



The Forum is a coalition of doctors, hospitals, health plans and business that was founded in 1997 to improve the health care financing and delivery system.

## Basic Health

The Washington Healthcare Forum – a coalition of doctors, hospitals, health plans, and state associations – believes there are three intertwined steps to reforming health care:

1. Reduce costs.
2. Make sure everyone has access to health coverage and health care.
3. Improve quality so we are paying for appropriate and safely delivered services.

### Washington state is facing a perfect storm:

- The number of unemployed continues to rise.
- The number of uninsured continues to rise:
  - Fewer employers are offering health coverage, according to the Washington State Employment Security Department.
  - The economic recession has increased the number of residents who have no coverage. In 2008, 726,000 state residents were uninsured. That number jumped 21 percent to a record 876,000 in June of 2009, according to the Office of the Insurance Commissioner.
- The **Basic Health program** (BH) for the working poor will manage its 43% budget cut by raising rates for its enrollees and reducing enrollment through attrition and elimination of dual coverage. The program currently covers around 87,400 state residents, with an additional estimated 65,000 on the waiting list.
- Economic forecasts predict less even less revenue for the state during the 2009-2011 biennium than was estimated during the 2009 legislative session.

*Historically, more than half of BH enrollees live below the federal poverty level, which, in 2009, is \$22,050 for a family of four.*

Source: Health Care Authority administrative data on BH enrollees for February 2006

## The Role of BH

Washington state is a national leader in health care reform on many fronts. For example, our utilization of Medicare is low, our track record on outcomes is high, and BH has been a role model in filling an important gap for coverage for the working poor. State residents living at or below 200% of the Federal Poverty Level have been able to access both coverage and high quality care through BH since it was founded in 1987. The program provides outpatient, hospital, emergency, pharmacy, specialty care and limited mental health benefits. By making sure that people have access to preventive care and protection from catastrophic medical care, BH has contributed to our state's health care stability. Significant additional improvements are underway in both the private and the public health care sector, however, the Forum believes this program should play a strong part in solving our access issue.

Cuts to BH don't make health care costs disappear. Cuts do translate into less access to efficient, effective, and coordinated services. Cuts require more people to rely on expensive emergency settings for routine care, or wait until their conditions are actual emergencies that could have been avoided. We all suffer under this scenario.

## Budget Forecast

We are aware that our economic recession is not over and the state may have to make more cuts. We strongly urge lawmakers and the Governor to protect BH.

*Basic Health enrollees take responsibility by contributing to their insurance coverage and their health care services. The state provides sliding scale subsidies.*