

Federal deal may boost health care

BY BRAD SHANNON, THE OLYMPIAN 01/04/07

Gov. Chris Gregoire said Wednesday that close to 450,000 uninsured Washington residents might get health coverage if the state is able to forge a partnership with the federal government. The state has just opened a conversation with federal officials on the topic, so there are few details on how it might work. Gregoire said she broached her ideas with U.S. Health and Human Services Secretary Mike Leavitt during his visit to Seattle on Wednesday to honor a Northwest program that is working to cut health-care costs. "We think about 450,000 of them might qualify for the Basic Health Plan," Gregoire said.

The basic plan is a state-subsidized health insurance program that offers coverage to low-income working families at discounted prices. Gregoire said she expects to get back to Leavitt next week for additional discussions about how to leverage the state's effort without adding more burdens to state taxpayers. "The meeting was very productive," Gregoire added, giving few details about the idea she wants to explore.

However, Mark Rupp, a health policy adviser to Gregoire, said the state is trying to obtain more flexibility in spending federal health care dollars to cover a larger population. Possible ways to do that include:

- Finding federal dollars that can be funded directly to the state's Basic Health Plan.
- Shifting Medicaid money to the basic plan, if possible.
- Seeing whether any money from the children's health insurance program can be shifted to the basic plan.

As it stands now, with no public money, the basic plan covers 117,000 people statewide at a cost of \$200 million a year. The income criterion for the working poor is for them to be 200 percent of the poverty level or below. About 450,000 people statewide could qualify, leaving about 150,000 in the state without insurance.

It is unclear whether the federal government has made similar agreements with other states. However, it is doing pilot projects involving health care in other states, and that is one reason Gregoire thinks Washington has a chance at getting federal help in this area, she said. Almost 600,000 residents lack insurance, Gregoire said, calling health insurance a responsibility shared by individuals, businesses and the state. Gregoire made her comments to reporters and editors gathered on the Capitol campus for an Associated Press preview of the 105-day legislative session that begins Monday.

Leavitt was in Seattle to announce an agreement with **Puget Sound Health Alliance**, a Seattle-based regional partnership that includes employers, health-care providers, hospitals, patients, health plans and others. The alliance was formally designated as the first "leader for value-driven

health care," which commits it to support four national health care goals including better care and lower costs. Five counties, including King, are involved.

Thurston County also is heavily involved through the state's purchase of health care - for state employees who live locally, for Medicaid patients and for participants in the Basic Health Plan, said Diane Giese, a spokeswoman for the alliance. Thurston County hospitals and clinics also are involved, Giese said.

Gregoire said the alliance's work would lead to more information in the region about the quality of health care and its cost, bringing "transparency" to consumers. The group hopes to publish its first report this spring. Businesses such as Starbucks, Alaska Airlines, Horizon Air, Group Health and the Association of Washington Business have pledged to support the federal health goals that the alliance is embracing.

A news release issued by Leavitt's office says the health goals include public reporting of the quality of health services, use of health information technology that allows easy exchanges of data, and incentives for better health-care value. Spokesmen for Leavitt were unavailable to comment on Gregoire's effort to win waivers or flexibility in the use of federal health care dollars. But his office did praise the health alliance, calling it a pioneer in the national network of value-driven health organizations his agency is trying to build.

Gregoire said she is exploring other ideas through a "blue ribbon" commission of lawmakers and policymakers who studied health care problems and solutions in recent months. A report is due near the end of the month, she added.