

State of Washington
Decision Package

Agency: 303 Department of Health
Decision Package Code/Title: P6 Area Health Education Centers Restoration
Budget Period: 2015-17
Budget Level: PL-Performance Level

Recommendation Summary Text:

The Department of Health (DOH) is requesting restoration of general fund state for Area Health Education Centers (AHECs). This funding was identified as a reduction option in response to the Governor’s recent request for a 15 percent General Fund State. Restoring this funding enhances the centers’ the ability to help rural and underserved communities recruit and retain the healthcare professionals they need in their area.

Fiscal Detail

Operating Expenditures		<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
001-1	General Fund-State	413,000	395,000	808,000
Total Cost		413,000	395,000	808,000

Package Description:

This request would restore funding for the two Washington State Area Health Education Centers (AHECs) which have been supported primarily through state general funds since the mid-1990’s. The funding supports planning activities and educational development for people who are interested in careers in primary care working in rural or urban underserved. This work helps to assure that there are doctors, dentists, nurses, and others professionals working in primary care and in communities where they are needed most.

This funding serves as the required 3:1 match for a federal grant the State Office of Rural Health (SORH) receives. The state and federal funding is used to support the AHECs.

Rural health systems are becoming more financially vulnerable. Their populations are older and more economically depressed than the rest of the state. Rural and underserved communities have critical shortages of all health care providers and professionals, particularly primary care providers. The critical functions of this work are:

- Development of programs that create a pipeline of students into primary health care.
- Work with the University of Washington to set up experiences for health professional students in rural and underserved communities, for example arranging preceptors and student housing.
- Efforts to increase the number of health care providers who are from underrepresented groups.
- Efforts to increase multi-disciplinary health care workforce training opportunities.

This package restores funding for the AHECs contracts by \$413,000 in fiscal year FY 2016 and \$395,000 in FY 2017. This is the only type of funding the DOH provides to the AHECs.

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Program Contact: Office of Community Health Systems, Steve Saxe, (360) 236-2801

Narrative Justification and Impact Statement:

What specific performance outcomes does the agency expect?

Funding will support goal three of the DOH Strategic Plan: Improve access to quality, affordable, integrated healthcare. This will help ensure adequate numbers of health care providers in rural communities, and increase access to affordable care by reducing the distance rural residents must travel for primary care. Continuing education development for providers ensures patients experience safe, quality health care, and incorporates public health and prevention into training. This work should reduce the percent of households with unmet healthcare needs.

Nearly every county in the state has a health professional shortage. The DOH, in partnership with communities and non-profit contractors, supports activities that include: recruitment and retention of primary care providers for rural and underserved communities, worker/provider workforce development; clinical placements for health profession students in rural and underserved rotations; health professional educational development, and development of innovations in health care. This funding will restore the agency's ability to contract for work that supports primary care workforce development in rural and underserved communities, and reduces health professional shortages in areas of high medical and public health need.

This work will help DOH expand its capacity to work with partner agencies, including the AHECs, and to recruit and retain primary care providers in rural and underserved communities. Research indicates that medical students with rural experience are more likely to practice in rural areas. The University of Washington is considering expanding the experiences of students by increasing rural rotations. These funds would support the coordination of these activities between partner agencies.

Restoring funding to this program will increase the department's capacity to support health and safety by supporting development of an adequate primary care provider base for rural and underserved communities. The Department of Health identified this work as a reduction option in response to the Governor's recent request for a 15 percent reduction of the department's 2015-17 General Fund State appropriations.

Performance Measure Detail

Activity: A014 Access to Quality Health Care Services

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

Yes. Funding will support Goal 3: Improve access to quality, affordable, integrated healthcare. These efforts ensure adequate numbers of health care providers in rural communities, and increase access to affordable care by reducing the distance rural residents must travel for primary care. Continuing education development for providers ensures patients experience safe, quality health care, and incorporates public health and prevention into training. This work should also reduce the percent of households with unmet healthcare needs.

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

Yes, Goal 4: Healthy and Safe Communities

Goal 4:1.3.c. Increase percentage of residents who report they have a personal doctor of health care provider from 75% to 82% by 2016. Increasing the availability of providers in rural and underserved communities will give residents the opportunity to have a personal doctor or health care provider.

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

There is a need to reorganize and bolster efforts around rural and underserved workforce activities in Washington State. The AHECs, the University of Washington, Washington State University, Washington Student Achievement Council, Washington Association of Community and Migrant Health Centers, and Washington Rural Health Association are stakeholders who participate in this effort. These funds support a coordinated effort resulting in a more efficient application of funding and, ultimately, greater impact. Funds may be distributed differently than in the past, but the goal of the work will remain the same; to maintain access to care for rural and underserved residents of Washington.

This money will also be used to meet a state match requirement for a federal grant provided to the State Office of Rural Health at DOH.

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

We explored other alternatives to meeting the state match requirement, such as matching with State Loan Repayment funds, or rural EMS dollars for regional council work. We found no viable long term options. The first option, the State Loan Repayment Program, does not have any funding this year. Some of the rural EMS funds could provide a match, although most are already designated as a match for federal public health emergency preparedness funds. The long term prospects for this funding are unclear.

From the start, AHEC funds were intended to provide a state match for the SORH federal grant, indicating a strong financial investment in rural health. Workforce development initiatives for rural communities are priorities of the Federal Office of Rural Health Policy. The flexibility of this funding maximizes its impact on the quality and accessibility of health care services throughout the state by providing direct assistance to communities, and education to rural and underserved providers.

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

Federal funding to the State Office of Rural Health would be reduced if an adequate match is not found through other programs.

There will be fewer resources available to provide direct technical assistance to rural and urban underserved communities, specifically in maintaining an adequate health care work force to meet community needs. The Affordable Care Act has shed light on the need for providers for all communities, especially rural and underserved. It is a critical time for newly insured residents of Washington. Their ability to access providers close to home will impact their use of the health care system, and their patterns of seeking care in the appropriate place (i.e. the primary care office instead of the emergency room).

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?

None.

Expenditure and revenue calculations and assumptions

Revenue:

None.

Expenditures:

This package restores the funding for the AHECs, effective June 2015 by \$413,000 in FY 2016 and \$395,000 in FY 2017.

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

All funding is ongoing.

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

Not Applicable

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

These funds will be used as the 3:1 state match for SORH's ongoing federal grant.

<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	5,000	5,000	10,000
G	Travel			0
J	Capital Outlays			0
N	Grants and Subsidies	408,000	390,000	798,000
T	Intra-Agency Reimbursements			0
	Total Objects	413,000	395,000	808,000