



Developmental Disabilities Administration

040 - PL - DL - CRITICAL NURSING SERVICES

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

Budget Period: 2017-19

SUMMARY

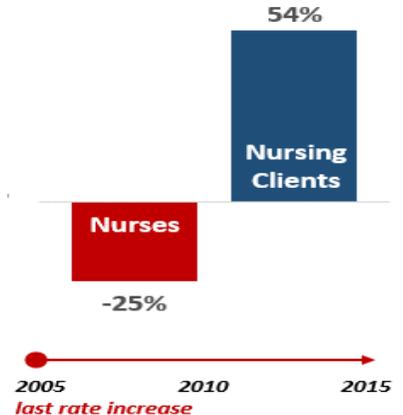
Without nurse delegation and skilled nursing services, over 8,000 AL TSA and DDA clients currently served in the community may have to move to a nursing home for adequate care. Over the last 10 years, clients receiving nurse delegation have increased by 54 percent while the retention of nurses has decreased by 25 percent. Fewer nurses are willing to provide services at current DSHS rates, which are well below rates for comparable services. DDA requests \$5,866,000 (\$2,933,000 GF-State) to equalize community-nursing rates with Private Duty Nurses, who received a \$10 per hour increase effective July 1, 2016.

PROBLEM STATEMENT

AL TSA and DDA Medicaid clients living in home and community settings have an access issue for nursing services, and the DSHS has issues with recruitment and retention of qualified nurses. The last rate increase for nurses in these programs was in 2005. Since then, there has been an increasing demand for services and a decreasing number of available nurses.

In addition, the 2016 Legislature increased the rates for the private duty-nursing program. This puts more pressure on the nurse delegation and skilled nursing programs, and has serious implications for clients dependent on those services and the state budget. The average daily Residential Habilitation Center (RHC) is about \$675 per day, while the average cost for DDA clients in community based care is about \$289 per day. The majority of these clients are only able to remain in home and community settings as long as they receive nursing services.

One example of this is a client with diabetes. This client is dependent on nurse delegation services to get an injection. Without that assistance, they will likely have to move to an RHC for their medication management, regardless of their level of need for personal care services for activities of daily living.



PROPOSED SOLUTION

In order to attract and retain nurses, this proposal seeks to increase hourly rates for Registered Nurses (RNs) and Licensed Practical Nurses (LPNs) to match those available for the Private Duty Nursing program, which is skilled nursing care for individuals living in the community. Nurses providing services for Medicaid clients receiving nurse delegation, skilled nursing, and supported living would see an average increase of \$12 per hour.



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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EXPECTED RESULTS

The result from the rate increases is that more nurses will be available to meet the increasing demand for in-home and residential services. This means that the state will avoid potentially expensive shifts in the client caseload from home and community to RHC care and will be able to continue to transition people out of RHCs into home and community settings. The other benefit is that over 8,000 Medicaid clients will continue to have the choice to stay in the home and community settings that they prefer.

STAKEHOLDER IMPACT

DDA residential providers will support this assistance for nursing recruitment and retention. There is no known opposition.

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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 - Healthy People - Provide access to good medical care to improve people's lives.

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

2.1: Increase access to home and community-based services.

2.2: Increase opportunities for individuals who live in large residential facilities to have the option to move into the community and be supported as needed.

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.

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Alternatives/Consequences/Other

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

The alternative is to continue offering contracts to pay nurses providing nurse delegation and skilled nursing services at the same rate as the last 10 years and to continue to lose ground in terms of attracting and retaining nurses. Given the impact to clients and additional costs that would result to the state if capacity continues to erode, a rate increase to match the increase for the Private Duty Nursing providers seemed more prudent.

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

DDA has not been able to divert money from other forecasted budget areas to increase rates, so the rates for skilled nursing and nurse delegation services have remained stagnant for ten years.

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**040 - PL - DL - Critical Nursing Services**

Operating Expenditures	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
001-1 General Fund-State	1,466,000	1,467,000	1,467,000	1,467,000
001-C General Fund-Medicaid	1,467,000	1,466,000	1,466,000	1,466,000
Total Cost	2,933,000	2,933,000	2,933,000	2,933,000
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: 040				
D076 Professional 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>
N Grants, Benefits, and Client Services	2,933,000	2,933,000	2,933,000	2,933,000
Total Objects	2,933,000	2,933,000	2,933,000	2,933,000

DSHS Source Detail**Overall Funding**

Operating Expenditures	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Fund 001-1, General Fund-State				
Sources Title				
0011 General Fund State	1,466,000	1,467,000	1,467,000	1,467,000
Total for Fund 001-1	1,466,000	1,467,000	1,467,000	1,467,000
Fund 001-C, General Fund-Medicaid				
Sources Title				
19TA Title XIX Assistance (FMAP)	1,467,000	1,466,000	1,466,000	1,466,000
Total for Fund 001-C	1,467,000	1,466,000	1,466,000	1,466,000
Total Overall Funding	2,933,000	2,933,000	2,933,000	2,933,000