Transforming Lives

Rehabilitation Administration – Juvenile Rehabilitation
020 - M2 - WM - TECHNICAL CORRECTIONS

Agency Submittal: 11-2017-19-YR Agency Req **Budget Period: 2017-19**

SUMMARY

The Department of Social and Health Services (DSHS) requests technical corrections in the 2017-19 Biennial Budget for the Children's Administration (CA), Rehabilitation Administration (RA), Behavioral Health Administration (BHA) – Mental Health Division (MHD), Developmental Disabilities Administration (DDA), Aging and Long-Term Support Administration (ALTSA), Economic Services Administration (ESA), BHA – Alcohol and Substance Abuse (ASA), Division of Vocational Rehabilitation (DVR), Administration and Supporting Services (Admin), and Special Commitment Center (SCC). The request results in a reduction of ($1,000,000) in Total Funds, with an increase in GF-State of $820,000. Included in this amount is a reduction of $120,000 GF-State in funding for Juvenile Rehabilitation.

PROBLEM STATEMENT

DSHS requests the following Technical Corrections for the 2017-19 Biennial Budget:

1) **Workers' Compensation Adjustment –** (Programs 010, 020, 030, 040, 050, 060, 070, 100, 110, and 135):
A reduction in funding for Workers' Compensation was included in the 2016 Supplemental budget. The reduction was distributed based on Workers' Compensation expenditures by program. Using risk class costs and headcounts by program the reduction is redistributed to reflect anticipated changes in Workers' Compensation costs. The adjustment between programs is based on the state / federal percentages for each program. The result is a net zero impact in total dollars. However, there is an $820,000 increase in GF-State and a ($820,000) reduction in GF-Federal for the biennium.

2) **Juvenile Rehabilitation Administration (JR) Basic Training Camp FTEs only –** (Program 020):
When the Basic Training Camp was closed, the contract dollars for the 15 beds was initially placed in Budget Unit G48 – Resident Census above Rated Capacity. Since these were contract dollars, there were no FTEs associated with the dollars. In the 2016 Supplemental Budget Workload step, JR incurred a bed reduction. Part of the reduction that was taken was 15 beds from Budget Unit G48 related to the closure of the Basic Training Camp. This reduction was treated like any other bed addition or reduction and 6.8 FTEs were eliminated in each fiscal year. Since there were no FTEs tied to the contract dollars, there should not have been a reduction in FTEs in the workload step. JR requests the reinstatement of 6.8 FTEs in each fiscal year.

3) **Children's Administration (CA) Correcting FTE Authority – FTEs only –** (Program 010):
In State Fiscal Year 2015, CA ended a longstanding contract with CGI for the support of the FamLink case management system. With the funding that was previously used for the CGI contract, CA increased its staffing levels but lacks sufficient FTE authority to accommodate these new hires. CA is requesting 50.0 FTEs for each fiscal year.

4) **Carry Forward Level (CFL) Adjustment –** (Programs 040, 050, and 060):
Adjustments to CFL as follows:
   a) The CFL steps did not result in equal amounts in FTEs and funding by fiscal year for the DDA and ALTSA

programs. This requests moves FTEs and funding as needed between fiscal years so that end result is equal amounts in each fiscal year.

b) The ALTSA CFL includes funding in Fund 12E-6 – Assisted Living Facility Temporary Management Account – Non-Appropriated ($500,000) and 274-6 – Adult Family Home Account – Non-Appropriated ($500,000). These fund sources should have been removed at CFL and were not. This request eliminates these funds from the ALTSA budget.

Item a and does not request an increase or decrease in the program's expenditure authority, rather a shift of funds between years. Item b does reduce the ALTSA budget by $1,000,000 in the second year of the 2017-19 Biennium.

5) **Developmental Disability Administration (DDA) Preadmission Screening and Resident Review (PASRR) Transfer –** (Program 040):

DDA requests the transfer of $142,000 ($85,000 GF-State) and the PASRR provision in the budget bill from Category 2000 to Category 1000. $1,095,000 for specialized services was initially placed in Category 2000 in error. The 2016 Supplemental budget included a partial fix that unintentionally left $142,000 ($85,000 GF-State) in Category 2000. Also, the Proviso language in the budget bill concerning PASRR should be moved to Category 1000 from Category 2000. The end result is a net zero total for DDA.

6) **Fund Source Switch –** (Program 030):

Transfer of funding for the MHD between General Fund – Federal (001-2) and General Fund – Medicaid (001-C). The type of federal funds listed in the Federal Funds Technical Correction (1W), the General Wage Increase (GL9), and the Pension & DRS Rate Change (9D) steps was incorrect. This request will correct the federal funding type and is a net zero total for MHD.

These technical corrections will bring the funding into line with anticipated expenditures throughout the agency.

PROPOSED SOLUTION

Funding these technical corrections is needed to fully implement the 2017-19 Biennial Budget as approved by the Legislature and Governor.

EXPECTED RESULTS

DSHS accounts for wise use and transparency in accounting for public dollars. This adjustment will increase public trust through strong management practices that ensure quality and leverage all resources.

STAKEHOLDER IMPACT

None

Agency Contact: Bill Jordan, (360) 902-8183

OTHER CONNECTIONS

Performance Outcomes/Important Connections

1. **Does this DP provide essential support to one or more of the Governor's Results Washington priorities?**
   Goal 5: Efficient, Effective & Accountable Government - Customer Satisfaction and Confidence - 1.1 Increase customer services.

2. **The decision package meets the following DSHS' strategic objectives:**
   1.1: Youth in JR will have increased access to a coordinated delivery of medical, behavioral health and long-term services and support to improve their health status.

3. **Identify other important connections or impacts below.** (Indicate 'Yes' or 'No'. If 'Yes' identify the connections or impacts related to the proposal.)

a) Regional/County impacts? No

b) Other local government impacts? No

c) Tribal government impacts? No

d) Other state agency impacts? No

e) Responds to specific task force, report, mandate or executive order? No

f) Does request contain a compensation change or require changes to a Collective Bargaining Agreement? No

g) Facility/workplace needs or impacts? No

h) Capital budget impacts? No

i) Is change required to existing statutes, rules or contracts? No

j) Is the request related to litigation? No

k) Is the request related to Puget Sound recovery? No

l) Other important connections? No

4. **Please provide a detailed discussion of connections/impacts identified above.**

   N / A

Alternatives/Consequences/Other

5. **What alternatives were explored by the agency, and why was this alternative chosen?**

020 - M2 - WM - Technical Corrections

The request for technical corrections will align funding so that the needs of the agency can be met.

6. How has or can the agency address the issue or need within its current appropriation level?

The shift in FTEs and funding will bring into line the appropriation level for the programs to match anticipated expenditures.

7. Does this decision package include funding for any IT-related costs (hardware, software, services, cloud-based services, contracts or IT staff)?

☒ **No**

☐ **Yes (Include an IT Addendum)**

Fiscal Detail

020 - M2 - WM - Technical Corrections

Operating Expenditures	FY 2018	FY 2019	FY 2020	FY 2021
001-1 General Fund-State	-60,000	-60,000	-60,000	-60,000
Total Cost	**-60,000**	**-60,000**	**-60,000**	**-60,000**

Staffing	FY 2018	FY 2019	FY 2020	FY 2021
FTEs	6.8	6.8	6.8	6.8

Performance Measure Detail

Activity:		Incremental Changes FY 2018	FY 2019	FY 2020	FY 2021
Program: 020					
B045	Institutional Services for State Committed Juvenile Offende	0	0	0	0

No measures submitted for package

Object Detail

		FY 2018	FY 2019	FY 2020	FY 2021
B	Employee Benefits	-60,000	-60,000	-60,000	-60,000
	Total Objects	**-60,000**	**-60,000**	**-60,000**	**-60,000**

DSHS Source Detail

Overall Funding

Operating Expenditures		FY 2018	FY 2019	FY 2020	FY 2021
Fund 001-1, General Fund-State					
Sources	**Title**				
0011	General Fund State	-60,000	-60,000	-60,000	-60,000
	Total for Fund 001-1	**-60,000**	**-60,000**	**-60,000**	**-60,000**
	Total Overall Funding	**-60,000**	**-60,000**	**-60,000**	**-60,000**

2017-19 Biennial Budget
Technical Corrections

	Program	FTEs			FY 2018			FY 2019			2017-19 Biennium		
		FY18	FY19	Total	001-1	Other	Total	001-1	Other	Total	001-1	Other	Total
010	**Children's Administration**												
	1 Workers' Compensation Redistribution			-	(194,000)	(20,000)	(214,000)	(194,000)	(20,000)	(214,000)	(388,000)	(40,000)	(428,000)
	3 Correcting FTE Authority	50.0	50.0	50.0			-			-	-	-	-
				-			-			-	-	-	-
	010 Total	**50.0**	**50.0**	**50.0**	**(194,000)**	**(20,000)**	**(214,000)**	**(194,000)**	**(20,000)**	**(214,000)**	**(388,000)**	**(40,000)**	**(428,000)**
020	**Juvenile Rehabilitation**												
	1 Workers' Compensation Redistribution			-	(60,000)		(60,000)	(60,000)	-	(60,000)	(120,000)	-	(120,000)
	2 Basic Training Camp - FTEs Only	6.8	6.8	6.8			-			-	-	-	-
				-			-			-	-	-	-
	020 Total	**6.8**	**6.8**	**6.8**	**(60,000)**	**-**	**(60,000)**	**(60,000)**	**-**	**(60,000)**	**(120,000)**	**-**	**(120,000)**
030	**Mental Health**												
	Category 2000												
	1 Workers' Compensation Redistribution			-	1,448,000	106,000	1,554,000	1,448,000	106,000	1,554,000	2,896,000	212,000	3,108,000
	Category 9000												
	1 Workers' Compensation Redistribution			-	4,000		4,000	4,000	-	4,000	8,000	-	8,000
				-			-			-	-	-	-
	030 Total	**-**	**-**	**-**	**1,452,000**	**106,000**	**1,558,000**	**1,452,000**	**106,000**	**1,558,000**	**2,904,000**	**212,000**	**3,116,000**
040	**Developmental Disabilities Administration**												
	Category 1000												
	1 Workers' Compensation Redistribution			-	(77,000)	(54,000)	(131,000)	(77,000)	(54,000)	(131,000)	(154,000)	(108,000)	(262,000)
	4 CFL Adjustment - DDA / ALTSA / ESA	(4.8)	4.8	-	787,000	969,000	1,756,000	(787,000)	(969,000)	(1,756,000)	-	-	-
	5 PASRR Transfer between categories.			-	85,000	57,000	142,000	85,000	57,000	142,000	170,000	114,000	284,000
	Category 2000												
	1 Workers' Compensation Redistribution			-	(440,000)	(306,000)	(746,000)	(440,000)	(306,000)	(746,000)	(880,000)	(612,000)	(1,492,000)
	4 CFL Adjustment - DDA / ALTSA / ESA	5.1	(5.1)	-	70,000	(462,000)	(392,000)	(70,000)	462,000	392,000	-	-	-
	5 PASRR Transfer between categories.			-	(85,000)	(57,000)	(142,000)	(85,000)	(57,000)	(142,000)	(170,000)	(114,000)	(284,000)
	Category 9000												
	4 CFL Adjustment - DDA / ALTSA / ESA	0.5	(0.5)	-	28,000	(1,000)	27,000	(28,000)	1,000	(27,000)	-	-	-
				-			-			-	-	-	-
	040 Total	**0.8**	**(0.8)**	**-**	**368,000**	**146,000**	**514,000**	**(1,402,000)**	**(866,000)**	**(2,268,000)**	**(1,034,000)**	**(720,000)**	**(1,754,000)**
050	**Aging & Long-Term Support Admin**												
	1 Workers' Compensation Redistribution			-	(76,000)	(69,000)	(145,000)	(76,000)	(69,000)	(145,000)	(152,000)	(138,000)	(290,000)
	4 CFL Adjustment - DDA / ALTSA / ESA	(1.1)	1.1	-	24,000	1,825,000	1,849,000	(24,000)	(2,825,000)	(2,849,000)	-	(1,000,000)	(1,000,000)
				-			-			-	-	-	-
	050 Total	**(1.1)**	**1.1**	**-**	**(52,000)**	**1,756,000**	**1,704,000**	**(100,000)**	**(2,894,000)**	**(2,994,000)**	**(152,000)**	**(1,138,000)**	**(1,290,000)**
060	**Economic Services Administration**												
	1 Workers' Compensation Redistribution			-	(93,000)	(56,000)	(149,000)	(93,000)	(56,000)	(149,000)	(186,000)	(112,000)	(298,000)
				-			-			-	-	-	-
	060 Total	**-**	**-**	**-**	**(93,000)**	**(56,000)**	**(149,000)**	**(93,000)**	**(56,000)**	**(149,000)**	**(186,000)**	**(112,000)**	**(298,000)**
070	**Alcohol and Substance Abuse**												
	1 Workers' Compensation Redistribution			-	(5,000)	(1,000)	(6,000)	(5,000)	(1,000)	(6,000)	(10,000)	(2,000)	(12,000)
				-			-			-	-	-	-
	070 Total	**-**	**-**	**-**	**(5,000)**	**(1,000)**	**(6,000)**	**(5,000)**	**(1,000)**	**(6,000)**	**(10,000)**	**(2,000)**	**(12,000)**
100	**Division of Voc. Rehabilitation**												
	1 Workers' Compensation Redistribution			-	(21,000)		(21,000)	(21,000)	-	(21,000)	(42,000)	-	(42,000)
				-			-			-	-	-	-
	100 Total	**-**	**-**	**-**	**(21,000)**	**-**	**(21,000)**	**(21,000)**	**-**	**(21,000)**	**(42,000)**	**-**	**(42,000)**
110	**Administration & Supporting Services**												
	1 Workers' Compensation Redistribution			-	(108,000)	(10,000)	(118,000)	(108,000)	(10,000)	(118,000)	(216,000)	(20,000)	(236,000)
				-			-			-	-	-	-
	110 Total	**-**	**-**	**-**	**(108,000)**	**(10,000)**	**(118,000)**	**(108,000)**	**(10,000)**	**(118,000)**	**(216,000)**	**(20,000)**	**(236,000)**
135	**Special Commitment Center**												
	1 Workers' Compensation Redistribution			-	32,000		32,000	32,000	-	32,000	64,000	-	64,000
				-			-			-	-	-	-
	135 Total	**-**	**-**	**-**	**32,000**	**-**	**32,000**	**32,000**	**-**	**32,000**	**64,000**	**-**	**64,000**
	Agency-Wide Total:	**56.5**	**57.1**	**113.6**	**1,319,000**	**1,921,000**	**3,240,000**	**(499,000)**	**(3,741,000)**	**(4,240,000)**	**820,000**	**(1,820,000)**	**(1,000,000)**

NOTES:

1 **A reduction in funding for Workers' Compensation was included in the 2016 Supplemental budget. The reduction was distributed based on Workers' Compensation expenditures by program. Using risk class costs and headcounts by program the reduction is redistributed to reflect anticipated changes in Workers' Compensation costs.**

2 **Reinstate FTEs in the Juvenile Rehabilitation Administration (JRA) for the Basic Training Camp that were incorrectly removed as part of the Workload step.**

3 **In SFY 2015, Chidren's Administration (CA) ended a longstanding contract with CGI for support of our FamLink case management system. With the funding previously used for that contract, CA has increased it's staffing levels but lacks sufficient FTE authority to accommodate these hires.**

4 **To adjust funding between fiscal years for the Development Disability Administration (DDA), Aging & Long-Term Support Administration (ALTSA) and a reduction of funding for ALTSA in 12E-6 and 274-6 funding that should have been correct at CFL.**

5 **To transfer funding for the Preadmission Screening and Resident Review program between categories within DDA.**

2017-19 Biennial Budget
Technical Corrections

WORKERS' COMPENSATION REDISTRIBUTION BASED ON RISK CLASS RATES

Code	Agency	FY 2016 Premiums-Agency Portion Estimated	2016 Supp General Allocation Base (Revised 15-17 Billing)	One Fiscal Year	FY 17 Estimates Updated	FY 17 Winsum Increment	This information is taken from the OFM Workers' Compensation 2016 Working File
300	Dept of Social & Health Services	39,215	82,709	41,354	39,215	(2,139)	

COMPARISON OF WORKERS' COMPENSATION CHANGES (Redistribution vs. Governor's Supplemental Budget)		Re-Distribute Governor's Budget Reduction	Governor's Supplemental Budget M2-91	Re-Distribute Governor's Budget Reduction	STATE / FEDERAL SPLIT OF THE REDISTRIBUTION OF THE REDUCTION AMOUNTS - BASED ON INCREASED FUNDING FOR MHD			
					State		Federal	Total
Children's Administration	010	(296,000)	(82,000)	(214,000)	(194,000)	A	(20,000)	(214,000)
Juvenile Rehabilitation Admin	020	(171,000)	(111,000)	(60,000)	(60,000)		-	(60,000)
Mental Health Division	030-2000	838,000	(716,000)	1,554,000	1,448,000	C	106,000	1,554,000
	030-9000	2,000	(2,000)	4,000	4,000		-	4,000
Developmental Disabilities Admin	040-1000	(270,000)	(139,000)	(131,000)	(77,000)	C	(54,000)	(131,000)
	040-2000	(1,541,000)	(795,000)	(746,000)	(440,000)		(306,000)	(746,000)
Aging & Long-Term Support Admin	050	(191,000)	(46,000)	(145,000)	(76,000)	C	(69,000)	(145,000)
Economic Services Admin	060	(286,000)	(137,000)	(149,000)	(93,000)	2	(56,000)	(149,000)
Alcohol & Substance Abuse	070	(8,000)	(2,000)	(6,000)	(5,000)	C	(1,000)	(6,000)
Division of Vocational Rehabilitation	100	(31,000)	(10,000)	(21,000)	(21,000)		-	(21,000)
Admin & Support Services	110	(152,000)	(34,000)	(118,000)	(108,000)	2	(10,000)	(118,000)
Special Commitment Center	135	(33,000)	(65,000)	32,000	32,000		-	32,000
TOTAL		**(2,139,000)**	**(2,139,000)**	**-**	**410,000**		**(410,000)**	**-**