Supplemental budget cuts in FY2011

To meet the challenge of the state's deepening fiscal crisis, the Medicaid Purchasing Administration was assigned budget savings of $112.8 million this fall as part of an across-the-board 6.3 percent cut levied equally across all state departments in Executive Order 10-04 issued on September 13, 2010. The Executive Order was authorized by RCW 43.88.110(7).

Here is additional detail on how those cuts would be implemented, when they would be effective, and which services would no longer be available. These cuts may change as additional decisions about the budget are made. The department will update this website as decisions are made.

Adult Dental Services

This cut was finalized by the Legislature in special session on December 11, 2010. It applies to adults (age 21 and older) treated by community providers; it does not apply to adults with developmental disabilities or to disabled residents of institutions whose treatment is provided and reimbursed by the institution. The cut includes reimbursement for dentures. Medical and surgical services which can be provided by a licensed health care practitioner, including a physician, a doctor of dental medicine or dental surgery are covered when the service is limited to the emergency treatment of pain, infection or trauma of the teeth, mouth or jaw. Medicaid also will provide exemptions for dental work required in the course of other medical treatments, such as dental work required for transplant preparation. Medicaid will complete the authorization process on all requests submitted by midnight December 31, 2010. If authorized, the Department will honor the service for the authorization period stated in the approval letter even though the actual service may need to be completed after January 1, 2011. Unless authorized by the Department, any non-emergency service billed with a date of service on or after January 1, 2011, will be denied. *(Effective date: January 1, 2011)*

Adult Hearing Services

This cut applies to hearing aids, cochlear implants, bone-anchored hearing aids, and repair of this equipment, parts or batteries. Professional audiology services to assess the ability to hear would still be a covered service. This cut applies to all adult clients (age 21 or older). When it is medically necessary, the removal of cochlear implants or bone-anchored hearing aids would be covered. Medicaid will complete the authorization process on all requests submitted by midnight on December 31, 2010. If authorized, the Department will honor the service to be completed after January 1, 2011. The Department will cover authorization requests approved on or before December 31, 2010, for the authorization period stated in the approval letter. Unless authorized by the Department, any service described above billed with a date of service on or after January 1, 2011, will be denied. *(Effective date: January 1, 2011)*

Adult Podiatry

Medicaid would no longer reimburse for adult (age 21 and older) foot care when it is not medically necessary to treat an acute condition. Podiatrists and physicians would be given a list of diagnosis

codes for foot care that would continue to be covered by Medicaid. Treatment for conditions that are not on the list of covered diagnoses may be reviewed for medical necessity using the Exception to Rule process. *(Effective date: January 1, 2011)*

Adult Vision Services

Vision hardware (eyeglasses: frames and lenses; contacts; also low vision aids such as magnifiers, telescopic eyeglass lenses, etc.) would no longer be available for adult clients (age 21 and older) after this cut goes into effect. The program would continue to cover professional services for eye exams, including refraction and the fitting fee for glasses. Medicaid will complete the authorization process on all requests submitted by midnight December 31, 2010. If authorized, the Department will honor the service to be completed after January 1, 2011. The Department will cover authorization requests approved on or before December 31, 2010, for the authorization period stated in the approval letter. Unless authorized by the Department, any service described above billed with a date of service on or after January 1, 2011, will be denied. *(Effective date: January 1, 2011)*

School-Based Medical Services for Children in Special Education

Medicaid will no longer reimburse school districts for health care-related services included in a Medicaid enrolled child's Individualized Family Services Plan (IFSP) or Individualized Education Program (IEP) in accordance with the Individuals with Disabilities Education Act (IDEA). These services include speech therapy, occupational therapy, physical therapy, audiology, nursing services, counseling services and psychological assessments. Medicaid would continue to cover these therapies from community providers for children. (E*ffective date: January 1, 2011)*

Medicare Part D Co-Pays

Dual eligible Medicare/Medicaid clients with Medicare Part D as their primary payer for prescription drugs have a small co-pay requirement with each prescription, typically between $2.50 and $6.30. In the past, Washington State is one of a few states to pay this Part D co-pay requirement for clients who were eligible for both Medicare and Medicaid. With this cut, Medicaid would eliminate these payments, and clients would need to pay their co-pay as an out-of-pocket expense. *(Effective date: January 1, 2011)*

Interpreter Services

Washington State is one of 13 states that underwrite the cost of spoken language interpretation for medical appointments for Medicaid clients and providers through a series of regional brokers who subcontract with interpreter agencies. Because these costs are a provider's responsibility under federal law, Medicaid would expect providers to make separate arrangements to continue medical interpreter services without state subsidies. Interpreters may be needed for both children and adults, so this is one of the few 2010 cuts proposed by Medicaid that will affect client children (under age 21), albeit indirectly. DSHS still will provide Interpreter Services for "public assistance" (social interpreting). *(Effective date: March 1, 2011)*

Medical Care for Disability Lifeline and ADATSA

This cut would eliminate Medical Care Services for people in the Disability Lifeline (DL) program who are unemployable due to an incapacity. Program was previously known as General Assistance-Unemployable or GA-U. Coverage also would be eliminated for the Alcohol and Drug Addiction

Treatment and Support Act or ADATSA clients. The termination will affect approximately 20,000 DL-U clients and 4,000 ADATSA clients. *(Effective date: March 1, 2011)*

Children's Health Program (CHP)

CHP is an eligibility group in the Apple Health for Kids program. CHP provides coverage to children in families that can meet the income eligibility standards (up to 300 percent of Federal Poverty Level) of Medicaid or the Children's Health Insurance Program but cannot qualify for Medicaid or CHIP due to their citizenship status. Cutting the program will mean the loss of health coverage for approximately 27,000 children now covered by it. *(Effective date: March 1, 2011)*