

**Aging and Long-Term Support Administration**  
**050 - M2 - VB - IPONE OVERTIME COMPLETION**

Agency Submittal: 2015-17 Final 2017 Sup

Budget Period: 2015-17

**SUMMARY**

The Individual ProviderOne (IPOne) payment system contracted vendor, Public Partnerships, LLC (PPL), will not be able to complete the programming necessary for overtime payments in state Fiscal Year 2017, which will leave funds unspent. Therefore the Aging and Long-Term Support Administration (AL TSA) will return a savings of \$1,744,000 (\$1,702,000 GF-State).

**PROBLEM STATEMENT**

On March 1, 2016, Washington implemented Individual ProviderOne (IPOne), a payroll-like front-end sub-system that integrates with ProviderOne, the state's Medicaid Management Information System (MMIS). The payment system processes thousands of payments each month at a cost of approximately \$22 million per year. Dollars for this enhancement were initially requested in the agency request for the 2015-17 Biennium. During the 2016 legislative session, the dates for the FLSA/Overtime project changed and a portion of the decision package request was deferred to Fiscal Year 2018. This request is for the Fiscal Year 2018 dollars necessary to complete the ProviderOne enhancement.

**PROPOSED SOLUTION**

The contracted vendor for the IPOne payment system is not spending the amount budgeted for completing IP overtime in Fiscal Year 2017. They do not have enough resources available to complete the work by the end of Fiscal Year 2017. The Fiscal Year 2017 funding needs to be rolled over into the first 18 months of the 2017-19 Biennium to complete the requirements for overtime payment functions. Implementation of this enhancement will add functionality that ensures the State's ability to pay and manage payment of overtime to individual providers.

**EXPECTED RESULTS**

Correct payment of overtime hours for personal care workers ensures that seniors and clients with a disability who are in need of long-term services and supports are supported in their communities. Implementing these specific overtime requirements will improve consistency in client care levels throughout the month of care. This allows DSHS to continue to provide access to approximately 60,000 low-income individuals in the State of Washington who receive high quality, affordable health care from Independent Providers. The following are the expected results of completing the IP overtime functionality:

- Weekly work limit information will be incorporated into IPOne
- Revised correspondence with clients and providers will include weekly hours limits (currently monthly)
- Ability to calculate client overpayments involving overtime



**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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- Reconcile the amount paid to amount authorized (delinquencies and balances)
- Automated fraud detection report
- Automated Planned Action Notices to clients
- Healthcare eligibility calculations (including the impact of overtime hours)

**STAKEHOLDER IMPACT**

Service Employees International Union (SEIU) 775 NW can be expected to strongly support this request, because without it, the IPs they represent will continue to have problems with receiving payments and reconciling adjusted hours worked that go over 40 hours per week and should be paid at time and a half wages.

Agency Contact: Bryan Way, (360) 902-7769  
Program Contact: Bill Moss, (360) 725-2311

**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:**  
4.1: Implement an electronic payment system (known as IOne) that will significantly increase overall integrity of payments made to Individual Providers who contract with DSHS to provide personal care services to DSHS clients.
- 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? The Health Care Authority (HCA) administers the IOne system.
  - 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

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- h) Capital budget impacts? No
- i) Is change required to existing statutes, rules or contracts? Yes
- 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.**

The IPOne project, including the overtime payment functionality, has a connection with the HCA ProviderOne Medicaid payment system. HCA will also be submitting a budget request.

**Alternatives/Consequences/Other**

The IP payment system must be able to correctly pay wages as required by law, based on a seniority-based wage scale determined through collective bargaining, and make accurate over-payment and under-payment adjustments for IPs that work hours over 40 hours per week.

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

The department must pay the IPs according to applicable wage and hour laws, including the ability to make retroactive adjustment for over-payments or under-payments is also not feasible. The primary option pursued was to request that PPL devote more resources and complete the work in Fiscal Year 2017 in accordance with the project schedule rather than try to move the funding from Fiscal Year 2017 to the next biennium. However, PPL has repeatedly stated that they are unable to do so.

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

There is no funding in the AL TSA budget for this work, and AL TSA cannot re-prioritize existing IT projects to try to complete the work because the system is owned by PPL.

**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 - M2 - VB - IPOne Overtime Completion**

<b>Operating Expenditures</b>	<b><u>FY 2016</u></b>	<b><u>FY 2017</u></b>	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>
001-1 General Fund-State	0	-1,702,000	275,000	0
001-C General Fund-Medicaid	0	-42,000	2,479,000	0
<b>Total Cost</b>	<b>0</b>	<b>-1,744,000</b>	<b>2,754,000</b>	<b>0</b>

<b>Staffing</b>	<b><u>FY 2016</u></b>	<b><u>FY 2017</u></b>	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>
FTEs	0.0	0.0	0.0	0.0

**Performance Measure Detail**

<b>Activity:</b>	<b>Incremental Changes</b>			
	<b><u>FY 2016</u></b>	<b><u>FY 2017</u></b>	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>
<b>Program: 050</b>				
E051 Program Support for Long Term Care	0	0	0	0
No measures submitted for package				

**Object Detail**

	<b><u>FY 2016</u></b>	<b><u>FY 2017</u></b>	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>
C Professional Service Contracts	0	-1,744,000	2,754,000	0
<b>Total Objects</b>	<b>0</b>	<b>-1,744,000</b>	<b>2,754,000</b>	<b>0</b>

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

<b>Operating Expenditures</b>	<b><u>FY 2016</u></b>	<b><u>FY 2017</u></b>	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>
<b>Fund 001-1, General Fund-State</b>				
<b>Sources Title</b>				
0011 General Fund State	0	-1,702,000	275,000	0
<b>Total for Fund 001-1</b>	<b>0</b>	<b>-1,702,000</b>	<b>275,000</b>	<b>0</b>
<b>Fund 001-C, General Fund-Medicaid</b>				
<b>Sources Title</b>				
19UL Title XIX Admin (50%)	0	-42,000	2,479,000	0
<b>Total for Fund 001-C</b>	<b>0</b>	<b>-42,000</b>	<b>2,479,000</b>	<b>0</b>
<b>Total Overall Funding</b>	<b>0</b>	<b>-1,744,000</b>	<b>2,754,000</b>	<b>0</b>

# Information Technology Addendum

Recsum Code and Title      M2-VB - IPOne Overtime Completion

## Part 1: Itemized IT Costs

Please itemize any IT-related costs, including hardware, software, services (including cloud-based services), contracts (including professional services, quality assurance, and independent verification and validation) or IT staff. Be as specific as you can. (See Chapter 12.1 of the OFM Operating Budget Instructions for guidance on what counts as “IT-related costs.”)

Information Technology Items in this DP (insert rows as required)	FY 2016	FY 2017	FY 2018	FY 2019
Fund 001-1 GF-State	000	-1,702,000	183,000	92,000
Fund 001-2 GF-Federal	000	-42,000	1,652,000	827,000
<b>Total Cost</b>		<b>-1,744,000</b>	<b>1,835,000</b>	<b>919,000</b>

## Part 2: Identify IT Projects

1. Does this decision package fund the development or acquisition of a new or enhanced software or hardware system or service? (Answer Yes or No) **Yes**
2. Does this decision package fund the acquisition or enhancements of any agency data centers? (See OCIO Policy 184 for definition.) (Answer Yes or No) **No**
3. Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See OCIO Policy 121.) (Answer Yes or No) **Yes**

If you answered “yes” to any of these questions, you must complete a concept review with the OCIO before submitting your budget request. Refer to Chapter 12.2 of the Operating Budget Instructions for more information.