

Administrative and Supporting Services

110 - M2 - KB - CMO REGULATORY COMPLIANCE

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

Budget Period: 2017-19

SUMMARY

Current staffing levels for maintenance and operations in DSHS institutions are woefully inadequate to meet the minimum safety or sanitary standards for residents and staff or the basic or emergent needs of the aging buildings. DSHS's inability to adequately maintain its institutions could result in tragic outcomes for clients, staff and surrounding communities. Consolidated Maintenance & Operations (CMO) requests \$13,890,000 (GF-State \$10,952,000) and 89.9 FTE to right-size maintenance staffing levels to enable staff to address corrective and emergent needs and meet basic, ongoing maintenance requirements.

PROBLEM STATEMENT

CMO has been understaffed and thus unable to adequately meet either ongoing DSHS facility maintenance requirements or minimum regulatory compliance standards since its formation in 2011.

CMO requires 317,857 labor hours each fiscal year for the eight identified job classes to meet all regulatory, preventative, programmatic, corrective maintenance. CMO is currently funded for 202,883 labor hours, or a shortfall of 114,974 hours.

CMO's primary responsibilities include program services, such as client transportation, laundry, and waste management; preventative and corrective maintenance of aging buildings and infrastructure; programmatic efforts such as furniture reconfigurations; and capital project support. In order to provide an acceptable level of program services and address a growing maintenance backlog, CMO needs more staff. Currently, CMO is unable to effectively execute its regulatory compliance responsibilities and there are serious consequences for clients because of this problem.

Similar maintenance issues exist at all DSHS institutions, but the situation at Western State Hospital (WSH) is illustrative of their scope and impact. After a compliant investigation conducted by the Centers for Medicaid and Medicare Services (CMS), plus no less than six follow-up inspection surveys and multiple findings, some based on "physical environment," of patients being in "immediate jeopardy," WSH entered into a System Improvement Agreement (SIA) with CMS on June 2, 2016. As a result of the SIA, CMS granted WSH an additional thirteen months (ten remain) to achieve full compliance with mandated Medicare Conditions of Participation (CoPs). The SIA expressly cites pledges received by CMS from WSH, DSHS, the Washington State Legislature and the Governor of Washington to support systemic improvements for WSH. However, if WSH fails to complete any of its obligations under the SIA, CMS will terminate annual federal funding of \$64,000,000 to \$65,000,000 for violations of 42 C.F.R. Sections 482.11-482.57 and 482.60-482.62.

"Immediate jeopardy" findings that are CMO's responsibility to correct include (1) fitting and installing anti-ligature apparatuses around devices such as sinks, exposed piping, and desks located in patient rooms; (2) replacing all non-security screws with security screws; and (3) ensuring all windows within the hospital are screwed shut for security purposes. These types of physical safety issues are not happening only at WSH, but across all DSHS institutions



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

Washington State Department of Social and Health Services

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throughout the state. The capital budget has provided funding to implement patient safety and anti-ligature enhancements at the state hospitals, but much more work is still to be done.

Other entities who may affect regulatory and safety requirements at our facilities include The Joint Commission, State Fire Marshal, Labor and Industries, and the Health Department.

The department's inability to address these issues is in direct opposition to its mission. In order to tackle these specific issues, to generally meet ongoing regulatory facility safety requirements, and continue the ongoing, day-to-day preventative and corrective maintenance, CMO needs more FTEs.

PROPOSED SOLUTION

With this funding, DSHS will right-size maintenance staffing levels in the institutions with the most critical needs (detailed breakdown in the chart below). Maintenance staff will be able to attend to program services in a timelier manner including client transportation, laundry, and waste management. Maintenance staff will also be able to comply with preventative and corrective maintenance schedules to ensure the department's facilities meet regulatory requirements and are safe for clients to live in. Maintenance staff would also be able to more proactively engage with other programmatic efforts such as furniture reconfigurations related to space modernization efforts and capital project support.

FTE Breakdown by Position by Facility

Facility	Naselle Youth Camp (NYC)	Eastern State Hospital (ESH)	Western State Hospital (WSH)	Child Study & Treatment Center (CSTC)	Lakeland Village (LV)	Fircrest School (FS)
Program	Juvenile Rehabilitation (JR) 020	Mental Health (MH) 030	Mental Health (MH) 030	Mental Health (MH) 030	Developmental Disabilities (DD) 040	Developmental Disabilities (DD) 040
Estimated Cost (Biennium)	\$252,000	\$4,626,000	\$4,040,000	\$208,000	\$3,468,000	\$1,296,000
Estimated Cost (Biennium) - GF State	\$252,000	\$4,307,000	\$3,761,000	\$194,000	\$1,775,000	\$663,000
CARPENTER	0.0	8.0	6.1	0.0	5.7	0.0
ELECTRICIAN	0.0	7.8	5.5	0.0	3.0	0.0
GROUNDS & NURSERY SERVICES SPECIALIST	0.0	1.0	0.0	0.0	0.7	3.6
HEATING, VENTILATION, & AIR COND TECH	0.0	1.1	3.1	0.0	0.6	0.0
MAINTENANCE MECHANIC (MM2)	0.0	1.4	7.2	1.3	0.2	0.0
PAINTER	1.7	4.5	3.0	0.0	2.4	3.3
PLUMBER	0.0	6.0	0.8	0.0	9.6	2.3
UTILITY WORKER	0.0	0.0	0.0	0.0	0.0	0.0
	1.7	29.8	25.7	1.3	22.2	9.2

Overall FTE and Cost Breakdown by Program

PROGRAM	FTE	2017-19 TOTAL	2017-19 GF-STATE
PROGRAM 020 (JR)	1.7	\$252,000	\$252,000
PROGRAM 030 (MH)	56.8	\$8,874,000	\$8,262,000
PROGRAM 040 (DDA)	31.4	\$4,764,000	\$2,438,000
TOTAL =	89.9	\$13,890,000	\$10,952,000

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EXPECTED RESULTS

By funding this request, CMO will be able to:

- Address current and future regulatory compliance requirements;
- Begin addressing the extensive maintenance backlog;
- Address preventative maintenance requirements on a more routine schedule to help make the department's institutions more safe for clients, staff, and the community; and
- Continue program services and support.

Not funding this request will result in the continued neglect of the department's aging facilities due to overburden and understaffing. There is also potential for regulatory non-compliance, as with the SIA for WSH, which could result in the loss of federal funding and the decertification of wards in the state hospitals. Finally, if this request is not funded, there will continue to be a safety risk for some of the state's most vulnerable clients as well as staff and the communities surrounding the institutions.

STAKEHOLDER IMPACT

All primary stakeholders are in support of this budget request. There is no known opposition.

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Program Contact: Van Church, (360) 902-8163 | Kellett Sayre, (360) 902-8052

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. *Note: Customers are the facilities of DSHS as well as the clients housed in each facility.*

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: Reduce workplace injuries.

HRD & OCI 5.1: Attract, develop, and retain a highly engaged, productive, and purpose-driven workforce.

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. Meeting our regulatory requirements creates a positive impact to counties/regions where facilities are located to improve their overall and ongoing state of repair.
- b) Other local government impacts? No.
- c) Tribal government impacts? No.

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- d) Other state agency impacts? No.
- e) **Responds to specific task force, report, mandate or executive order?** Yes. This package is in response to the ever-growing regulatory compliance measures regarding life safety and environment of care at all DSHS facilities. CMO needs more FTEs in order to be in compliance with regulating agencies such as The Joint Commission, Centers for Medicaid and Medicare, State Fire Marshal, Labor and Industries, and The Health Department. For example, The Joint Commission recently adopted the "*National Fire Protection Agency 101: Life Safety*" (Version 2012). This updated version sets forth new and/or stricter requirements regarding life safety at facilities. CMO currently does not have the staff to meet the requirements along with the day to day maintenance tasks.
- f) Does request contain a compensation change or require changes to a Collective Bargaining Agreement? No.
- g) **Facility/workplace needs or impacts?** Yes. Approval of the decision package will positively impact six DSHS facilities. Those include Western State Hospital, Eastern State Hospital, Child Study and Treatment Center, Fircrest School, Lakeland Village, and Naselle Youth Camp. It will enable facilities to meet regulatory compliance measures thus avoiding the loss of federal funding and fines resulting from failure to comply. CMO will be able to provide better maintenance and services to its program partners such as providing transportation for patient outings, meeting programmatic maintenance requests, and meeting all preventative maintenance requirements.
- h) Capital budget impacts? No
- i) Is change required to existing statutes, rules or contracts? No
- j) Is the request related to litigation? Currently, no. However, additional FTEs that can address regulatory requirements certainly could prevent possible litigation if DSHS experiences any loss of life or staff accidents due to preventable safety measures and protections not being implemented.
- k) Is the request related to Puget Sound recovery? No
- l) Other important connections? None

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

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Additional FTEs that can address regulatory requirements certainly could prevent possible litigation if DSHS experiences any loss of life or staff accidents due to preventable safety measures and protections not being implemented.

Alternatives/Consequences/Other

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

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The only other alternative explored was mapping out all regulations in order to apply a regulatory maintenance program at each facility. However, it quickly became evident CMO was not staffed realistically enough to begin to address regulatory requirements on top of the day-to-day maintenance tasks. CMO constantly struggles to keep up with just the day-to-day tasks. CMO had no other choice available but to request the necessary FTEs it realistically needs to meet all its requirements.

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

Simply put, CMO cannot address the current service demand within its current appropriation level. CMO requires 317,857 labor hours each fiscal year for the eight identified job classes to meet all regulatory, preventative, programmatic, corrective maintenance. CMO is currently funded for 202,883 labor hours, or a shortfall of 114,974 hours.

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**110 - M2 - KB - CMO Regulatory Compliance**

Operating Expenditures	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
001-1 General Fund-State	5,476,000	5,476,000	5,476,000	5,476,000
001-2 General Fund-Federal	1,469,000	1,469,000	1,469,000	1,469,000
Total Cost	6,945,000	6,945,000	6,945,000	6,945,000

Staffing	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
FTEs	89.9	89.9	89.9	89.9

Performance Measure Detail

Activity:	Incremental Changes			
	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Program: 110				
K001 Administration and Supporting 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>
EZ Other Goods and Services	6,675,000	6,675,000	6,675,000	6,675,000
TZ Intra-agency Reimbursements	270,000	270,000	270,000	270,000
Total Objects	6,945,000	6,945,000	6,945,000	6,945,000

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	5,476,000	5,476,000	5,476,000	5,476,000
Total for Fund 001-1	5,476,000	5,476,000	5,476,000	5,476,000

Fund 001-2, General Fund-Federal**Sources Title**

FLIV Fed Entered as Lidded (various%)	1,469,000	1,469,000	1,469,000	1,469,000
Total for Fund 001-2	1,469,000	1,469,000	1,469,000	1,469,000
Total Overall Funding	6,945,000	6,945,000	6,945,000	6,945,000

2017-19 Biennial Budget
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	Facility	Naselle Youth Camp (NYC)	Eastern State Hospital (ESH)	Western State Hospital (WSH)	Child Study & Treatment Center (CSTC)	Lakeland Village (LV)	Fircrest School (FS)	
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	Estimated Cost (Biennium)	\$252,000	\$4,626,000	\$4,040,000	\$208,000	\$3,468,000	\$1,296,000	
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CARPENTER		0.0	8.0	6.1	0.0	5.7	0.0	19.8
ELECTRICIAN		0.0	7.8	5.5	0.0	3.0	0.0	16.3
GROUNDS & NURSERY SERVICES SPECIALIST		0.0	1.0	0.0	0.0	0.7	3.6	5.3
HEATING, VENTILATION, & AIR COND TECH MAINTENANCE MECHANIC (MM2)		0.0	1.1	3.1	0.0	0.6	0.0	4.8
		0.0	1.4	7.2	1.3	0.2	0.0	10.1
PAINTER		1.7	4.5	3.0	0.0	2.4	3.3	14.9
PLUMBER		0.0	6.0	0.8	0.0	9.6	2.3	18.7
UTILITY WORKER		0.0	0.0	0.0	0.0	0.0	0.0	0.0
		1.7	29.8	25.7	1.3	22.2	9.2	89.9
CARPENTER		0	594,000	453,000	0	423,000	0	1,470,000
ELECTRICIAN		0	634,000	447,000	0	244,000	0	1,325,000
GROUNDS & NURSERY SERVICES SPECIALIST		0	60,000	0	0	42,000	216,000	318,000
HEATING, VENTILATION, & AIR COND TECH MAINTENANCE MECHANIC (MM2)		0	91,000	257,000	0	50,000	0	398,000
		0	112,000	575,000	104,000	16,000	0	807,000
PAINTER		126,000	334,000	223,000	0	178,000	245,000	1,106,000
PLUMBER		0	488,000	65,000	0	781,000	187,000	1,521,000
UTILITY WORKER		0	0	0	0	0	0	0
	Estimated Cost (Annual)	126,000	2,313,000	2,020,000	104,000	1,734,000	648,000	6,945,000
	% GF State	100.00%	93.10%	93.10%	93.10%	51.18%	51.18%	
	Estimated GF State (Annual) =	126,000	2,154,000	1,881,000	97,000	887,000	331,000	5,476,000
	Estimated Cost (Biennium)	252,000	4,626,000	4,040,000	208,000	346,800	1,296,000	13,890,000
	% GF State	100.00%	93.10%	93.10%	93.10%	51.18%	51.18%	
	Estimated GF State (Biennium)	252,000	4,308,000	3,762,000	194,000	1,774,000	662,000	10,952,000