

**Behavioral Health Administration – Mental Health
030 - M2 - 8U - UTILITY RATE ADJUSTMENTS**

Agency Submittal: 11-2017-19-YR Agency Req

Budget Period: 2017-19

SUMMARY

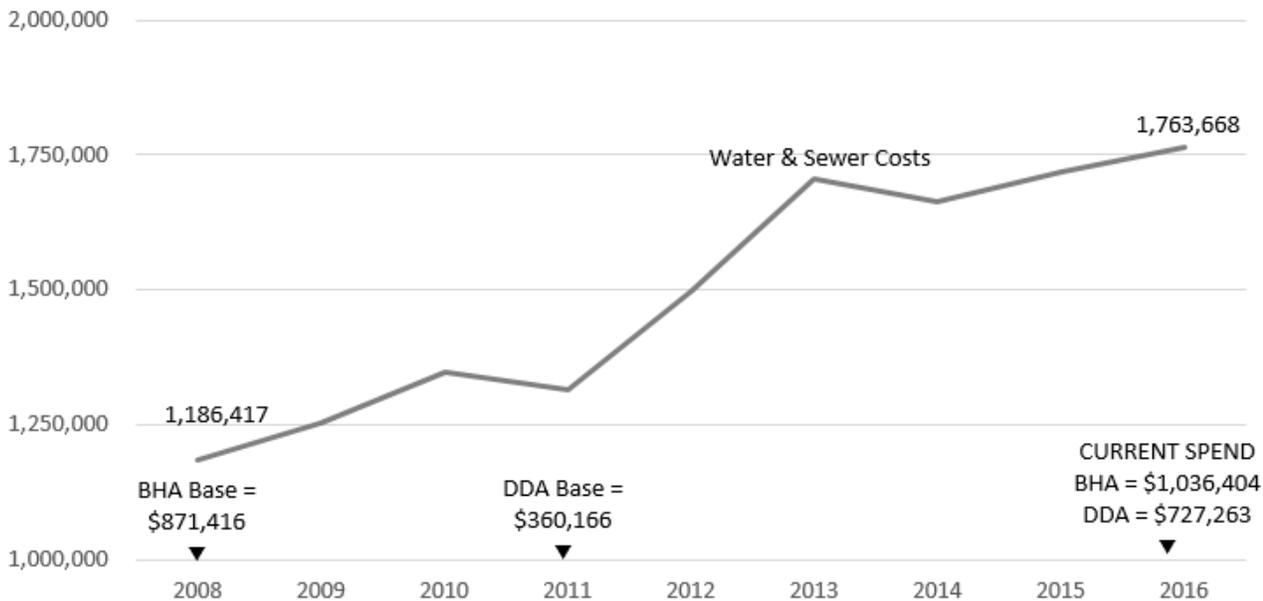
Water, sewer, garbage, and waste disposal costs reached record highs in Fiscal Year 2016 at some Behavioral Health Administration (BHA) facilities. The Legislature last funded these costs in Fiscal Year 2008 for BHA. Since then, annual costs have increased by 36 percent. DSHS requests that \$330,000 GF-State is appropriated to the BHA.

PROBLEM STATEMENT

Water, sewer, garbage, and waste disposal costs reached record highs in FY 2016 at some BHA facilities. The legislature last funded these costs in FY 2008 for BHA. Since then, annual costs have increased by 36 percent.

The Residential Habilitation Centers (RHCs) and state hospitals are 24/7 operations that serve and provide for the well-being of some our most vulnerable, mainly those with developmental disabilities and/or mental health conditions. Large unfunded expenditures like these for essential needs that provide safe drinking water and a sanitary living environment for some of Washington’s most vulnerable add to the pressure of meeting our balanced budget obligations.

DDA and BHA Facilities Need \$429,000 for Water and Sewer Cost Increases



DSHS VISION
People are healthy • People are safe • People are supported • Taxpayer resources are guarded

DSHS MISSION
To transform lives

DSHS VALUES
Honesty and Integrity • Pursuit of Excellence • Open Communication • Diversity and Inclusion • Commitment to Service

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PROPOSED SOLUTION

Provide BHA with \$330,000 GF-State for recent cost increases for water, sewer, garbage, and waste disposal at the state hospitals. DSHS must continue providing safe drinking water and a sanitary living environment for our clients residing at state facilities, which include some of Washington's most vulnerable, while maintaining our balanced budget obligations.

EXPECTED RESULTS

DSHS will be fully funded to cover costs of providing safe drinking water and a sanitary living environment for clients residing at RHCs or state hospitals. No other alternatives are available to address this issue. Not funding this request will apply additional stress on our ability in meeting our balanced budget obligations.

STAKEHOLDER IMPACT

This proposal is routine in nature and expected to have support from stakeholders with no known opposition.

Agency Contact: Bryan Way (360) 902-7769

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 4: Healthy & Safe Communities - Support People - Help the most vulnerable people become independent and self-sufficient.

2. The decision package meets the following DSHS' strategic objectives:

1.1: State psychiatric hospitals will be safer for staff and patients.

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? Yes. This request is geographic in nature due to where the RHCs and state hospitals are located. No other regional or county impacts were identified.

b) Other local government impacts?
No other local government impacts were identified.

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? Yes. This request provides additional funding to the RHCs and state hospitals to cover existing unfunded costs for water, sewer, garbage, and waste disposal.

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?

This request ensures that DDA and BHA facilities would be funded for costs that have recently reached record highs. Large unfunded expenditures like these for essential needs that provide safe drinking water and a sanitary living environment for some of Washington's most vulnerable add to the pressure of meeting our balanced budget obligations.

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

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Alternatives/Consequences/Other

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

No alternatives were explored by the agency. The agency has no choice other than to pay the higher costs to ensure there is no disruption to our client's living environment.

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

The agency is unable to address this issue within its appropriation as we must provide our residents with safe drinking water and a sanitary living environment.

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

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Operating Expenditures	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
001-1 General Fund-State	165,000	165,000	165,000	165,000
Total Cost	165,000	165,000	165,000	165,000

Staffing	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
FTEs	0.0	0.0	0.0	0.0

Performance Measure Detail

Activity:	Incremental Changes			
	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Program: 030				
C063 Mental Health Facilities Services	0	0	0	0
No measures submitted for package				

Object Detail

	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
E Goods and Other Services	165,000	165,000	165,000	165,000
Total Objects	165,000	165,000	165,000	165,000

DSHS Source Detail

Overall Funding

Operating Expenditures	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
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Fund 001-1, General Fund-State

Sources Title

0011 General Fund State	165,000	165,000	165,000	165,000
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<i>Total for Fund 001-1</i>	165,000	165,000	165,000	165,000
<i>Total Overall Funding</i>	165,000	165,000	165,000	165,000

2017-19 Biennial Budget

M2-8U-Utility Rate Adjustments

COSTS BY UTILITY TYPE	YEAR LAST UTILITY STEP FUNDED	EXPENDITURES @ TIME OF FUNDING	2016 EXPENDITURE PROJECTION	BUDGET REQUEST
1. Water & Sewer				
Developmental Disabilities Administration				
• Rainier.	2011	192,000	349,149	157,149
Note: \$192K is the base from the DK waste water treatment DP from the 2011-13 enacted budget.				
• Fircrest.	2009	257,234	323,662	66,428
Note: Rate changes and/or utilization changes. Base is from FY this was last funded.				
• Yakima Valley.	2009	44,251	54,453	10,202
Note: Rate changes and/or utilization changes. Base is from FY this was last funded.				
	Subtotal	493,485	727,263	233,778
Behavioral Health Administration				
• Western State Hospital	2008	727,968	839,890	111,922
Note: Rate changes and/or utilization changes. Base is from FY this was last funded.				
• Eastern State Hospital	2008	115,536	156,274	40,738
Note: Rate changes and/or utilization changes. Base is from FY this was last funded.				
• Child Study Treatment Center	2008	27,912	40,240	12,328
Note: Rate changes and/or utilization changes. Base is from FY this was last funded.				
	Subtotal	871,416	1,036,404	164,988
2. Garbage & Waste Disposal				
Developmental Disabilities Administration				
• Fircrest.	2009	6,582	101,455	94,873
Note: Rate changes and/or utilization changes. Base is from FY this was last funded.				
	Subtotal	6,582	101,455	94,873
	TOTAL	1,371,483	1,865,123	493,640
AMOUNTS NEEDED BY PROGRAM				
		2017	2018	2019
DDA				
	GF-S	165,000	165,000	165,000
	GF-F	165,000	165,000	165,000
	Subtotal	329,000	329,000	329,000
BHA				
	GF-S	165,000	165,000	165,000
	GF-F	-	-	-
	Subtotal	165,000	165,000	165,000
TOTAL				
	GF-S	330,000	330,000	330,000
	GF-F	165,000	165,000	165,000
	TOTAL	495,000	495,000	495,000