



STATE OF WASHINGTON
DEPARTMENT OF SOCIAL AND HEALTH SERVICES
Aging and Long-Term Support Administration
PO Box 45010, Olympia, WA 98504-5600

April 2, 2018

TO: Tribal Leaders

FROM: Bill Moss 
Assistant Secretary

SUBJECT: Enacted 2018 Supplemental Budget

Recently, Governor Inslee signed the 2018 Supplemental budget into law. We are pleased to see a budget that funds a variety of changes, both large and small in terms of the budget, that are important for AL TSA clients and our partners in delivering services. Listed below are some of the significant budget items included in the final budget:

- **Tribal Kinship Navigator:** Funding increase for serving the Yakama Nation, Colville Indian Reservation and other tribal areas. (\$245,000 GF-S; 0.3 FTE)
- **Individual Provider Management:** The Individual Provider Employment Administrator model shifts administrative support of Individual Providers (IPs) from the state to a private vendor, allowing the department to keep its central focus on client well-being. Beginning July 2020, the vendor would provide Financial Management Services and co-employer functions to clients receiving in-home personal care from an IP. This will centralize management of the IP workforce, including controls of IP overtime, and allow DSHS and Area Agency on Aging case management staff to focus on the clinical aspects of case management including health, safety, and avoiding unnecessary utilization of hospital and institutional stays. (\$814,000 GF-S; \$1.9M Total Funds; 3.3 FTE)
- **Residential Care Services Quality Assurance Unit:** The six FTE Quality Assurance Unit, initially funded through a federal grant, will have ongoing funding to help ensure that RCS meets state performance measures as well as federal Centers for Medicare and Medicaid Services expectations. This supports the department's efforts to focus on client safety and quality of service. (\$339,000 GF-S; \$678,000 Total Funds; 3.0 FTE)
- **Assisted Living Investigations:** In order to cover the cost of Assisted Living Facility (ALF) oversight by Residential Care Services, the annual license fee for ALFs is increased from \$106 per bed to \$116. The increased fee revenue will fund five additional investigators in Region 2 (King, Snohomish, Skagit and Whatcom counties) where the ALF client population is growing rapidly. (\$0 GF-S; \$741,000 Total Funds; 2.5 FTE)
- **Electronic Visit Verification/21st Century Cures Act:** It is assumed that the state will not meet the deadline of January 1, 2019 to implement an Electronic Visit Verification (EVV) system for in-home personal care services, as mandated by the Cures Act.

Funding is provided to begin development on an information technology solution that will ultimately bring the state into compliance, and funding for the assumed penalty assessed for non-compliance in the form of reduced federal Medicaid matching funds. (\$1.9M GF-S; \$2.2M Total Funds)

- **Assisted Living Rate Adjustment:** One-time funding gives a rate add-on of \$2.26 per day to ALFs with an average Medicaid occupancy of 60 percent or more in state fiscal year 2019. (\$1.0M GF-S; \$2.2M Total Funds)
- **Area Agency on Aging Workgroup:** A workgroup will convene to propose how to include family caregivers as long-term service and supports under a public long-term care benefit program, with a recommendations due to the Joint Legislative and Executive Committee on Aging and Disability by November 15, 2018. (\$50,000 GF-S; \$100,000 Total Funds)
- **Long Term Care Insurance Study:** One-time funding for a contract to update the 2016 actuarial and feasibility study of long-term care insurance options in Washington, including a public benefit funded through payroll deduction. (\$100,000 GF-S; \$200,000 Total Funds)
- **Personal Needs Allowance:** The Personal Needs Allowance (PNA) is the amount of a Medicaid client's own income that he or she is allowed to keep to spend on personal items. The PNA for Medicaid clients in residential and institutional settings is increased to \$70 per month as of January 1, 2019. The PNA will also increase annually with future adjustments. (\$615,000 GF-S; \$1.3M Total Funds)
- **Dementia Action Collaborative:** The Dementia Action Collaborative (DAC) is a public-private entity that implements recommendations from the state plan to address Alzheimer's disease and other dementias. Two part-time employees are funded to support the DAC in coordination with the Department of Health and the Health Care Authority. (\$40,000 GF-S; \$80,000 Total Funds; 0.5 FTE)

Additional details on the 2018 Supplemental budget is available online at <http://fiscal.wa.gov/BudgetA>. If you have any questions regarding the 2018 Supplemental Budget or other results of the legislative session, please contact Lisa Yanagida at 360-725-2582 or Yangln2@dshs.wa.gov.

Thank you for your continued support of seniors and people with disabilities. Your commitment to our shared mission is part of why Washington will continue to lead the nation in long-term services and supports.