

107 - Wash State Health Care Authority

A001 Administrative Activity

This activity supports other activities of the agency: management of the organization; communication with clients and other stakeholders; accounting and finance; human resources management; information services support; agency medical director; and building management and safety issues. In addition, this activity provides the core administrative support for the Basic Health Plan (BHP), Washington State Health Insurance Pool (WSHIP), and Health Care Tax Credit (HCTC). (Health Services Account-State; State Health Care Authority Administrative Account-State; General Fund-Federal)

	FY 2006	FY 2007	Biennial Total
FTE's	82.6	96.8	96.8
GFS	\$0	\$0	\$0
Other	\$13,039,000	\$14,563,000	\$27,602,000
Total	\$13,039,000	\$14,563,000	\$27,602,000

*FTE is second year only

Statewide Result Area: Improve the health of Washingtonians

Statewide Strategy: Provide access to appropriate health care

Expected Results

This activity includes Program Support, which provides oversight and support of other HCA programs. It also includes core administrative support for BHP, WSHIP, and HCTC.

Number of agency GMAP sessions completed				
Biennium	Period	Target	Actual	Variance
2005-07	8th Qtr	9		
	7th Qtr	9	6	(3)
	6th Qtr	9	0	(9)
	5th Qtr	9	0	(9)
	4th Qtr	9	7	(2)
	3rd Qtr	9	7	(2)
	2nd Qtr	9	7	(2)
	1st Qtr	9	2	(7)

Percentage of Basic Health clients recertified to confirm membership eligibility.				
Biennium	Period	Target	Actual	Variance
2005-07	8th Qtr	98%		
	7th Qtr	98%	100%	2%
	6th Qtr	98%	100%	2%
	5th Qtr	98%	100%	2%
	4th Qtr	98%	100%	2%
	3rd Qtr	98%	100%	2%
	2nd Qtr	98%	100%	2%
	1st Qtr	99%	100%	1%
<p><i>During FY02, a statistically valid sampling method was used. Beginning in FY03, 100% of the eligible accounts were recertified as the result of a change in the selection process. Although recertifications were at 100% for most of FY04, the percentage dropped in the second quarter because of the anticipated October 2003 start date for the new insurance system software and the need to prepare for it.</i></p>				

A002 Community Health Services

The Health Care Authority (HCA) funds community health clinics through a direct grant program to promote and ensure access to medical and dental care for the under-insured, uninsured, and migrant populations. Funding is further targeted to provide services to those health clinic patients who are below 200 percent of poverty level, and to serve as the state's final safety net for low-income individuals. (Health Services Account-State)

	FY 2006	FY 2007	Biennial Total
FTE's	4.1	4.1	4.1
GFS	\$0	\$0	\$0
Other	\$9,669,000	\$13,334,000	\$23,003,000
Total	\$9,669,000	\$13,334,000	\$23,003,000

*FTE is second year only

Statewide Result Area: Improve the health of Washingtonians

Statewide Strategy: Provide access to appropriate health care

Expected Results

To serve patients in community clinics, who have no other source of health care insurance.

A003 Prescription Drug Program

Appropriation Period: 2005-07 Activity Version: 81 - 2007 Enacted Supplemental Budget

This activity provides coordination for the three state agencies that engage in major prescription drug purchasing: the Department of Social and Health Services (Medical Assistance Administration), the Health Care Authority, and the Department of Labor and Industries. This activity includes the development and maintenance of a preferred drug list and consolidated purchasing where possible. Savings will be gained by purchasing drugs that are proven to be the most cost-effective. Also, funding is provided for education and outreach for people who lack prescription drug coverage, so that they can learn about and access programs that offer free or discounted prescription drugs, and for a senior discount prescription drug program. (State Health Care Authority Administrative Account-State, Health Services Account-State, General Fund-Federal, Accident and Medical Aid Account)

	FY 2006	FY 2007	Biennial Total
FTE's	3.9	4.0	4.0
GFS	\$0	\$0	\$0
Other	\$2,324,000	\$3,749,000	\$6,073,000
Total	\$2,324,000	\$3,749,000	\$6,073,000

**FTE is second year only*

Statewide Result Area: Improve the health of Washingtonians

Statewide Strategy: Provide access to appropriate health care

Expected Results

Results include implementation of the following: development and maintenance of a preferred drug list for state agency prescription drug purchasing; funding for outreach and education so those who don't have prescription drug coverage can learn about and access programs that offer free or discounted prescription drugs; and a senior discount prescription drug program.

A004 Health Care Planning

The Health Care Authority engages in health care planning by conducting purchasing and policy studies, surveys, evaluations, impact analyses, and planning. This includes the planning and coordination of the annual health care procurement for the Basic Health Program and for public employees and retirees. (Health Services Account-State, General Fund-Federal)

	FY 2006	FY 2007	Biennial Total
FTE's	9.6	12.4	12.4
GFS	\$0	\$0	\$0
Other	\$1,662,000	\$2,495,000	\$4,157,000
Total	\$1,662,000	\$2,495,000	\$4,157,000

**FTE is second year only*

Statewide Result Area: Improve the health of Washingtonians

Statewide Strategy: Provide access to appropriate health care

Expected Results

Coordinate annual health care procurements for the Public Employees Benefit Board (PEBB) and BHP, perform a Basic Health survey, support the state employee collective bargaining process, and research and evaluate effective health care purchasing strategies.

Average percent plan rate increase from prior calendar year for Basic Health				
Biennium	Period	Target	Actual	Variance
2005-07	7th Qtr	7.8%	7.2%	(0.6)%
	3rd Qtr	7.8%	7.2%	(0.6)%
<p><i>The premium increases are reported on a calendar year basis, not a fiscal year basis. The 2003 number reflects the change to regionally-based rates. The 2004 number reflects a legislatively directed reduction in benefit value.</i></p>				

Percent PEBB and BH patients receiving Beta Blocker after a heart attack				
Biennium	Period	Target	Actual	Variance
2005-07	5th Qtr	95%	95%	0%
	1st Qtr	91%	91%	0%

A005 Health Insurance - Adults between 100-200% of poverty level

The Basic Health Plan provides a basic health insurance package for adults who are otherwise uninsured and whose income is between 100 percent and 200 percent of the federal poverty level. The state offers reduced rates for low-income Washington residents. Enrollees also pay portions of the premium costs based on income level and family size. (Health Services Account-State, Basic Health Plan Trust Account-Nonappropriated, General Fund-Federal)

	FY 2006	FY 2007	Biennial Total
FTE's	38.4	45.4	45.4
GFS	\$0	\$0	\$0
Other	\$103,085,000	\$113,968,000	\$217,053,000
Total	\$103,085,000	\$113,968,000	\$217,053,000

*FTE is second year only

Statewide Result Area: Improve the health of Washingtonians

Statewide Strategy: Provide access to appropriate health care

Expected Results

Provide access to Basic Health coverage to adults with incomes between 100 percent and 200 percent of the federal poverty level.

Appropriation Period: 2005-07 Activity Version: 81 - 2007 Enacted Supplemental Budget

Average monthly enrollment in subsidized Basic Health Plan by adults between 100% and 200% of the federal poverty level				
Biennium	Period	Target	Actual	Variance
2005-07	8th Qtr	38,000		
	7th Qtr	38,000	39,251	1,251
	6th Qtr	38,000	38,571	571
	5th Qtr	38,000	37,535	(465)
	4th Qtr	38,000	39,165	1,165
	3rd Qtr	38,000	39,143	1,143
	2nd Qtr	38,000	38,078	78
	1st Qtr	38,195	38,195	0

A006 Health Insurance - Adults below 100% of poverty level

The Basic Health Plan provides a basic health insurance package for adults who are otherwise uninsured and whose family income falls below the federal poverty level. The state offers reduced rates for low-income Washington residents. Enrollees also pay portions of the premium costs based on income level and family size. (Health Services Account-State, Basic Health Plan Trust Account-Nonappropriated, General Fund-Federal)

	FY 2006	FY 2007	Biennial Total
FTE's	46.4	54.9	54.9
GFS	\$0	\$0	\$0
Other	\$126,274,000	\$144,909,000	\$271,183,000
Total	\$126,274,000	\$144,909,000	\$271,183,000

*FTE is second year only

Statewide Result Area: Improve the health of Washingtonians

Statewide Strategy: Provide access to appropriate health care

Expected Results

Provide access to basic health coverage to adults below the federal poverty level.

Appropriation Period: 2005-07 Activity Version: 81 - 2007 Enacted Supplemental Budget

Average monthly enrollment in subsidized Basic Health Plan by adults under 100% of the Federal Poverty Level.				
Biennium	Period	Target	Actual	Variance
2005-07	8th Qtr	47,000		
	7th Qtr	47,000	48,649	1,649
	6th Qtr	47,000	47,735	735
	5th Qtr	47,000	47,121	121
	4th Qtr	47,000	45,839	(1,161)
	3rd Qtr	47,000	46,035	(965)
	2nd Qtr	47,000	45,529	(1,471)
	1st Qtr	47,093	47,093	0

A007 Health Insurance - Children between 100-200% of poverty level

The Basic Health Plan provides a basic health insurance package for children who are otherwise uninsured and whose family income is between 100 percent and 200 percent of the federal poverty level. The state offers reduced rates for low-income Washington residents. Enrollees also pay portions of the premium costs based on income level and family size. (Health Services Account-State, Basic Health Plan Trust Account-Nonappropriated, General Fund-Federal)

	FY 2006	FY 2007	Biennial Total
FTE's	6.4	7.6	7.6
GFS	\$0	\$0	\$0
Other	\$6,283,000	\$7,211,000	\$13,494,000
Total	\$6,283,000	\$7,211,000	\$13,494,000

*FTE is second year only

Statewide Result Area: Improve the health of Washingtonians

Statewide Strategy: Provide access to appropriate health care

Expected Results

Provide access to basic health coverage to children whose family income falls between 100 percent and 200 percent of the federal poverty level.

Appropriation Period: 2005-07 Activity Version: 81 - 2007 Enacted Supplemental Budget

Average monthly enrollment in subsidized Basic Health Plan by children between 100% and 200% of the Federal Poverty Level .				
Biennium	Period	Target	Actual	Variance
2005-07	8th Qtr	6,000		
	7th Qtr	6,000	6,589	589
	6th Qtr	6,000	6,294	294
	5th Qtr	6,000	6,130	130
	4th Qtr	6,000	6,565	565
	3rd Qtr	6,000	6,760	760
	2nd Qtr	6,000	6,458	458
	1st Qtr	6,467	6,467	0

A008 Health Insurance - Children below 100% of poverty level

The Basic Health Plan provides a basic health insurance package for children who are otherwise uninsured and whose family income falls below the federal poverty level. The state offers reduced rates for low-income Washington residents. Enrollees also pay portions of the premium costs based on income level and family size. (Health Services Account-State, Basic Health Plan Trust Account-Nonappropriated, General Fund-Federal)

	FY 2006	FY 2007	Biennial Total
FTE's	10.4	11.9	11.9
GFS	\$0	\$0	\$0
Other	\$9,996,000	\$11,193,000	\$21,189,000
Total	\$9,996,000	\$11,193,000	\$21,189,000

*FTE is second year only

Statewide Result Area: Improve the health of Washingtonians

Statewide Strategy: Provide access to appropriate health care

Expected Results

Provide access to basic health coverage to children whose family income falls below the federal poverty level.

Appropriation Period: 2005-07 Activity Version: 81 - 2007 Enacted Supplemental Budget

Average monthly enrollment in subsidized Basic Health Plan by children below 100% of the Federal Poverty Level.				
Biennium	Period	Target	Actual	Variance
2005-07	8th Qtr	9,000		
	7th Qtr	9,000	8,314	(686)
	6th Qtr	9,000	8,349	(651)
	5th Qtr	9,000	8,629	(371)
	4th Qtr	9,000	8,562	(438)
	3rd Qtr	9,000	8,985	(15)
	2nd Qtr	9,000	9,192	192
	1st Qtr	9,711	9,711	0

A009 Public Employee Benefits

The Health Care Authority's Public Employees Benefits Board (PEBB) was created by the 1988 Legislature to develop state employee benefit plans, study matters connected with the provision of these benefits, and encourage cost containment. The PEBB program provides health, life, long-term disability (LTD), accidental death and dismemberment, long-term care, and auto and homeowners' insurance benefits for Washington State and higher education active employees, dependents, and retirees, as well as active and retired employees of participating public school districts, Educational Service Districts (K-12), and political subdivisions. PEBB offers members several managed care health plans and the Uniform Medical Plan, a self-insured, preferred provider plan. In addition, three dental plans (two managed care and the Uniform Dental Plan) are offered. (Health Care Authority Administrative Account-State)

	FY 2006	FY 2007	Biennial Total
FTE's	41.7	39.6	39.6
GFS	\$0	\$0	\$0
Other	\$4,897,000	\$4,678,000	\$9,575,000
Total	\$4,897,000	\$4,678,000	\$9,575,000

*FTE is second year only

Statewide Result Area: Improve the health of Washingtonians

Statewide Strategy: Provide access to appropriate health care

Expected Results

Oversee and provide access to insurance for health and dental care, life, and long-term disability for public employees, retirees, and their families. This activity also contributes to the Average Premium Increase measure listed with the Health Care Planning Activity.

Average premium increase from prior calendar year for all Public Employees' Benefit non-Medicare members.				
Biennium	Period	Target	Actual	Variance
2005-07	7th Qtr	8.5%	4.5%	(4)%
	3rd Qtr	8.5%	4.5%	(4)%
<p><i>The premium increases are reported on a calendar year basis, not a fiscal year basis. The FY05 estimate is updated for CY 2005 procurement results. Note that the budget estimate for CY05 premium increase was 15.3%. Estimates for 06-07 are per HCA's contracted actuary, Mercer HR.</i></p>				

Percent premium increase from prior calendar year for all PEBB Medicare subscribers				
Biennium	Period	Target	Actual	Variance
2005-07	7th Qtr	10%	3.5%	(6.5)%
	3rd Qtr	10%	3.5%	(6.5)%

A010 Uniform Dental Plan

The Uniform Dental Plan (UDP) is a preferred provider organization administered by Washington Dental Service (WDS) on behalf of the Public Employees Benefits Board (PEBB). WDS provides enrollment services, claims processing, and customer service for enrollees in the Uniform Dental Plan. (Uniform Dental Plan Benefits Administration Account-Nonappropriated)

	FY 2006	FY 2007	Biennial Total
FTE's	0.0	0.0	0.0
GFS	\$0	\$0	\$0
Other	\$4,912,000	\$4,574,000	\$9,486,000
Total	\$4,912,000	\$4,574,000	\$9,486,000

*FTE is second year only

Statewide Result Area: Improve the health of Washingtonians

Statewide Strategy: Provide access to appropriate health care

Expected Results

Administer PEBB's preferred provider dental network, which provides coverage to active and retiree subscribers and their families.

Appropriation Period: 2005-07 Activity Version: 81 - 2007 Enacted Supplemental Budget

Percent premium increase from prior calendar year for UDP Medicare subscribers				
Biennium	Period	Target	Actual	Variance
2005-07	7th Qtr	5.4%	4.5%	(0.9)%
	3rd Qtr	5.4%	4.5%	(0.9)%

Percent premium increase from prior calendar year for UDP Non-Medicare subscribers				
Biennium	Period	Target	Actual	Variance
2005-07	7th Qtr	5.4%	4.5%	(0.9)%
	3rd Qtr	5.4%	4.5%	(0.9)%

A011 Uniform Medical Plan

The Uniform Medical Plan (UMP) is a self-insured, preferred provider medical plan which is offered to Public Employees Benefit Board (PEBB) enrollees, along with contracted managed care plans. It currently has the largest enrollment among the PEBB medical plans. Coverage is available throughout Washington State and worldwide. UMP also administers UMP Neighborhood, a limited-network pilot product offering lower premiums for choosing cost-effective health care providers. Nonappropriated funds from the UMP Benefits Administration Account support contracts with a third party administrator and pharmacy benefits manager for claims processing, pharmacy network management, customer service for both enrollees and providers, medical review, first level appeals, and case management. Other benefits administration costs include contracted data management systems, access fees for alternative care and out-of-state provider networks, and printing and postage for enrollee communications. Funds from the Health Care Authority Administrative Account support staff and related costs needed for management of the UMP's provider network, including provider credentialing and maintenance of contracts with approximately 16,000 health care providers; development of provider fee schedules and reimbursement policies; leadership of clinical programs and decisions on second-level appeals; implementation of the Patients' Bill of Rights, including quality improvement and utilization management programs based on national standards; provider communications such as newsletters and billing manuals; oversight of claims administration contracts and other vendors; and overall plan administration. (Health Care Authority Administrative Account-State, Uniform Medical Plan Benefits Administration Account-Nonappropriated)

	FY 2006	FY 2007	Biennial Total
FTE's	25.7	26.3	26.3
GFS	\$0	\$0	\$0
Other	\$19,237,000	\$16,720,000	\$35,957,000
Total	\$19,237,000	\$16,720,000	\$35,957,000

*FTE is second year only

Statewide Result Area: Improve the health of Washingtonians

Statewide Strategy: Provide access to appropriate health care

Expected Results

Contracted benefits administration for the Uniform Medical Plan for active and retiree subscribers, and their families. This activity also contributes to the Average Premium Increase measure listed with the Health Care Planning Activity.

Percent premium increase from prior calendar year for UMP-PPO Medicare subscribers				
Biennium	Period	Target	Actual	Variance
2005-07	7th Qtr	6.6%	3.3%	(3.3)%
	3rd Qtr	6.6%	3.3%	(3.3)%

Percent premium increase from prior calendar year for UMP-PPO Non-Medicare subscribers				
Biennium	Period	Target	Actual	Variance
2005-07	7th Qtr	8.5%	6.2%	(2.3)%
	3rd Qtr	8.5%	6.2%	(2.3)%

A012 Insurance Safety Net

As part of this program, subsidies are provided to eligible Washington State Health Insurance Pool (WSHIP) members. As directed in state law (RCW 70.47), the program provides funding to reduce the cost of high-risk pool insurance for individuals whose income is less than 300 percent of the federal poverty level, who are between 50 and 64 years old, and who have been denied individual health insurance. For the 2005-07 Biennium, \$119,000 is budgeted for WSHIP grants, and \$2,433,000 is budgeted for the Health Care Tax Credit (HCTC). (Health Services Account-State)

Beginning in January 2005, the HCTC part of this program provides health care coverage for certain workers (and members of their families) who lose their jobs due to the effects of international trade. Their eligibility is determined by the federal government under the Federal Trade Act of 2002 (NAFTA). The federal government will subsidize the individual's health insurance at 65 percent of the total premium, and the individual will pay the balance. There is no cost to the state. (Basic Health Plan Subscription Account-State)

	FY 2006	FY 2007	Biennial Total
FTE's	0.0	0.0	0.0
GFS	\$0	\$0	\$0
Other	\$291,000	\$4,881,000	\$5,172,000
Total	\$291,000	\$4,881,000	\$5,172,000

*FTE is second year only

Statewide Result Area: Improve the health of Washingtonians

Statewide Strategy: Provide access to appropriate health care

Expected Results

Appropriation Period: 2005-07 Activity Version: 81 - 2007 Enacted Supplemental Budget

Coordinate with the Office of the Insurance Commissioner to provide subsidies to eligible applicants. There are currently 27 people enrolled in the WSHIP program. Also, operate the state HCTC program for eligible applicants.

A013 Small Business Health Insurance Program

This activity will provide premium subsidies to eligible employees who are employed by employers who offer health coverage that is certified by the Office of the Insurance Commissioner as substantially equivalent to that of the Basic Health Plan benefit, and those small employers agree to pay at least 40 percent of the monthly premium cost for their employees.

	FY 2006	FY 2007	Biennial Total
FTE's	0.3	6.3	6.3
GFS	\$0	\$0	\$0
Other	\$64,000	\$561,000	\$625,000
Total	\$64,000	\$561,000	\$625,000

*FTE is second year only

Statewide Result Area: Improve the health of Washingtonians

Statewide Strategy: Provide access to appropriate health care

Expected Results

Coordinate with the Office of the Insurance Commissioner to develop a Small Business Assist Program by July 1, 2007.

Grand Total

	FY 2006	FY 2007	Biennial Total
FTE's	269.5	309.3	309.3
GFS	\$0	\$0	\$0
Other	\$301,733,000	\$342,836,000	\$644,569,000
Total	\$301,733,000	\$342,836,000	\$644,569,000

*FTE is second year only