Capitol News
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WSLHA Priorities: Adult Medicaid PT/OT/ST Elimination

Thanks to all of you who responded to the ASHA/WSLHA call to action last week in opposition to the House budget's elimination of **the adult PT/OT/ST Medicaid benefit**. And thanks to those who signed the letter to lawmakers opposing this devastating cut. **163 organizations,** including WSLHA, APTA Washington, and the Washington Occupational Therapy Association (and their respective national organizations) signed onto the letter.

The House passed its budget on Saturday; **it still contains the adult PT/OT/Speech Medicaid benefit elimination.** The House and Senate now begin negotiations on the final budget, so our advocacy is not done. We will now turn to a message to all lawmakers, asking them to reject this elimination in the final budget.

Once again, we ask you to answer the call to action to legislators coming your way soon. Your three legislators must hear from you! And spread the word! Have your patients, colleagues, friends, and neighbors also contact their legislators.

We have the power of our grassroots, along with 162 other organizations' advocacy, to ensure Medicaid patients can continue to access these evidence-based, cost-effective, and medically necessary therapies. Thank you!

WSLHA Priorities: Bills of Interest

SB 5845 requires health carriers to **pay clean claims within 30 calendar days**. It passed the House Health Care Committee and was amended to **add the overpayment recovery provisions** of SB 6071 to it. SB 6071 prohibited insurers from requesting refunds from health care providers on claims payments within beyond one year of the original payment, but it died on the Senate floor calendar. As a result, the House Health Care Committee resurrected SB 6071 by amending it onto SB 5845. SB 5845 is scheduled for executive session in Appropriations on Monday.

HB 1155, the **non-compete bill**, continues to move. It is on the House second reading calendar.

SB 5968 requires state agencies with sufficient existing resources to report data on **credentials** they issue. It also requires state agencies to establish published decision times for all credentials and provide application fee refunds if the agency fails to meet its published decision time. This bill was heard in the Appropriations Committee last week and is scheduled for executive session on Monday.

SB 6226, legislation regarding **the use of telehealth in speech and hearing services**, passed the House Health Care Committee last week. It's now in the House Rules Committee. ASHA and WSLHA are pro on the bill.

General News

The opposite house policy cutoff passed last week, shifting the Legislature's focus to the next major committee deadline, opposite house fiscal cutoff. Any legislation with budget implications must clear this step by Monday, March 2, or it will be considered dead for the session unless deemed necessary to implement the budget (NTIB). Last Sunday, budget writers in both the House and Senate unveiled their respective proposals, marking a critical step as the Legislature moves into the final weeks of the 2026 session. The releases set the stage for intense negotiations over funding priorities, as well as decisions that will shape state programs and services in the coming fiscal year.

Operating Budget. The operating budget plans (HB 2289 and SB 5998) total approximately $79.2–$79.3 billion, an increase from the enacted biennial budget of about $77.8 billion. Both proposals assume passage of the Millionaire's Tax. Both proposals include targeted reductions for state agencies and higher education, as well as shifts in one-time funding sources, with differing approaches to the use of climate-related revenues. Each budget relies on a withdrawal of more than $700 million from the state's Budget Stabilization Account (rainy day fund) to help balance spending.

Budget writers cite inflation, increased caseloads, and other near-term cost pressures as justification for drawing on reserves. A major driver of new spending is the sharp increase in legal judgments and settlement costs against state agencies. The Senate proposal sets aside roughly $1 billion for these obligations, while the House allocates about $400 million, one of the most significant differences between the two plans. Republican lawmakers have criticized the proposals for increasing overall spending and relying on reserves and other one-time resources rather than structural budget solutions.

The Senate passed its budget on Friday on a party-line vote. The House passed theirs on Saturday, with 5 Democrats (Richards, Rule, Shavers, Timmons, and Walen) joining Republicans in voting no. Legislators have less than two weeks to negotiate a final budget.

Millionaire's Tax. The House Finance Committee passed SB 6346, the Millionaire's tax, on Friday. A group of progressive House Democrats were successful in pressing for amendments to remove the provision that would bring an early end to a tax surcharge on companies making more than $250 million per year. The committee also adopted an amendment to roll back the expanded sales tax on services a year earlier, to January 1, 2029. It now goes to the House floor for a vote.

After the Finance Committee vote, Governor Ferguson expressed concern that the bill does not offer enough tax relief to individuals and small businesses. And any changes the House makes to the bill must be approved by the Senate. There's much more work to be done between the House, Senate, and Governor to negotiate an agreement and only 11 days in which to do it.