

April 12, 2019

Dear Legislator,

The undersigned community organizations, provider associations, health plans, Accountable Communities of Health, labor unions, faith-based groups, patient groups, and provider associations are united in the goal of protecting our state's health care coverage and preserving the Washington tradition of equitably covering the most vulnerable. Affordable, accessible, comprehensive and equitable care should be provided for all Washingtonians.

We are extremely concerned that both chambers' proposed operating budgets for the Health Care Authority would inevitably result in severe cuts to Medicaid. **We urge you to remove these unrealistic Medicaid "savings" and include all necessary buy-backs in the final budget.**

Most troubling is that both budgets unrealistically project \$350 million in savings based on implementing "program integrity" recommendations by the federal Medicaid agency in a January 2019 report, which has not been made public. The basis for the savings is that seemingly standard fraud, waste, and audit controls can realize this massive savings. **The Health Care Authority, health care providers, managed care organizations, and advocates for Medicaid recipients adamantly disagree that such savings can be made without serious cuts to eligibility, benefits, or both.**

Recent experience confirms how unlikely such savings are. Both budgets restore \$29 million in projected medical savings for dental managed care that will not be realized in 2019-21. The House -- but not the Senate -- restores another \$170 million for similarly unrealizable savings from managed care integration and a single preferred drug list. Yet in the face of this experience, the Senate projects another \$166 million savings in "withholds" from managed care organizations, and \$25 million less than the House for Medicaid dental, in part by assuming savings unlikely to be realized given current access challenges.

Washington cannot achieve such spectacular Medicaid savings without sacrifice. We urge the Legislature to adopt a responsible budget by including all necessary buy-backs in the Health Care Authority budget and by avoiding the use of any unrealistic savings to balance the budget. In their current form, both proposed budgets recklessly conceal inevitable cuts to Medicaid and will cause real pain to the nearly two million Washingtonians who depend on this program for their health care.

Sincerely,

Alliance for a Healthy Washington
American Academy of Pediatrics – Washington Chapter
American Cancer Society – Cancer Action Network
American Diabetes Association

Amerigroup
Anti-Hunger & Nutrition Coalition
Arcora Foundation
Better Health Together
Children's Alliance
Columbia Legal Services
Community Health Network of Washington
Community Health Plan of Washington
Coordinated Care
Doctors for America, Washington State Chapter
Economic Opportunity institute
Food Lifeline
Foundation for Healthy Generations
Health Care for All-Washington
Healthy Washington Coalition
Islamic Civic Engagement Center
Kaiser Permanente
League of Women Voters of Washington
Molina Healthcare of Washington
NAMI Washington
NARAL Pro-Choice Washington
Northwest Harvest
Northwest Health Law Advocates
Olympic Community of Health
Partners for Our Children
Planned Parenthood Votes Northwest & Hawaii
Puget Sound Advocates for Retirement Action
Seattle/King County NAACP
SEIU775
Southwest Washington Accountable Community of Health
Statewide Poverty Action Network
UnitedHealthcare
Washington Academy of Family Physicians
Washington Association for Community Health
Washington Coalition to Protect our Patients
Washington Community Action Network
Washington Food Coalition
Washington Healthcare Access Alliance
Washington Occupational Therapy Association
Washington State Alliance of Retired Americans
Washington State Association of Counties
Washington State Hospital Association
Washington State Labor Council, AFL-CIO
Washington State Medical Association

Washington State Nurses Association
Washington State Oral Health Coalition