

MEMORANDUM

DATE: August 19, 2015

TO: Katherine Vasquez, DSHS Rules Coordinator
DSHS Rules and Policies Assistance Unit
Administrative Services Division, MS:45850

FROM: Kristina Wright, Division of Licensed Resources Program Manager
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SUBJECT: Small Business Economic Impact Statement for Proposed
Amendments to Chapters 388-145 and 388-148

SUMMARY OF PROPOSED RULES

The Department of Social and Health Services' Children's Administration is proposing amendments to WAC Chapters 388-145-1335 (4, 5) and 388-148-1320 (4, 6), Licensing Requirement for Group Care Facilities and Child Foster Homes.

The intent of the WAC revisions are to provide foster parents, department staff, and group care facilities additional clarification regarding the required tuberculosis (TB) test and influenza vaccination.

The proposed language change to WAC 388-148-1320 (4) and WAC 388-145-1335 (4) provides further instructions on how to proceed with foster care applicants and their household members over the age of eighteen, or agency staff that have a positive TB test due to latent TB. These applicants will be required to obtain a physician's statement noting that they are not contagious, nor do they pose a risk to others. Once the physician's statement is provided to the Division of Licensed Resources (DLR) and they have been determined to meet all other licensing regulations they will be issued a foster care license or approved to work unsupervised at a group care facility.

WAC 388-148-1320 (6) and WAC 388-145-1335 (5) currently require that the applicant and all household members, or agency staff or volunteers to have proof of the influenza vaccination if being licensed to care for children under the age of two years. This WAC revision will allow for a medical exception to this requirement if the vaccination would result in a severe medical consequence to the person and there is no other form of influenza vaccine that would not cause severe medical consequences. This will allow

these applicants and agencies that otherwise meet all other licensing regulations to be licensed for birth to two years of age with a medical doctor's (MD) statement.

These changes have been requested by foster parents, DSHS agency staff, group care facilities, and child placing agencies. There will be no other content or language changes to WAC 388-148-1320 or WAC 388-145-1335.

DLR licensing requirements were last amended on January 11, 2015.

SMALL BUSINESS ECONOMIC IMPACT STATEMENT—DETERMINATION OF NEED

Chapter 19.85 RCW, The Regulatory Fairness Act, requires that the economic impact of proposed regulations be analyzed in relation to small businesses. The statute defines small businesses as those business entities that employ fifty or fewer people and are independently owned and operated.

These proposed rules impact child placing agency foster homes and group care facilities. These businesses fall under the Child Group Foster Homes designation by the North American Industry Classification System (NAICS) codes (#623990).

Preparation of an SBEIS is required when a proposed rule has the potential of placing a disproportionate economic impact on small businesses. The statute outlines information that must be included in a Small Business Economic Impact Statement (SBEIS).

The Children's Administration has analyzed the proposed rule amendments and has determined that small businesses will not be disproportionately impacted by these changes. There are no additional costs to group care facilities with the implementation of the WAC revisions noted above.

INDUSTRY ANALYSIS

The Division of Licensed Resources (DLR), Children's Administration (CA), is responsible for the development and regulatory oversight of all licensing requirements for Group Residential Facilities per RCW 74.15. As part of their monitoring, DLR keeps a current internal database that identifies all affected small businesses.

Most of the facilities with whom CA contracts are considered to be small businesses employing fewer than 50 staff. These proposed rules impact the licensing group care facilities.

INVOLVEMENT OF SMALL BUSINESSES

DLR involved group residential care stakeholders. An email survey was sent out to the 132 group care facilities licensed by the DLR statewide. These small businesses were asked whether or not the implementation of the proposed WAC revision for practice changes related to tuberculosis and the influenza vaccination would cause additional costs to your group care facility. All of the agencies that responded indicated that there would not be additional costs.

COST OF COMPLIANCE

Under Chapter 19.85.020 RCW, Children's Administration has considered annual costs to small businesses that are fifty dollars or more per child served annually.

GENERAL COSTS

DLR's analysis revealed that there are no costs imposed by the proposed amendments. An email survey was sent out to the 132 group care facilities that the DLR licenses statewide. Out of 132 emails sent, twelve responses were received and 100% reported that the implementation of the proposed WAC revision would not cause any additional cost to the group care facilities.

Benefits for Proposed Rules

The proposed WAC revisions for 388-148-1320 (4, 6) and 388-145- 1335 (4, 5) will allow DLR to license these homes that otherwise meet the minimum licensing requirements with a physician's statement for the TB or a medical doctor's (MD) statement for the influenza exemption. Therefore, allowing DLR to license additional foster homes that the current WAC does not permit.

JOBS CREATED OR LOST

We do not anticipate that jobs will be lost or created as a result of these rules. However, this will make it easier for foster parents and group care facilities to be licensed to care for children ages birth to two years. This proposed WAC change was asked for by the stakeholders.

CONCLUSION

The Division of Licensed Resources, Children's Administration has given careful consideration to the impact of proposed rules in WAC 388-145 Licensing Requirements for Group Care Facilities and WAC 388-148 Child Foster Homes, would have on small businesses. To comply with the Regulatory Fairness Act, Chapter 19.85 RCW, DLR has analyzed impacts on small businesses and there is no cost to group care facilities with the proposed WAC amendments.

Please contact Kristina Wright if you have questions.