

State of Washington
Decision Package

FINAL

Agency: 303 Department of Health
Decision Package Code/Title: B2 Family Planning Underinsured - Reduction
Budget Period: 2015-17
Budget Level: PL-Performance Level

Recommendation Summary Text:

This package reduces the Department of Health's Family Planning Program by \$2.2 million dollars. These funds provide access, capacity and services to individuals that are not eligible for Medicaid or private insurance including undocumented, underinsured and teens and domestic violence survivors who need confidential services. This reduction is in addition to the department's decision package A2 – Family Planning, which reduces the program by approximately \$2.7 million.

Fiscal Detail

Operating Expenditures		FY 2016	FY 2017	Total
001-1	General Fund-State	(1,109,000)	(1,124,000)	(2,233,000)
Total Cost		(1,109,000)	(1,124,000)	(2,233,000)

Package Description:

Funding provided by the department to the local family planning agencies and clinics provides services to people who are not eligible for private insurance or Medicaid – including the undocumented, underinsured, teens and domestic violence survivors who need confidential services. Services provided to family planning clients range from physical examinations, contraceptive services, pregnancy service, and STD/HIV services

In 2013, The Department of Health (DOH) funded family planning agencies saw more Medicaid and private insurance clients than in 2012. They also saw more clients without any coverage in need of federal Title X family planning funding. This reduction may cause an estimated 4,120 clients to no longer receive family planning services through the program – potentially resulting in additional unintended pregnancies. The current infrastructure and capacity provides access to affordable family planning services is cost effective for the state and clients – and averts costly unintended pregnancies that have an impact on Medicaid and other public assistance programs.

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Program Contact: Office of Healthy Communities, Cynthia Harris, (360) 236-3401

Narrative Justification and Impact Statement:

What specific performance outcomes does the agency expect?

Increased health disparities by not serving people who are not eligible for Medicaid, private insurance – and are subject to various financial hardships.

Performance Measure Detail

Activity: A010 - Promote Family and Child Health and Safety

Is this Decision Package essential to implement a strategy identified in the agency's strategic plan?

The Family Planning Program contributes to Goal 2: Prevent illnesses and injury and promote ongoing wellness across the lifespan for everyone in Washington. Objective 1: Give all babies a planned, healthy start in life; and Objective 5: Prevent or reduce the impact of adverse childhood experiences on children and families.

Does this decision package provide essential support to one or more of the Governor's Results Washington priorities?

This reduction may decrease the number of teens served, and impede progress on the Results Washington Goal 4: Healthy and Safe Communities: Provide access to good medical care to improve people's lives. Objective 1.1.d. Decrease the rate of teen pregnancy for 15-17 year olds from 19.4 per 1,000 in 2011 to 17.5 per 1,000 by 2016.

What are the other important connections or impacts related to this proposal?

- Data from the clients served in 2013 indicates that 288 pregnancies are averted per 1,000 clients served.
- Medicaid pays for 65 percent of the births nationally resulting from unintended pregnancies (<http://www.guttmacher.org/pubs/public-costs-of-UP.pdf>).
- Each birth paid for by Medicaid costs an average of \$11,000.
- According to the Guttmacher Institute, each dollar taken away from publicly funded family planning services could cost the state \$5.68 more in state and federal Medicaid funds (<http://www.guttmacher.org/pubs/win/contraceptive-needs-2010.pdf>).

What alternatives were explored by the agency and why was this alternative chosen?

The Department of Health (DOH) used the following process to get to the mandated 15 percent General Fund State Reductions:

- All General Fund State supported programs were put into three tiers:
 - Tier 1 – Programs that are 100 percent foundational public health services
 - Tier 2 – Programs that are partially foundational public health services and/or directly tied to the Governor's Results Washington measures and/or part of the agency strategic plan
 - Tier 3 – All remaining general fund programs
- Tier 2 and Tier 3 programs were scored using the public health criteria matrix, then ranked using the scores and our professional judgment
- Reductions were proposed from the ranked list
- The DOH widely shared our draft reductions both internally and externally to the department and sought feedback

What are the consequences of adopting or not adopting this package?

Adopting this proposal may cause an estimated 4,120 clients to no longer receive family planning services though the program – potentially resulting in additional unintended pregnancies. These are services to individuals that are not eligible for Medicaid or private insurance including undocumented, underinsured and teens and domestic violence survivors who need confidential services.

What is the relationship, if any, to the state capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

Contracts would have to be amended.

Expenditure and revenue calculations and assumptions

Revenue:

None.

Expenditures:

In fiscal year (FY) 2016 and FY 2017 respectively, General Fund-State in the amounts of (\$1,109,000) and (\$1,124,000) will be reduced from the state's Family Planning Program. This reduction will be achieved by reducing contract amount with local family planning agencies.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

These reductions are assumed to be ongoing. The impact of these reductions in future biennia will be determined as family planning agencies/clinics see reductions or increases in the number of uninsured people seeking services in their clinics.

For federal grants: Does this request require a maintenance of effort or state match?

No.

For all other funding: Does this request fulfill a federal grant's maintenance of effort or match requirement?

No.

<u>Object Detail</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
A Salaries and Wages			0
B Employee Benefits			0
C Personal Service Contracts			0
E Goods and Services	(13,000)	(13,000)	(26,000)
G Travel			0
J Capital Outlays			0
N Grants	(1,096,000)	(1,111,000)	(2,207,000)
Total Objects	(1,109,000)	(1,124,000)	(2,233,000)