



STATE OF WASHINGTON
HEALTH CARE AUTHORITY

626 8th Avenue, SE • P.O. Box 45502 • Olympia, Washington 98504-5502

June 19, 2015

Dear Valued Partners:

We are writing to our partners who help administer the Medicaid and Public Employees Benefits Board (PEBB) programs to share information regarding the potential for a state shutdown if a state budget is not enacted by July 1, 2015.

Our intent is to continue covering services for Medicaid and Children's Health Insurance Program (CHIP) clients as well as PEBB members, retirees, and dependents. PEBB benefits are paid through non-appropriated fund sources and we expect our contracted PEBB plans to continue paying for services. Although we will be unable to pay Medicaid and CHIP fee-for-service providers or finalize premium payments for Medicaid managed care until a budget is passed, our expectation is that fee-for-service providers and Medicaid health plans will continue those services for now. ProviderOne will remain operative for normal billing functions during this interim, including eligibility checks and payments for dates-of-service prior to July 1.

Additionally, we will reduce our staffing level to a small number of employees to keep major systems operational. This will eliminate customer service for Medicaid and PEBB. For Medicaid-related non-pharmaceutical services that require prior authorization but are medically necessary to prevent loss of limb or life, prior authorization will be waived. To bill for a service meeting this criteria, please clearly state in the comment field of the claim form "emergent/urgent service." Services that are not necessary to prevent loss of limb or life but normally require prior authorization need to be delayed until the budget is resolved.

You should see no change for clients covered under Medicaid managed care plans. The managed care plans will remain fully operational, and you should conduct business with them as usual.

Like you, our hope is that the budget will be enacted before July 1. However, we believe it is essential to have strong contingency plans in the unlikely event that a budget agreement cannot be reached.

Please feel free to share this information with other providers or local provider groups.

A few closing thoughts:

- At this time of budget uncertainty, our goal is to assure patient safety and access to care to the fullest extent possible.

Valued Partners

June 19, 2015

Page 2

- We are asking our community and business partners to keep their networks and our shared clients informed on budget developments and their impact on our health programs.
- We are committed to transparency through every step of this process. We will update our website with information when the agency reopens.

Thank you for your time and continued commitment to the health of Washington State.

Sincerely,



Dorothy F. Teeter, MHA
Director



Daniel Lesser, M.D.
Chief Medical Officer, HCA