



STATE OF WASHINGTON
HEALTH CARE AUTHORITY

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September 20, 2019

TO: David Schumacher, Director
Office of Financial Management

FROM: Sue Birch, MBA, BSN, RN
Director

SUBJECT: Transmittal of the 2020 Supplemental Budget Proposal

I am pleased to submit the Health Care Authority's (HCA's) 2020 supplemental operating budget proposal.

Our requests identify needed resources to deliver access to high-quality, affordable health care to more than 2 million Washington residents. This request contains 26 maintenance-level and 17 performance level initiatives, which address operational, clinical and budgetary issues within HCA. In addition, we are transmitting 1 decision packages on behalf of the Health Benefit Exchange.

In addition to the routine annual requests for adjustments related to caseload and utilization, the HCA is requesting support in the following areas:

- **Savings Restoration:** HCA's current enacted budget contains savings assumptions that are not attainable. These have recently been restored on a year-by-year basis. We have updated these steps to reflect more accurate FY20 and FY21 calculations.
- **Community Behavioral Health:** Several items are requested for support of the community behavioral health system. These priority items include additional funds for key program components of the state's psychiatric inpatient treatment system as well as funding for the mental health drop-in centers, peer respite centers, and Program of Assertive Community Treatment (PACT) teams.
- **Public Employees Benefits / School Employee Benefits:** The PEB and SEB Boards have directed HCA to pursue authority to increase the long-term disability benefit; I am requesting \$20 million to move both programs to a \$1,500 monthly maximum benefit. HCA is continuing with the successful launch of the SEBB Program. Added funding is necessary for support of the open enrollment activities and key infrastructure investments.
- **Agency Investments:** HCA is a 1,400 employee agency purchasing health care for over 2 million Washingtonians. We have been trusted with key state initiatives such as the SEB program launch, integration of physical and community behavioral health, and are

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key partners to execute the Governor's priorities, including Hep C elimination, suicide prevention and addressing the opioid crisis. I am requesting funding to support ongoing costs associated with the community behavioral health staff integration, investments in my workforce to be in parity with staffing reclassifications funded in other agencies, and needed tools to secure and support an increasingly mobile workforce.

We look forward to upcoming budget discussions with you and your team as we strive toward a healthier Washington.

Should you have any questions or concerns, please contact Megan Atkinson, Chief Financial Officer, by telephone, 360-725-1222 or via email megan.atkinson@hca.wa.gov.

By email

cc: Lou McDermott, Deputy Director, HCA
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Rene Newkirk, Controller, HCA