, person-focused care and connect Washingtonians directly to the services they need, by modernizing existing technologies.

Cascade Care – Public Option

- ▶ HCA is lead purchaser of the Public Option Cascade Select.
- ▶ We collaborate with the Exchange to support the Cascade Care program.
- ▶ **Cascade Select (Public Option) plans have made progress in improving affordability in the individual market:**
 - ▶ Now available in 34 of 39 counties (up from 19 in 2021).
 - ▶ Now the lowest-cost Silver plan on the Exchange in 25 counties (up from 13 in 2022).
 - ▶ Average premium for Cascade Select plans decreased by 3 percent from 2022 to 2023 (compared to avg increases of over 8 percent for other coverage).

For more information: <https://www.hca.wa.gov/about-hca/programs-and-initiatives/cascade-select-public-option>

Snapshot of additional initiatives

Bridging 1115 waiver programs with Apple Health and Homes at Department of Commerce, and other housing supports.

Development of Apple Health Expansion and coordination with Exchange 1332 waiver to serve immigrant population.

Enhancing Program Integrity efforts.

Directed to produce 70 legislative reports in FY23.

Questions



Contact us

Evan Klein, evan.klein@hca.wa.gov

Shawn O'Neill, shawn.oneill@hca.wa.gov

Sue Birch, sue.birch@hca.wa.gov



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