

Health Care Budget Issues

Staff Overview



Senate Ways & Means Committee
January 16, 2007

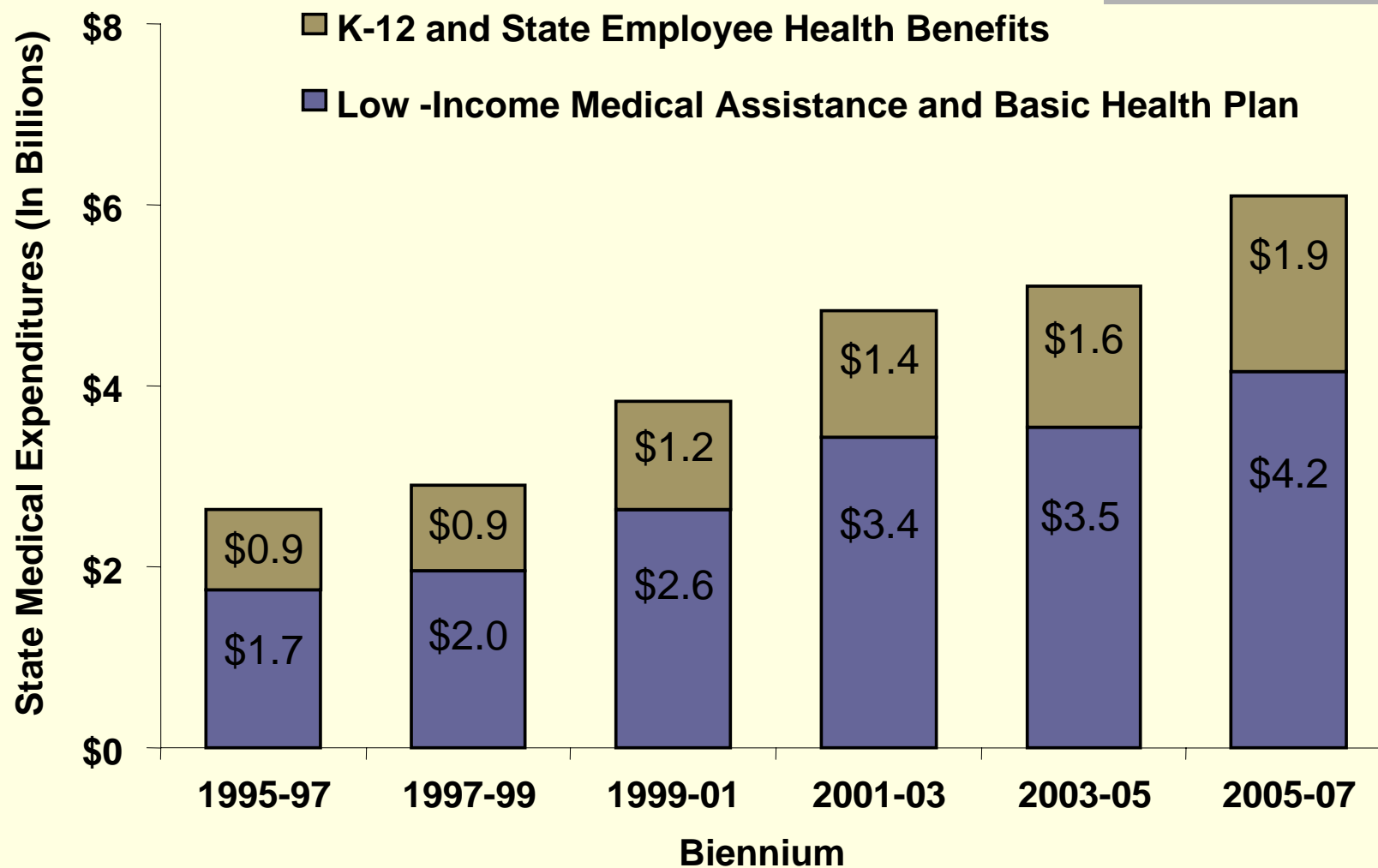
Today's Agenda

- **Blue Ribbon Commission and the Governor's Budget**
- **Hospital Reimbursement Study**

Cost-Control and Sustainability

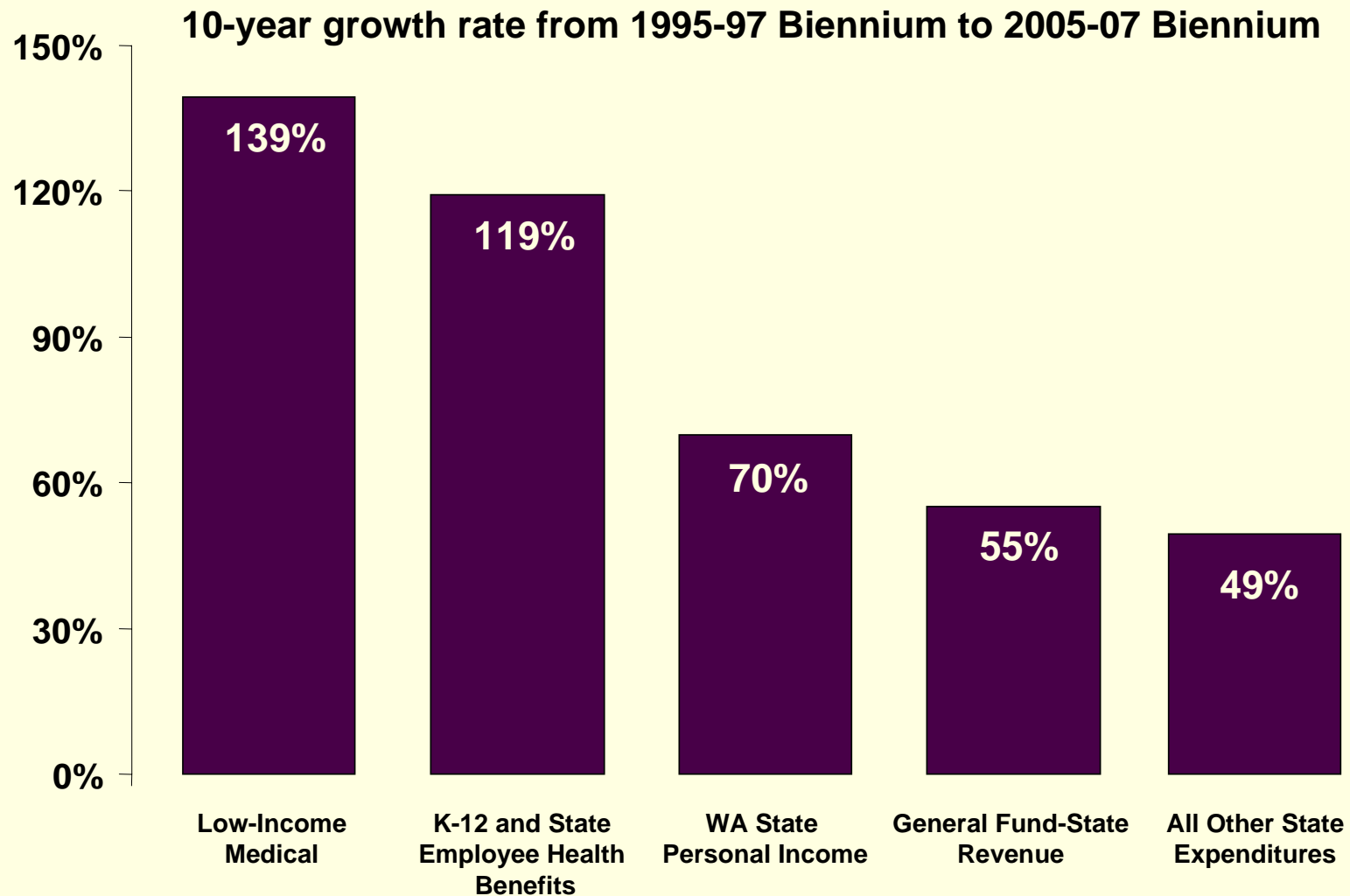
- **Blue Ribbon Commission budget proviso:** “. . . the commission shall recommend . . . a sustainable five-year plan for substantially improving access to affordable health care for all Washington residents.”
- **Hospital Reimbursement Study budget proviso:** Final report shall recommend “. . . a new or updated system that will promote equity among hospitals, access to quality care and improved health outcomes for patients, and cost-control and efficiency for taxpayers.”

State* medical spending has more than doubled in the last decade



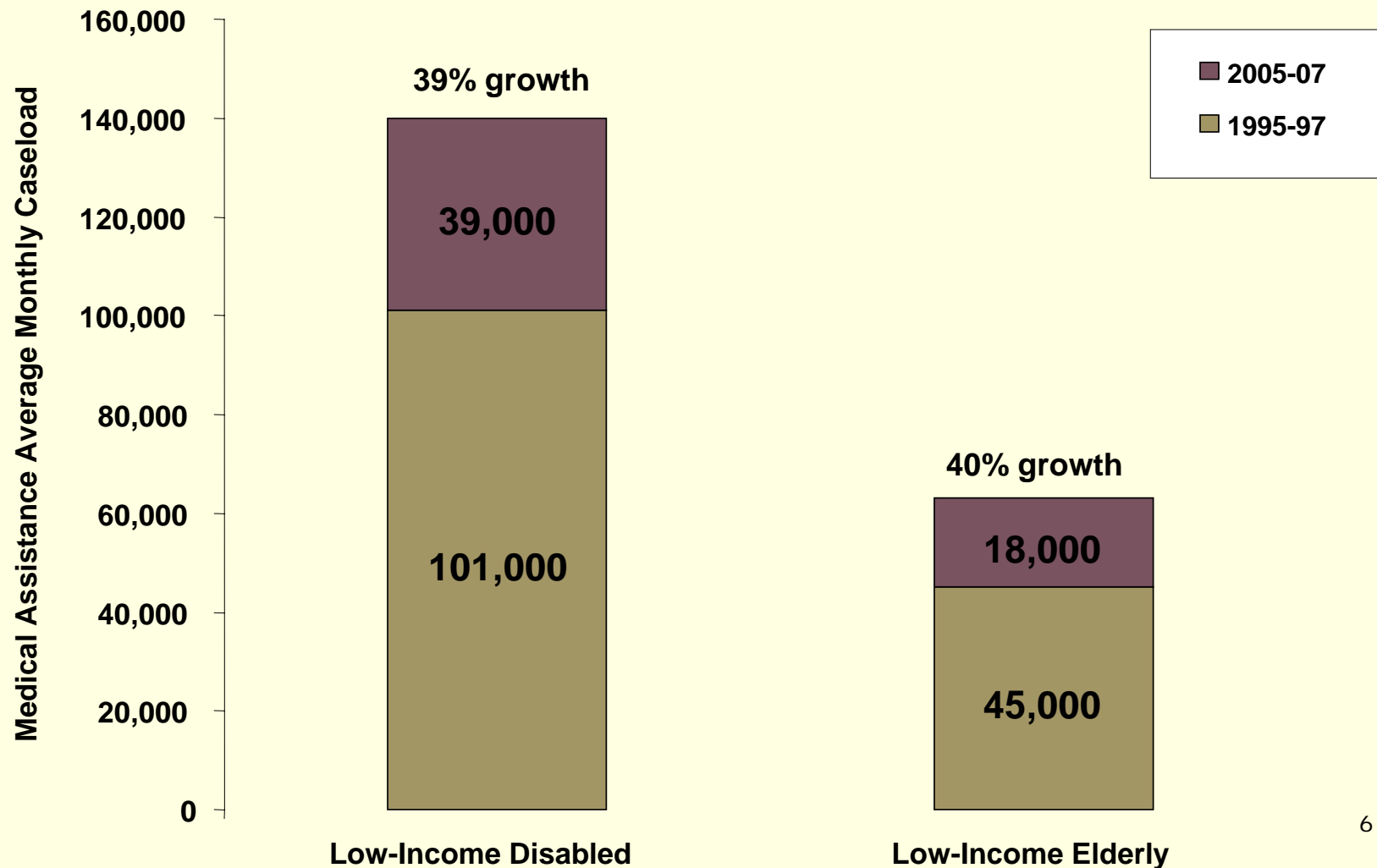
* State includes General Fund-State and the Health Services Account, minus intergovernmental transfers.

State* Medical Spending has Grown Faster than Personal Income and State Revenues

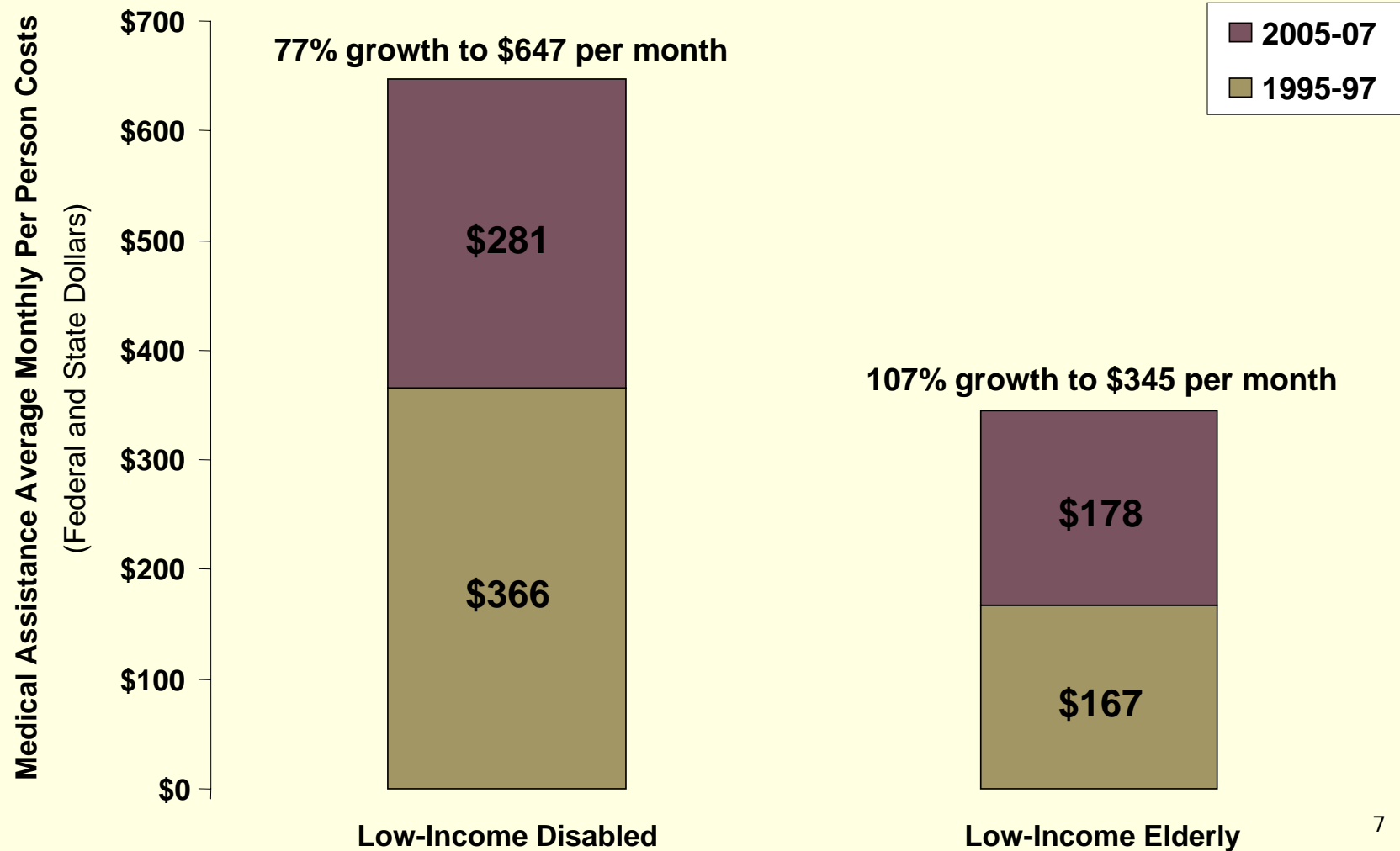


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Growth in Low-Income Elderly and Disabled Caseload over the past decade:



Growth in Low-Income Elderly and Disabled Per Person Costs in the last decade:



Governor's 2007-09 Budget

Blue Ribbon Commission related items:

(General Fund-State and Health Services Account)

- Improving access, insurance coverage, and medical homes for children: \$51 million
- Strengthening the public health system: \$31 million
- Delivering on health information technology and more efficient health purchasing: \$21 million

Hospital Reimbursement Study: \$10 million