



STATE OF WASHINGTON
DEPARTMENT OF SOCIAL AND HEALTH SERVICES
Home & Community Living Administration
PO Box 45600, Olympia, WA 98504-5600

May 21, 2025

Friends and Colleagues-

Governor Ferguson has signed the final biennial budgets for 2025-2027. I am writing to you as Assistant Secretary of the Home and Community Living Administration (HCLA) to share with you some successes and notable occurrences for the Aging and Long-Term Support Administration (AL TSA) and the Developmental Disabilities Administration (DDA) during this session. I call out specifically AL TSA and DDA as we continue to receive our legislative appropriations in 040 (DDA) and 050 (AL TSA) budget units and we must operate within the appropriations of each of these budget units.

I want to acknowledge that this has been a difficult time for many of us. We knew that the increased demand for services, increases in the costs of services, and declines in forecasted revenues would mean the legislature had to make difficult choices about how to pass a balanced budget. Although both the 050 (AL TSA) and 040 (DDA) biennial budgets have increased significantly (24% in AL TSA and 13.5% in DDA), this is the first budget since the great recession that contains significant cuts that directly impact state staff and those we serve.

Below are some of the highlights and impacts of the budget.

- Rate increases for adult family home providers (in accordance with the collective bargaining agreement and RCW 41.56), except for funding for the Meaningful Day program, and individual providers and home care aides (in accordance with recommendations made by the rate setting board and RCW 74.39A.530).
 - The Meaningful Day program was eliminated by the operating budget. This is a \$37 million reduction in GF-S spending over the biennium.
- Increases to fees for most licensure types, coupled with reimbursement for the portion of licensing fees attributed to Medicaid beds. This will help HCLA maintain its licensing, inspection and investigation programs while reducing GF-S spending and preventing undue burden on high Medicaid-occupancy facilities.
- Funding from the long-term services and supports trust account for the implementation of the WA Cares pilot and full program launch in calendar year 2026.
- \$27,964,000 GF-S over the biennium for senior nutrition services, including onsite meals, maintenance of pantry services and home-delivered meals, provided by Area Agencies on Aging.
- Continuation of the Health Home program, which is in the Health Care Authority budget but supports some clients served in our programs to create and implement health action planning.

- \$100,000 GF-S over the biennium to implement SB 5079, [*Addressing the burden of unintentional overpayments on older adults and adults with disabilities served by the department of social and health services*](#). This bill and appropriation will allow HCLA to write rules to waive overpayments to clients when the overpayment is the fault of the department.
- Funding to help individuals currently residing at Rainer Schools transition to other care settings by June 30, 2027. This is part of the implementation of [SB 5393](#) (\$6.3 million GF-S).
- Waiver Service Rates and Waiver Service utilization are increased

Finally, HCLA is directed by the operating budget to cut a significant number of staff. The largest cuts come from caseload ratio increases (more clients per staff member for both Area Agencies on Aging and DSHS staff) and cuts to WMS and EMS staff. There are additionally eliminations of some smaller programs, such as Civil Transitions Program ([as authorized by E2SSB 5440 \(2023\)](#)).

This is not a complete list. [To see the full budget, please click here.](#)

This is also not the end of the unknowns for the Department. We are continuing to monitor the federal government's progress through budget reconciliation and the potential cuts to programs we hold near and dear. Again, as we move through the coming months, we'll work to keep you updated on ongoing changes.

I am pleased to have the opportunity to serve as Assistant Secretary of the newly created HCLA, bringing together the Aging and Long-Term Support Administration with the community residential services from the Developmental Disability Administration (the Residential Habilitation Centers (RHCs) and State Operated Supportive Living Alternatives (SOLAs) are part of the newly formed Behavioral Health and Habilitation Administration, led by Assistant Secretary Kevin Bovenkamp). I look forward to working with you in this new role.

If you have any questions- on this topic or others- please don't hesitate to reach out at any time.

Sincerely,



Bea Rector
Assistant Secretary
Washington Dept. of Social and Health Services
Home & Community Living Administration