

AGING & LONG-TERM SUPPORT ADMIN RCS Fund Split Adjustment



2016 SUPPLEMENTAL BUDGET

Request	FY16	FY17	15-17
FTE	0	0	0
GF-State	\$0	\$2,000,000	\$2,000,000
Total	\$0	\$2,000,000	\$2,000,000

DECISION PACKAGE SUMMARY

The Aging and Long Term Supports Administration (AL TSA) requests an additional \$2,000,000 GF-State to eliminate the long standing fund source imbalance in the Residential Care Services (RCS) program. The department does not collect enough revenue from provider license fees to cover the costs of the RCS program. The funding is requested to allow RCS to perform its required functions without continuing to overspend its GF-State appropriation.

PROBLEM STATEMENT

RCS is responsible for the licensing and oversight of adult family homes, assisted living facilities, intermediate care facilities for individuals with intellectual disabilities, and certified residential programs. RCS programs regulate approximately 3,800 licensed or certified long-term care residential providers who care for approximately 67,000 vulnerable residents of the State of Washington. Their mission is to promote and protect the rights, security, and well-being of individuals living in these licensed or certified residential settings.

According to RCW chapters 18.51, 18.20, 70.128, 70.97 and 43.135, the Legislature intends for the RCS program funding to be largely self-sufficient by collecting revenue in the form of provider fees to cover operational costs. However, while the budget assumes that RCS will collect approximately \$14 million per year in fees as private/local revenue, the actual revenue is consistently less than \$12 million. The Legislature has declined consecutive years of budget requests for increased license fees, leading to an ongoing \$2 million annual GF-State overspend.

PROPOSED SOLUTION

Rather than request license fee increases to collect the revenue to meet the private/local appropriation, RCS is requesting a GF-State appropriation to continue providing licensing, certification, inspection, and investigations without over spending GF-State dollars.

EXPECTED RESULTS

RCS needs the ability to fulfill its oversight functions, including licensing and inspecting residential facilities, and investigating complaints of abuse and neglect of the vulnerable people who live there. It is not feasible to continue to do so running an annual deficit of \$2 million GF-State. The 2015 Legislature chose to fund additional nursing home investigators, but they did so with an increased GF-State appropriation rather than increase the NH license fee as proposed by the Governor's 2015-17 budget. That indicates the fund source imbalance in the RCS program is more likely to be solved with an additional GF-State appropriation than increased license fees.



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STAKEHOLDER IMPACT

Residential providers and client advocates will likely support the fund swap, which allows RCS to continue its current level of oversight without increasing license fees.