

**Aging and Long-Term Support Administration**  
**050 - M1 - 0U - FORECAST COST-UTILIZATION**

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

Budget Period: 2017-19

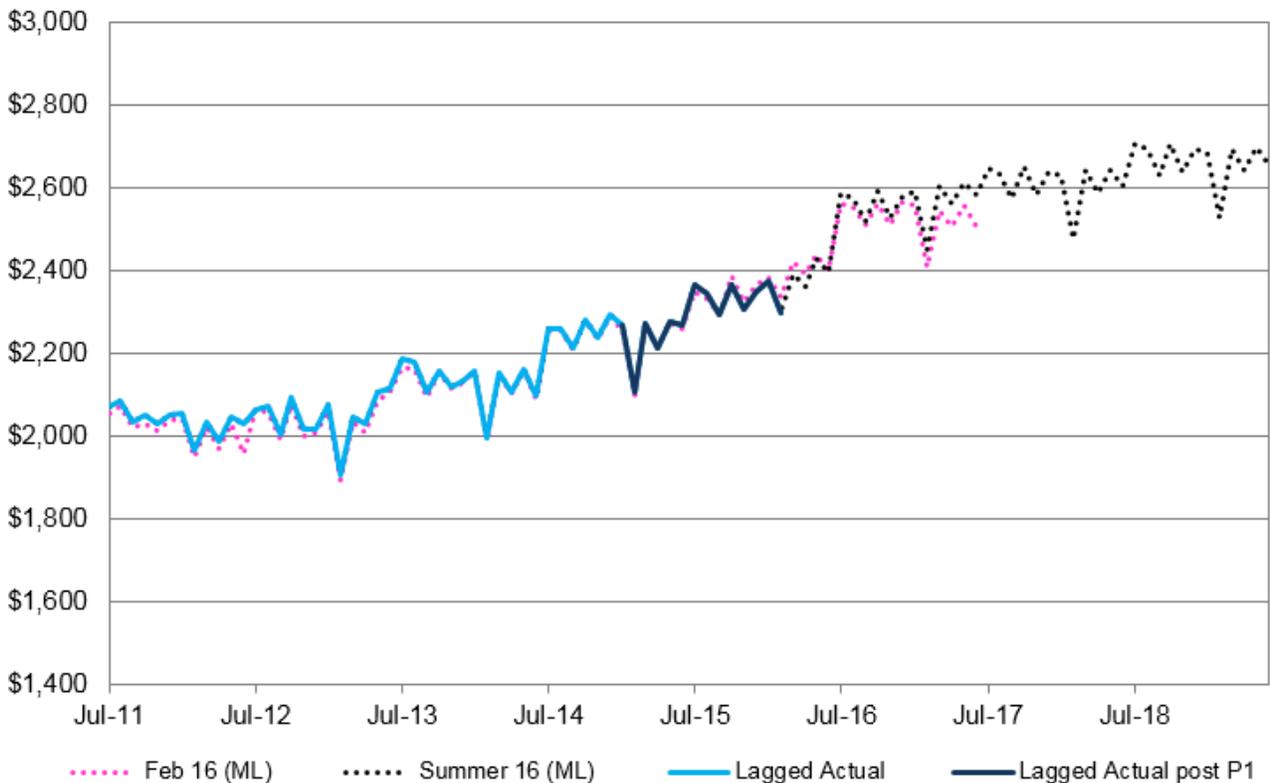
**SUMMARY**

Projected changes in the service utilization of Long-Term Services and Supports (LTSS) were identified through the summer 2016 caseload forecast. The primary drivers for these cost increases was in-home care (\$29,298,000) and adult family homes (\$25,271,000). AL TSA requests \$51,387,000 Total Funds, (\$24,509,000 GF-State).

**PROBLEM STATEMENT**

AL TSA requests \$51,387,000 Total Funds, (\$24,509,000 GF-State) for projected changes in service utilization of Long-Term Services and Supports (LTSS) that were identified through the summer 2016 caseload forecast. Examples of these services and supports include but are not limited to nursing homes, Area Agencies on Aging (AAA), nursing facility discharge payments, estate recoveries, and Home and Community Based Services (HCBS). The primary drivers for these cost increases was in-home care (\$29,298,000) and adult family homes (\$25,271,000).

**Total - Per Capita**



**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

**050 - M1 - 0U - Forecast Cost-Utilization**

**PROPOSED SOLUTION**

AL TSA requests funding for an adjustment to reflect the changes in the cost of services per capita that were projected in the in the June 2016 caseload forecast.

**EXPECTED RESULTS**

The agency expects to have sufficient funding to cover per capita cost adjustments related to the AL TSA caseload. Funding this decision package will ensure that the current array of services and supports is available for clients as service costs increase or decrease and that providers of services will experience minimal change in their method of conducting business. Forecast driven caseload changes reflect the agency's goals, including:

- Ensuring a safety net is in place for people of need;
- Clients maintain maximum independence;
- Services are of high quality;
- People participate in choices about their services; and
- Clients experience stability.

**STAKEHOLDER IMPACT**

There is no known opposition to this request.

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Program Contact: Eric Mandt, (360) 725-2579

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:**

2.1: Ensure seniors and individuals with a disability who are in need of long-term services and supports are supported in their communities.

2.2: Increase the number of individuals AL TSA is able to assist in transitioning to their homes or the community from nursing homes.

**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? This package impacts the Mandatory Workload.
- 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.**

Funding this decision package will ensure that providers of services will experience minimal change in their method of conducting business.

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**Alternatives/Consequences/Other**

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

Funding this decision package will ensure that providers of services will experience minimal change in their method of conducting business.

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

This request cannot be absorbed within existing resources since funding levels are driven entirely by forecast changes.

**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****050 - M1 - 0U - Forecast Cost/Utilization**

<b>Operating Expenditures</b>	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>	<b><u>FY 2020</u></b>	<b><u>FY 2021</u></b>
001-1 General Fund-State	1,872,000	22,637,000	22,637,000	22,637,000
001-C General Fund-Medicaid	2,265,000	24,613,000	24,613,000	24,613,000
<b>Total Cost</b>	<b>4,137,000</b>	<b>47,250,000</b>	<b>47,250,000</b>	<b>47,250,000</b>
<b>Staffing</b>	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>	<b><u>FY 2020</u></b>	<b><u>FY 2021</u></b>
FTEs	0.0	0.0	0.0	0.0

**Performance Measure Detail**

Activity:	Incremental Changes			
	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>	<b><u>FY 2020</u></b>	<b><u>FY 2021</u></b>
<b>Program: 050</b>				
E064 Nursing Home Services	0	0	0	0
E049 Adult Day Health Community Services	0	0	0	0
E053 In-Home Services	0	0	0	0
E050 Adult Family Home Community Services	0	0	0	0
E055 Residential Community Services	0	0	0	0
E077 Managed Care Services	0	0	0	0
E010 Recoveries	0	0	0	0
E051 Program Support for Long Term Care	0	0	0	0

No measures submitted for package

**Object Detail**

	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>	<b><u>FY 2020</u></b>	<b><u>FY 2021</u></b>
N Grants, Benefits, and Client Services	4,137,000	47,250,000	47,250,000	47,250,000
<b>Total Objects</b>	<b>4,137,000</b>	<b>47,250,000</b>	<b>47,250,000</b>	<b>47,250,000</b>

**DSHS Source Detail****Overall Funding**

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

0011 General Fund State	1,872,000	22,637,000	22,637,000	22,637,000
<b>Total for Fund 001-1</b>	<b>1,872,000</b>	<b>22,637,000</b>	<b>22,637,000</b>	<b>22,637,000</b>

**Fund 001-C, General Fund-Medicaid****Sources Title**

19TA Title XIX Assistance (FMAP)	2,265,000	24,613,000	24,613,000	24,613,000
<b>Total for Fund 001-C</b>	<b>2,265,000</b>	<b>24,613,000</b>	<b>24,613,000</b>	<b>24,613,000</b>

<b>Total Overall Funding</b>	<b>4,137,000</b>	<b>47,250,000</b>	<b>47,250,000</b>	<b>47,250,000</b>
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**2017-19 Biennial Budget**  
**OU - Forecast Cost/Utilization**

**Due to Cost/Utilization Changes**

**FY18 - June 2016 Update**

		<b>Total</b>	<b>State</b>	<b>Federal</b>
X01	Nursing Facilities	\$ (15,086,000)	\$ (7,472,000)	\$ (7,614,000)
X40	Adult Day Health	(463,000)	(231,000)	(232,000)
X43	NF Discharge	(15,000)	(15,000)	-
X48	Private Duty Nurse	1,263,000	631,000	632,000
X49	Recoveries	(786,000)	(397,000)	(389,000)
X61	In-Home	10,072,000	5,082,000	4,990,000
J85	Caregiver Training	(962,000)	(480,000)	(482,000)
J86	Agency Health Insurance	-	-	-
E8947	Background Check	(101,000)	(131,000)	30,000
X62	Adult Family Homes	9,590,000	4,460,000	5,130,000
X63	Adult Residential Centers	1,928,000	816,000	1,112,000
X64	Assisted Living	(3,409,000)	(1,444,000)	(1,965,000)
X65	Managed Care	2,106,000	1,053,000	1,053,000
<b>FY18 Subtotal</b>		<b>\$ 4,137,000</b>	<b>\$ 1,872,000</b>	<b>\$ 2,265,000</b>

**FY19 - June 2016 Update**

X01	Nursing Facilities	\$ 12,996,000	\$ 6,437,000	\$ 6,559,000
X40	Adult Day Health	(463,000)	(231,000)	(232,000)
X43	NF Discharge	(15,000)	(15,000)	-
X48	Private Duty Nurse	1,295,000	648,000	647,000
X49	Recoveries	(786,000)	(397,000)	(389,000)
X61	In-Home	19,226,000	9,147,000	10,079,000
J85	Caregiver Training	(464,000)	(232,000)	(232,000)
J86	Agency Health Insurance	-	-	-
E8947	Background Check	28,000	(66,000)	94,000
X62	Adult Family Homes	15,681,000	7,291,000	8,390,000
X63	Adult Residential Centers	1,800,000	762,000	1,038,000
X64	Assisted Living	(4,155,000)	(1,760,000)	(2,395,000)
X65	Managed Care	2,107,000	1,053,000	1,054,000
<b>FY19 Subtotal</b>		<b>\$ 47,250,000</b>	<b>\$ 22,637,000</b>	<b>\$ 24,613,000</b>

**Budget Steps:**

<b>TOTAL FY18</b>	<b>\$ 4,137,000</b>	<b>\$ 1,872,000</b>	<b>\$ 2,265,000</b>
<b>TOTAL FY19</b>	<b>\$ 47,250,000</b>	<b>\$ 22,637,000</b>	<b>\$ 24,613,000</b>