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## Recommendation Summary

Budget Period: 2011-13  
Budget Level Criteria: ALL

Version: E3 - 050 - 2011-13 Final 2013 Sup

Dollars in Thousands	Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
<b>Program 050 - Long Term Care Services</b>					
<b>M1 - Mandatory Caseload and Enrollment Changes</b>					
0U Forecast Cost/Utilization	0	0.0	2,337	(892)	1,445
93 Mandatory Caseload Adjustments	0	0.0	(653)	(776)	(1,429)
SubTotal M1		<b>0.0</b>	<b>1,684</b>	<b>(1,668)</b>	<b>16</b>
Cumulative Total Thru M1		<b>0.0</b>	<b>1,684</b>	<b>(1,668)</b>	<b>16</b>
<b>M2 - Inflation and Other Rate Changes</b>					
8P Postage Rate Adjustments	0	0.0	6	4	10
9T Transfers	0	(4.5)	(378)	(331)	(709)
X8 Foster Well-Being from HCA to LTC	0	5.3	526	526	1,052
XB ACA-Mandatory Provider Revalidation	0	0.0	0	0	0
XF Transfer between DVA and DSHS	0	0.0	4,336	0	4,336
SubTotal M2		<b>0.8</b>	<b>4,490</b>	<b>199</b>	<b>4,689</b>
Cumulative Total Thru M2		<b>0.8</b>	<b>6,174</b>	<b>(1,469)</b>	<b>4,705</b>
<b>PL - Performance Level</b>					
XA Community Living Connections Grant	0	0.8	0	525	525
XD Federal Sequester	0	0.0	0	0	0
SubTotal PL		<b>0.8</b>	<b>0</b>	<b>525</b>	<b>525</b>
Cumulative Total Thru PL		<b>1.5</b>	<b>6,174</b>	<b>(944)</b>	<b>5,230</b>
<b>Total Proposed Budget for Program 050 - Long Term Care Services</b>		<b>1.5</b>	<b>6,174</b>	<b>(944)</b>	<b>5,230</b>

### Recommendation Summary Text

#### 0U - Forecast Cost/Utilization

(M1) The Department of Social and Health Services (DSHS), Long Term Care (LTC), requests \$1,445,000 Total Funds, \$2,337,000 GF-State for the 2013 Supplemental Budget to reflect changes in the utilization of LTC services.

#### 8P - Postage Rate Adjustments

(M2) The Department of Social and Health Services (DSHS) requests \$258,000 Total Funds, \$143,000 GF-State, for the 2013 Supplemental Budget for the increase in first class postage from \$0.44 to \$0.45 that took effect January 22, 2012.

#### 93 - Mandatory Caseload Adjustments

(M1) The Department of Social and Health Services (DSHS), Long Term Care (LTC), requests a reduction of (\$1,429,000) Total Funds, (\$653,000) GF-State, for changes in the number of clients in the LTC program. This request reflects the June 2012 forecast produced by the Caseload Forecast Council (CFC).

#### 9T - Transfers

(M2) The Department of Social and Health Services (DSHS) requests the shift of FTEs and funding among programs in the 2013 Supplemental Budget. This transfer will align FTEs and funds with the programs where the costs are incurred. The DSHS programs combined total equals a net zero impact cost.

#### X8 - Foster Well-Being from HCA to LTC

## Recommendation Summary

Budget Period: 2011-13  
Budget Level Criteria: ALL

Version: E3 - 050 - 2011-13 Final 2013 Sup

Dollars in Thousands	Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
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(M2) The Department of Social and Health Services (DSHS), Long Term Care (LTC), requests to transfer 10.5 FTEs and \$1,052,000 Total Funds, \$526,000 GF-State from the Health Care Authority (HCA) in the 2013 Supplemental Budget to align FTEs and funds for the Fostering Well-Being (FWB) program to LTC where the costs are incurred. The net impact between agencies is zero.

### XA - Community Living Connections Grant

(PL) The Department of Social and Health Services (DSHS), Long Term Care (LTC) requests 1.5 FTEs and \$525,000 GF-Federal in the 2013 Supplemental Budget to enable the Aging and Disability Resource Centers (ADRC) to strengthen and expand the person-centered access programs to help citizens learn about the long-term services and supports that best meet their needs. This funding has been awarded to DSHS by the United States Department of Health and Human Services (US DHHS) Administration of Community Living (ACL) and requires no state funds.

### XB - ACA-Mandatory Provider Revalidation

(M2) The Department of Social and Health Services (DSHS) is submitting this placeholder request for funds and FTEs to meet new federal requirements as part of the Affordable Care Act (ACA). DSHS is required to revalidate all enrolled providers every five years, complete additional screenings when enrolling new providers, complete site visits during revalidation, and satisfy other new requirements.

### XD - Federal Sequester

(PL) The Department of Social and Health Services (DSHS) requests an increase to GF-State funds and a corresponding decrease in GF-Federal appropriation in anticipation of across-the-board reductions (sequestration) to certain federal awards scheduled to take effect on January 2, 2013.

### XF - Transfer between DVA and DSHS

(M2) The Department of Social and Health Services (DSHS), Long Term Care (LTC), requests a transfer of \$4,336,000 GF-State in Fiscal Year 2013 from the Department of Veterans Affairs (DVA) to include the Medicaid Nursing Home (NH) clients at Orting and Retsil in the ADSA Caseload Forecast.

Department of Social and Health Services

**DP Code/Title: M1-0U Forecast Cost/Utilization**  
**Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

**Recommendation Summary Text:**

The Department of Social and Health Services (DSHS), Long Term Care (LTC), requests \$1,445,000 Total Funds, \$2,337,000 GF-State for the 2013 Supplemental Budget to reflect changes in the utilization of LTC services.

**Fiscal Detail:**

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Program 050</b>			
001-1 General Fund - Basic Account-State	0	2,337,000	2,337,000
001-C General Fund - Basic Account-Medicaid Federal	0	(892,000)	(892,000)
<b>Total Cost</b>	<b>0</b>	<b>1,445,000</b>	<b>1,445,000</b>

Staffing

**Package Description:**

This request reflects the June 2012 Forecast produced by the LTC for Nursing Homes, Area Agency on Aging services, Nursing Facility Discharge Payments, Estate Recoveries, and Home and Community Based Services. There has been relatively minor fluctuation in per capita cost for the various caseload segments that comprise the LTC forecast. The driver behind the funding increase is the anticipated per capita cost for in-home clients.

Agency Contact: Edd Giger (360) 902-8067  
Program Contact: Carla McKnight (360) 725-2430.

**Narrative Justification and Impact Statement**

*What specific performance outcomes does the agency expect?*

Forecast driven caseload changes reflect the agency's goals, including:

- Ensuring a safety net is in place for people of need
- Clients maintain maximum independence
- Services are of high quality
- People participate in choices about their services
- Clients experience stability

***Performance Measure Detail***

**Program: 050**

**Activity: E049 Adult Day Health Community Services**  
No measures linked to package

<b>Incremental Changes</b>	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

**Activity: E050 Adult Family Home Community Services**  
No measures linked to package

<b>Incremental Changes</b>	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

**Activity: E051 Program Support for Long Term Care**  
No measures linked to package

<b>Incremental Changes</b>	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

**Activity: E052 Eligibility/Case Management Services**

<b>Incremental Changes</b>	
<u>FY 1</u>	<u>FY 2</u>

**Department of Social and Health Services**

**DP Code/Title: M1-0U Forecast Cost/Utilization**  
**Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

No measures linked to package		0.00	0.00
<b>Activity: E053 In-Home Services</b>		<b>Incremental Changes</b>	
		<b><u>FY 1</u></b>	<b><u>FY 2</u></b>
No measures linked to package		0.00	0.00
<b>Activity: E055 Residential Community Services</b>		<b>Incremental Changes</b>	
		<b><u>FY 1</u></b>	<b><u>FY 2</u></b>
No measures linked to package		0.00	0.00
<b>Activity: E064 Nursing Home Services</b>		<b>Incremental Changes</b>	
		<b><u>FY 1</u></b>	<b><u>FY 2</u></b>
No measures linked to package		0.00	0.00
<b>Activity: E077 Managed Care Services</b>		<b>Incremental Changes</b>	
		<b><u>FY 1</u></b>	<b><u>FY 2</u></b>
No measures linked to package		0.00	0.00

*Is this decision package essential to implement a strategy identified in the agency's strategic plan?*

This request supports the following goals identified in the DSHS 2011-13 Strategic Plan:

--Goal 1 Improve the health status of vulnerable populations

Goal 1 Strategic Objective - Increase the quality and access to LTC services to address the demographically-driven increase in the need for services.

*Does this decision package provide essential support to one of the Governor's priorities?*

This package supports the Governor's priority of strengthening Washington families by protecting and providing for those who can't care for themselves.

*Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?*

This decision package rates as a high priority in the Priorities of Government (POG) process for the 2011-13 Budget development under the strategy:

- Provide for the safety of Washington's vulnerable children and adults
- Where necessary, provide institutional-based and outpatient services
- Provide community-based residential and in-home support services

*What are the other important connections or impacts related to this proposal?*

Funding this request will ensure that providers of LTC services will see little change in their method for conducting business with LTC.

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

No other alternatives were considered.

*What are the consequences of not funding this package?*

This request addresses the forecasted growth of Medicaid clients in the LTC program. If this request is not fully funded, it is possible that reductions in non-mandatory activities may be necessary to cover the cost of growth within mandatory activities.

**Department of Social and Health Services**

**DP Code/Title: M1-0U Forecast Cost/Utilization**  
**Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

*What is the relationship, if any, to the state's capital budget?*

None

*What changes would be required to existing statutes, rules, or contracts, in order to implement the change?*

None

*Expenditure and revenue calculations and assumptions*

See attachment: LTC M1-0U Forecast Cost\_Utilization.xlsx.

*Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?*

These costs will carry forward into future biennia. Ongoing costs will be determined by future caseload forecast estimates.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Program 050 Objects</b>			
N Grants, Benefits & Client Services	0	1,445,000	1,445,000

**DSHS Source Code Detail**

<b>Program 050</b>		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Fund 001-1, General Fund - Basic Account-State</b>				
<u>Sources Title</u>				
0011	General Fund State	0	2,337,000	2,337,000
<i>Total for Fund 001-1</i>		0	2,337,000	2,337,000
<b>Fund 001-C, General Fund - Basic Account-Medicaid Federal</b>				
<u>Sources Title</u>				
19TA	Title XIX Assistance (FMAP)	0	(892,000)	(892,000)
<i>Total for Fund 001-C</i>		0	(892,000)	(892,000)
<b>Total Program 050</b>		0	1,445,000	1,445,000

**2013 Supplemental Budget  
M1-OU Forecast Cost Utilization**

**Due to Cost/Utilization Changes**

	<u>Total</u>	<u>State</u>	<u>Federal</u>
<b>FY13 - June 2012 Update</b>			
X01 Nursing Facilities	\$ (1,846,000)	\$ 902,000	\$ (2,748,000)
X40 Adult Day Health	\$ (245,000)	\$ (192,000)	\$ (53,000)
X43 NF Discharge	\$ (36,000)	\$ (36,000)	\$ -
X48 Private Duty Nurse	\$ 1,284,000	\$ 655,000	\$ 629,000
X49 Recoveries	\$ -	\$ (5,000)	\$ 5,000
X61 In-Home	\$ 3,237,000	\$ 1,776,000	\$ 1,461,000
J85 Caregiver Training	\$ (881,000)	\$ (874,000)	\$ (7,000)
J86 Agency Health Insurance	\$ -	\$ -	\$ -
X62 Adult Family Homes	\$ 752,000	\$ 136,000	\$ 616,000
X63 Adult Residential Centers	\$ 90,000	\$ 283,000	\$ (193,000)
X64 Assisted Living	\$ (12,000)	\$ 139,000	\$ (151,000)
X65 Managed Care	\$ 109,000	\$ 55,000	\$ 54,000
FY13 Subtotal	<b>\$ 2,452,000</b>	<b>\$ 2,839,000</b>	<b>\$ (387,000)</b>
<b>Additional Adjustments outside forecast</b>			
<b>FY13 - June 2012 Update</b>			
J82 AAA Case Management and Nursing Services	\$ (830,000)	\$ (413,000)	\$ (417,000)
J83 AAA Contract Management - AP	\$ (177,000)	\$ (89,000)	\$ (88,000)
	<b>\$ (1,007,000)</b>	<b>\$ (502,000)</b>	<b>\$ (505,000)</b>
<b>Budget Steps:</b>			
<b>TOTAL FY13</b>	<b>\$ 1,445,000</b>	<b>\$ 2,337,000</b>	<b>\$ (892,000)</b>



Department of Social and Health Services

**DP Code/Title: M1-93 Mandatory Caseload Adjustments**  
**Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

**Recommendation Summary Text:**

The Department of Social and Health Services (DSHS), Long Term Care (LTC), requests a reduction of (\$1,429,000) Total Funds, (\$653,000) GF-State, for changes in the number of clients in the LTC program. This request reflects the June 2012 forecast produced by the Caseload Forecast Council (CFC).

**Fiscal Detail:**

**Operating Expenditures**

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
001-1 General Fund - Basic Account-State	0	(653,000)	(653,000)
001-C General Fund - Basic Account-Medicaid Federal	0	(776,000)	(776,000)
<b>Total Cost</b>	<b>0</b>	<b>(1,429,000)</b>	<b>(1,429,000)</b>

**Staffing**

**Package Description:**

This request reflects the June 2012 forecast produced by the Aging and Disability Services Administration (ADSA) for Nursing Homes, Area Agency on Aging (AAA) services, Nursing Facility Discharge Payments, Estate Recoveries, and Home and Community Based Services (HCBS). There has been relatively minor fluctuation in per capita cost for the various caseload segments that comprise the LTC forecast. The driver behind the funding decrease is a reduction in caseload for in-home clients, caregiver training, and AAA services.

Agency Contact: Edd Giger (360) 902-8067  
Program Contact: Carla McKnight, (360) 725-2430

**Narrative Justification and Impact Statement**

*What specific performance outcomes does the agency expect?*

This and other forecast driven caseload changes reflect several agency goals including:

- A safety net is in place for people of need.
- Clients maintain maximum independence.
- Services are of high quality.
- People participate in choices about their services.
- Clients experience stability.

**Performance Measure Detail**

**Agency Level**

Activity: **E049 Adult Day Health Community Services**  
No measures linked to package

<b>Incremental Changes</b>		
<b>FY 1</b>	<b>FY 2</b>	
0.00	0.00	

Activity: **E050 Adult Family Home Community Services**  
No measures linked to package

<b>Incremental Changes</b>		
<b>FY 1</b>	<b>FY 2</b>	
0.00	0.00	

Activity: **E051 Program Support for Long Term Care**  
No measures linked to package

<b>Incremental Changes</b>		
<b>FY 1</b>	<b>FY 2</b>	
0.00	0.00	

Department of Social and Health Services

**DP Code/Title: M1-93 Mandatory Caseload Adjustments**  
**Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

		Incremental Changes	
		<u>FY 1</u>	<u>FY 2</u>
<b>Activity: E053 In-Home Services</b>			
	No measures linked to package	0.00	0.00
<b>Activity: E055 Residential Community Services</b>			
	No measures linked to package	0.00	0.00
<b>Activity: E064 Nursing Home Services</b>			
	No measures linked to package	0.00	0.00
<b>Activity: E077 Managed Care Services</b>			
	No measures linked to package	0.00	0.00

*Is this decision package essential to implement a strategy identified in the agency's strategic plan?*

This request supports the following goals identified in the DSHS 2011-13 Strategic Plan:

--Goal 1 Improve the health status of vulnerable populations

Goal 1 Strategic Objective - Increase the quality and access to long-term care services to address the demographically-driven increase in the need for services.

*Does this decision package provide essential support to one of the Governor's priorities?*

This package supports the Governor's priority of strengthening Washington families by protecting and providing for those who can't care for themselves.

*Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?*

This decision package rates as a high priority in the Priorities of Government (POG) process for the 2011-13 Budget development under the strategy:

Provide for the safety of Washington's vulnerable children and adults

--Where necessary, provide institutional-based and outpatient services

--Provide community-based residential and in-home support services

*What are the other important connections or impacts related to this proposal?*

This request reflects changes in caseload forecast that was developed by the CFC in June 2012.

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

No other alternatives were considered.

*What are the consequences of not funding this package?*

None

*What is the relationship, if any, to the state's capital budget?*

None

**Department of Social and Health Services**

**DP Code/Title: M1-93 Mandatory Caseload Adjustments**  
**Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

*What changes would be required to existing statutes, rules, or contracts, in order to implement the change?*

None

*Expenditure and revenue calculations and assumptions*

See attachment: LTC M1-93 Mandatory Caseload Adjustments.xlsx.

*Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?*

These costs will carry forward into future biennia. Ongoing costs will be determined by future caseload forecast estimates.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
N Grants, Benefits & Client Services	0	(1,429,000)	(1,429,000)

**DSHS Source Code Detail**

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Fund 001-1, General Fund - Basic Account-State</b>			
<u>Sources Title</u>			
0011 General Fund State	0	(653,000)	(653,000)
<i>Total for Fund 001-1</i>	<u>0</u>	<u>(653,000)</u>	<u>(653,000)</u>
<b>Fund 001-C, General Fund - Basic Account-Medicaid Federal</b>			
<u>Sources Title</u>			
19TA Title XIX Assistance (FMAP)	0	(776,000)	(776,000)
<i>Total for Fund 001-C</i>	<u>0</u>	<u>(776,000)</u>	<u>(776,000)</u>
<b>Total Overall Funding</b>	<u>0</u>	<u>(1,429,000)</u>	<u>(1,429,000)</u>

**2013 Supplemental Budget  
M1-93 Mandatory Caseload Adjustment**

Expenditures  
Due to Caseload

	<u>Total</u>	<u>State</u>	<u>Federal</u>
<b>FY13 - June 2012 Update</b>			
X01 Nursing Facilities	\$ 12,963,000	\$ 6,520,000	\$ 6,443,000
X40 Adult Day Health	\$ (411,000)	\$ (208,000)	\$ (203,000)
X43 NF Discharge	\$ 53,000	\$ 53,000	\$ -
X48 Private Duty Nurse	\$ (1,294,000)	\$ (649,000)	\$ (645,000)
X49 Recoveries	\$ -	\$ -	\$ -
X61 In-Home	\$ (14,719,000)	\$ (7,376,000)	\$ (7,343,000)
J85 Caregiver Training	\$ (243,000)	\$ (132,000)	\$ (111,000)
J86 Agency Health Insurance	\$ -	\$ -	\$ -
X62 Adult Family Homes	\$ 765,000	\$ 396,000	\$ 369,000
X63 Adult Residential Centers	\$ 862,000	\$ 437,000	\$ 425,000
X64 Assisted Living	\$ 75,000	\$ 38,000	\$ 37,000
X65 Managed Care	\$ 1,525,000	\$ 762,000	\$ 763,000
<b>FY13 Subtotal</b>	<b>\$ (424,000)</b>	<b>\$ (159,000)</b>	<b>\$ (265,000)</b>

**Additional Adjustments outside forecast**

<b>FY13 - June 2012 Update</b>			
J82 AAA Case Management and Nursing Services	\$ (1,136,000)	\$ (560,000)	\$ (576,000)
J83 AAA Contract Management - AP	\$ 131,000	\$ 66,000	\$ 65,000
	<b>\$ (1,005,000)</b>	<b>\$ (494,000)</b>	<b>\$ (511,000)</b>

<b>Budget Steps:</b>			
<b>TOTAL FY13</b>	<b>\$ (1,429,000)</b>	<b>\$ (653,000)</b>	<b>\$ (776,000)</b>

**Department of Social and Health Services**

**DP Code/Title: M2-8P Postage Rate Adjustments**  
**Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

**Recommendation Summary Text:**

The Department of Social and Health Services (DSHS) requests \$258,000 Total Funds, \$143,000 GF-State, for the 2013 Supplemental Budget for the increase in first class postage from \$0.44 to \$0.45 that took effect January 22, 2012.

**Fiscal Detail:**

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
001-1 General Fund - Basic Account-State	0	6,000	6,000
001-C General Fund - Basic Account-Medicaid Federal	0	4,000	4,000
<b>Total Cost</b>	<b>0</b>	<b>10,000</b>	<b>10,000</b>

Staffing

**Package Description:**

Effective January 22, 2012, the United States Postal Service (USPS) increased the rate for first class mail to \$0.45 from the former rate of \$0.44. This request is for \$258,000 (\$143,000 GF State) to fund a 2.27 percent increase in first class postage rate. The department postage costs are to meet mandatory notification requirements and for required operational needs.

Agency Contact: Jialing Huang (360) 902-7831

**Narrative Justification and Impact Statement**

*What specific performance outcomes does the agency expect?*

Not applicable

*Performance Measure Detail*

**Agency Level**

**Activity: E051 Program Support for Long Term Care**

No measures linked to package

**Incremental Changes**

<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

**Activity: E052 Eligibility/Case Management Services**

No measures linked to package

**Incremental Changes**

<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

**Activity: E054 Investigations/Quality Assurance**

No measures linked to package

**Incremental Changes**

<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

*Is this decision package essential to implement a strategy identified in the agency's strategic plan?*

This request supports the following goal identified in the DSHS 2011-2013 Strategic Plan:

--Goal 5 Increase public trust through strong management practices that ensure quality and leverage all resources

*Does this decision package provide essential support to one of the Governor's priorities?*

This package supports the Governor's priority of holding government accountable by focusing on performance and investing

Department of Social and Health Services

**DP Code/Title: M2-8P Postage Rate Adjustments**

**Program Level - 050 Long Term Care Services**

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Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

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our resources to get the greatest possible return.

***Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?***

This decision package rates as a high priority in the Priorities of Government (POG) process for the 2011-13 Budget development under the strategy:

Provide for the safety of Washington's vulnerable children and adults  
--Ensure efficiency, performance, and accountability to clients and the public

***What are the other important connections or impacts related to this proposal?***

All state programs are impacted by a USPS rate increase.

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

The USPS mail service is considered accessible to all clients and is an efficient means of communication. Other forms of communication or remittance of payments, such as electronic banking and email, are not accessible to many of the department's clients or may require revisions to state laws.

***What are the consequences of not funding this package?***

Non funding may have negative results to the agency's ability to communicate with clients and remain responsive to constituent needs. If not approved, then funds will have to be diverted from programs or services to cover the increased costs.

***What is the relationship, if any, to the state's capital budget?***

None

***What changes would be required to existing statutes, rules, or contracts, in order to implement the change?***

None

***Expenditure and revenue calculations and assumptions***

Actual costs for Fiscal Year 2012 for specific Object E costs were used as the base for calculating Fiscal Year 2013 increases.

See attachment: AW M2 8P Postage Rate Adjustment.xlsx

***Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?***

This item is an ongoing operational cost. There are no one time-costs associated with this request. This is an increase that will carry forward into future biennia.

**Department of Social and Health Services**

**DP Code/Title: M2-8P Postage Rate Adjustments**

**Program Level - 050 Long Term Care Services**

Budget Period: 2011-13    Version: E3 050 - 2011-13 Final 2013 Sup

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
E Goods And Services	0	8,000	8,000
T Intra-Agency Reimbursements	0	2,000	2,000
<b>Total Objects</b>	<b>0</b>	<b>10,000</b>	<b>10,000</b>

**DSHS Source Code Detail**

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Fund 001-1, General Fund - Basic Account-State</b>			
<b><u>Sources Title</u></b>			
0011 General Fund State	0	6,000	6,000
<i>Total for Fund 001-1</i>	<b>0</b>	<b>6,000</b>	<b>6,000</b>
<b>Fund 001-C, General Fund - Basic Account-Medicaid Federal</b>			
<b><u>Sources Title</u></b>			
19UL Title XIX Admin (50%)	0	4,000	4,000
<i>Total for Fund 001-C</i>	<b>0</b>	<b>4,000</b>	<b>4,000</b>
<b>Total Overall Funding</b>	<b>0</b>	<b>10,000</b>	<b>10,000</b>

**2013 Supplemental Budget  
M2-8P Postage Rate Adjustment**

**Department of Social & Health Services  
2013 Supplemental Agency Request - 8P Postage Rate Adjustment**

**Object Split**

Program	Object E			ISSD - Sub Object TZ			Total		
	2012	2013	Total	2012	2013	Total	2012	2013	Total
010	0	14,000	14,000	0	3,000	3,000	0	17,000	17,000
020	0	1,000	1,000	0	1,000	1,000	0	2,000	2,000
030	0	2,000	2,000	0	1,000	1,000	0	3,000	3,000
040	0	5,000	5,000	0	1,000	1,000	0	6,000	6,000
050	0	8,000	8,000	0	2,000	2,000	0	10,000	10,000
060	0	201,000	201,000	0	11,000	11,000	0	212,000	212,000
070	0	0	0	0	0	0	0	0	0
100	0	2,000	2,000	0	0	0	0	2,000	2,000
110	0	4,000	4,000	0	2,000	2,000	0	6,000	6,000
135	0	0	0	0	0	0	0	0	0
145	0	0	0	0	0	0	0	0	0
150	0	21,000	21,000	0	(21,000)	(21,000)	0	0	0
<b>Total</b>	<b>0</b>	<b>258,000</b>	<b>258,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>258,000</b>	<b>258,000</b>

**State/Other Split**

Program	State			Other			Total		
	2012	2013	Total	2012	2013	Total	2012	2013	Total
010	0	11,000	11,000	0	6,000	6,000	0	17,000	17,000
020	0	2,000	2,000	0	0	0	0	2,000	2,000
030	0	3,000	3,000	0	0	0	0	3,000	3,000
040	0	4,000	4,000	0	2,000	2,000	0	6,000	6,000
050	0	6,000	6,000	0	4,000	4,000	0	10,000	10,000
060	0	112,000	112,000	0	100,000	100,000	0	212,000	212,000
070	0	0	0	0	0	0	0	0	0
100	0	0	0	0	2,000	2,000	0	2,000	2,000
110	0	5,000	5,000	0	1,000	1,000	0	6,000	6,000
135	0	0	0	0	0	0	0	0	0
145	0	0	0	0	0	0	0	0	0
150	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>143,000</b>	<b>143,000</b>	<b>0</b>	<b>115,000</b>	<b>115,000</b>	<b>0</b>	<b>258,000</b>	<b>258,000</b>



Department of Social and Health Services

**DP Code/Title: M2-9T Transfers**  
**Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

**Recommendation Summary Text:**

The Department of Social and Health Services (DSHS) requests the shift of FTEs and funding among programs in the 2013 Supplemental Budget. This transfer will align FTEs and funds with the programs where the costs are incurred. The DSHS programs combined total equals a net zero impact cost.

**Fiscal Detail:**

**Operating Expenditures**

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
001-1 General Fund - Basic Account-State	0	(434,000)	(434,000)
001-C General Fund - Basic Account-Medicaid Federal	0	(275,000)	(275,000)
<b>Total Cost</b>	<b>0</b>	<b>(709,000)</b>	<b>(709,000)</b>

**Staffing**

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
<b>Agency FTEs</b>	<b>0.0</b>	<b>(9.0)</b>	<b>(4.5)</b>

**Package Description:**

DSHS requests internal transfer among several program budgets resulting in a net zero funding change for the department. This aligns program appropriations with planned expenditures for the current budget. DSHS requests the following adjustments:

Information System Services Division (ISSD) Compensation Adjustment-  
(Program 110 to Programs 010, 020, 030, 040, 050, 060, 070, 100, and 135):

Program 110 - Administration and Supporting Services (Administration) will transfer compensation adjustments for staff in program 150 or ISSD to other DSHS programs. ISSD is a \$0 budget and chargeback program where funding resides in the program's TZ budget. Administration will transfer \$130,000 GF-State in reductions to the other programs. The transfer will realign the funding with the correct DSHS programs to be charged by ISSD.

Central Service Reforms Savings Redistribution-  
(Program 145 to Programs 010, 020, 030, 040, 050, 060, 070, 100, 110, 135, and 150):

Program 145 - Payments to Other Agencies (PTOA) received a budget reduction from the 2012 Supplemental Budget reducing costs related to cell phones, mailing, printing, and information technology. These costs are not paid by PTOA, but are paid by the other programs. PTOA will transfer \$3,641,000 Total Funds, \$2,781,000 GF-State, in reductions to the programs. This transfer will reduce funding in the programs where cost savings are incurred.

Internal Auditor and Cell Phone Funding-  
(Programs 010, 020, 030, 040, 050, 060, 070, 100, 110, and 135):

Internal funding related to auditing and monitoring the effective use of cell phones is created. The funding will monitor cell phone usage and payments and develop a department wide policy for effective use of cell phones. Programs will transfer \$151,000 Total Funds, \$76,000 GF-State, to Administration.

Human Resource Consolidation-  
(Programs 010, 020, 030, 040, 050, 060, 070, 100, and 150 to 110):

The Human Resources Division (HRD) within Administration has undergone reorganization. All human resources staff in the field now report to HRD, but are funded by the various programs. This consolidation will move the budget for all human resources staff to HRD. The LEAP Committee provisionally approved this consolidation in June 2012, pending the receipt and verification of recast historical data. Programs will transfer 71.5 FTEs and \$4,647,000 Total Funds, \$2,458,000 GF-State, to Administration.

Evidence-Based Funding Transfer-

Department of Social and Health Services

**DP Code/Title: M2-9T Transfers**  
**Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

(Program 110 to Programs 010 and 030):

Funding from the 2012 Supplemental Budget - 2nd Special Session was provided for the implementation of E2SHB 2536 - Children Services Delivery with coordination between Children's Administration and Mental Health. The funding is intended for programs 010 and 030. Administration will transfer 2.0 FTEs and \$218,000 Total Funds, \$113,000 GF-State, to Children's and Mental Health.

Special Commitment Center (SCC) and Consolidated Field Services (CFS) FTE Transfer-  
(Program 135 - SCC to Program 160 - CFS):

SCC received FTEs and funding for the maintenance operations of McNeil Island and received a reduction in resident's legal defense costs and related FTEs. Costs for these services are in SCC, but FTEs are in CFS. SCC will transfer 3.7 FTEs to CFS (6.7 FTEs provided for maintenance operations and 3.0 FTEs reduced for legal costs).

Cost Allocation Funding Adjustment-  
(Program 110 and Program 145)

Actual earnings for Title 19 between Administration and PTOA need to be adjusted. Administration is earning more federal than state and the opposite is true in PTOA. Administration will transfer \$500,000 GF-State to PTOA and PTOA will transfer \$500,000 GF-Federal to Administration. The net effect is zero.

Fair Hearing Coordinator-  
(Program 050 to Program 040)

Program 050 was provided 3.0 FTEs for the Fair Hearing Coordinator positions to implement I-1163. However, these positions should be in Program 040. Program 050 transfers 3.0 FTEs to Program 040.

These transfers will realign FTEs and funding with the DSHS programs to be charged.

Agency contact: Tula Habb (360) 902-8182

**Narrative Justification and Impact Statement**

*What specific performance outcomes does the agency expect?*

Costs are reflected in appropriate DSHS programs and the department maintains an effective administrative operation.

***Performance Measure Detail***

**Agency Level**

**Activity: E051 Program Support for Long Term Care**  
No measures linked to package

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

**Activity: E052 Eligibility/Case Management Services**  
No measures linked to package

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

**Activity: E054 Investigations/Quality Assurance**  
No measures linked to package

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

*Is this decision package essential to implement a strategy identified in the agency's strategic plan?*

This request supports the following goals identified in the DSHS 2011-2013 Strategic Plan:

--Goal 5 Increase public trust through strong management practices that ensure quality and leverage all resources

Department of Social and Health Services

**DP Code/Title: M2-9T Transfers**  
**Program Level - 050 Long Term Care Services**

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Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

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*Does this decision package provide essential support to one of the Governor's priorities?*

This package supports the Governor's priority of holding government accountable by focusing on performance and investing our resources to get the greatest possible return.

*Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?*

This decision package rates as a high priority in the Priorities of Government (POG) process for the 2011-13 Budget development under the strategy:

State government must achieve results through efficient and effective performance.  
--Ensure efficiency, performance, and accountability to the public

*What are the other important connections or impacts related to this proposal?*

None

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

None

*What are the consequences of not funding this package?*

If the funding authority is not transferred between programs, then DSHS would be required to develop internal mechanisms to track and transfer costs resulting in reduced efficiency.

*What is the relationship, if any, to the state's capital budget?*

None

*What changes would be required to existing statutes, rules, or contracts, in order to implement the change?*

None

*Expenditure and revenue calculations and assumptions*

See attachment: AW M2-9T Transfers.xlsx.

*Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?*

The transfer is one-time in Fiscal Year 2013. Some items are ongoing, but have been included in the 2013-15 Biennial Budget.

Department of Social and Health Services

**DP Code/Title: M2-9T Transfers**  
**Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
A Salaries And Wages	0	(293,000)	(293,000)
B Employee Benefits	0	(123,000)	(123,000)
E Goods And Services	0	(261,000)	(261,000)
T Intra-Agency Reimbursements	0	(32,000)	(32,000)
<b>Total Objects</b>	<b>0</b>	<b>(709,000)</b>	<b>(709,000)</b>

**DSHS Source Code Detail**

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Fund 001-1, General Fund - Basic Account-State</b>			
<b><u>Sources Title</u></b>			
0011 General Fund State	0	(434,000)	(434,000)
<i>Total for Fund 001-1</i>	<b>0</b>	<b>(434,000)</b>	<b>(434,000)</b>
<b>Fund 001-C, General Fund - Basic Account-Medicaid Federal</b>			
<b><u>Sources Title</u></b>			
19UL Title XIX Admin (50%)	0	(275,000)	(275,000)
<i>Total for Fund 001-C</i>	<b>0</b>	<b>(275,000)</b>	<b>(275,000)</b>
<b>Total Overall Funding</b>	<b>0</b>	<b>(709,000)</b>	<b>(709,000)</b>

**2013 Supplemental Budget  
M2-9T Transfers**

Program	FTEs			FY 2012			FY 2013			2011-13 Biennium		
	FY12	FY13	Total	001-1	Other	Total	001-1	Other	Total	001-1	Other	Total
<b>010 Children's Administration</b>			0.0			0			0	0	0	0
1. ISSD Compensation Adjustments			0.0			0	(20,000)		(20,000)	(20,000)	0	(20,000)
2. Central Service Reforms Redistribution			0.0			0	(593,000)	(185,000)	(778,000)	(593,000)	(185,000)	(778,000)
3. Auditor & Cell Phone Funding			0.0			0	(12,000)	(12,000)	(24,000)	(12,000)	(12,000)	(24,000)
4. Human Resource Consolidation		(13.0)	(6.5)			0	(462,000)	(410,000)	(872,000)	(462,000)	(410,000)	(872,000)
5. Evidence Based Funding Transfer		1.0	0.5			0	57,000	53,000	110,000	57,000	53,000	110,000
			0.0			0			0	0	0	0
<b>010 Total</b>	<b>0.0</b>	<b>(12.0)</b>	<b>(6.0)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,030,000)</b>	<b>(554,000)</b>	<b>(1,584,000)</b>	<b>(1,030,000)</b>	<b>(554,000)</b>	<b>(1,584,000)</b>
<b>020 Juvenile Rehabilitation</b>												
1. ISSD Compensation Adjustments			0.0			0	(3,000)		(3,000)	(3,000)	0	(3,000)
2. Central Service Reforms Redistribution			0.0			0	(20,000)		(20,000)	(20,000)	0	(20,000)
3. Auditor & Cell Phone Funding			0.0			0	(7,000)		(7,000)	(7,000)	0	(7,000)
4. Human Resource Consolidation			0.0			0	(3,000)		(3,000)	(3,000)	0	(3,000)
			0.0			0			0	0	0	0
<b>020 Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(33,000)</b>	<b>0</b>	<b>(33,000)</b>	<b>(33,000)</b>	<b>0</b>	<b>(33,000)</b>
<b>030 Mental Health</b>												
1. ISSD Compensation Adjustments			0.0			0	(4,000)		(4,000)	(4,000)	0	(4,000)
2. Central Service Reforms Redistribution			0.0			0	(72,000)	(21,000)	(93,000)	(72,000)	(21,000)	(93,000)
3. Auditor & Cell Phone Funding			0.0			0	(13,000)	(13,000)	(26,000)	(13,000)	(13,000)	(26,000)
4. Human Resource Consolidation		(5.0)	(2.5)			0	(242,000)	(128,000)	(370,000)	(242,000)	(128,000)	(370,000)
5. Evidence Based Funding Transfer		1.0	0.5			0	56,000	52,000	108,000	56,000	52,000	108,000
			0.0			0			0	0	0	0
<b>030 Total</b>	<b>0.0</b>	<b>(4.0)</b>	<b>(2.0)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(275,000)</b>	<b>(110,000)</b>	<b>(385,000)</b>	<b>(275,000)</b>	<b>(110,000)</b>	<b>(385,000)</b>
<b>040 Division of Developmental Disabilities</b>												
1. ISSD Compensation Adjustments			0.0			0	(7,000)		(7,000)	(7,000)	0	(7,000)
2. Central Service Reforms Redistribution			0.0			0	(133,000)	(40,000)	(173,000)	(133,000)	(40,000)	(173,000)
3. Auditor & Cell Phone Funding			0.0			0	(15,000)	(15,000)	(30,000)	(15,000)	(15,000)	(30,000)
4. Human Resource Consolidation		(6.0)	(3.0)			0	(234,000)	(143,000)	(377,000)	(234,000)	(143,000)	(377,000)
8. Fair Hearing Coordinator		3.0	1.5			0			0			0
			0.0			0			0			0
<b>040 Total</b>	<b>0.0</b>	<b>(3.0)</b>	<b>(1.5)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(389,000)</b>	<b>(198,000)</b>	<b>(587,000)</b>	<b>(389,000)</b>	<b>(198,000)</b>	<b>(587,000)</b>
<b>050 Long Term Care</b>												
1. ISSD Compensation Adjustments			0.0			0	(13,000)		(13,000)	(13,000)	0	(13,000)
2. Central Service Reforms Redistribution			0.0			0	(201,000)	(60,000)	(261,000)	(201,000)	(60,000)	(261,000)
3. Auditor & Cell Phone Funding			0.0			0	(6,000)	(8,000)	(14,000)	(6,000)	(8,000)	(14,000)
4. Human Resource Consolidation		(6.0)	(3.0)			0	(214,000)	(207,000)	(421,000)	(214,000)	(207,000)	(421,000)
8. Fair Hearing Coordinator		(3.0)	(1.5)			0			0			0
			0.0			0			0			0
<b>050 Total</b>	<b>0.0</b>	<b>(9.0)</b>	<b>(4.5)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(434,000)</b>	<b>(275,000)</b>	<b>(709,000)</b>	<b>(434,000)</b>	<b>(275,000)</b>	<b>(709,000)</b>
<b>060 Economic Services Administration</b>												
1. ISSD Compensation Adjustments			0.0			0	(80,000)		(80,000)	(80,000)	0	(80,000)
2. Central Service Reforms Redistribution			0.0			0	(1,579,000)	(500,000)	(2,079,000)	(1,579,000)	(500,000)	(2,079,000)
3. Auditor & Cell Phone Funding			0.0			0	(17,000)	(25,000)	(42,000)	(17,000)	(25,000)	(42,000)
4. Human Resource Consolidation		(38.5)	(19.3)			0	(1,303,000)	(1,179,000)	(2,482,000)	(1,303,000)	(1,179,000)	(2,482,000)
			0.0			0			0			0
<b>060 Total</b>	<b>0.0</b>	<b>(38.5)</b>	<b>(19.3)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(2,979,000)</b>	<b>(1,704,000)</b>	<b>(4,683,000)</b>	<b>(2,979,000)</b>	<b>(1,704,000)</b>	<b>(4,683,000)</b>
<b>070 Alcohol and Substance Abuse</b>												
1. ISSD Compensation Adjustments			0.0			0			0	0	0	0
2. Central Service Reforms Redistribution			0.0			0	(20,000)	(6,000)	(26,000)	(20,000)	(6,000)	(26,000)
3. Auditor & Cell Phone Funding			0.0			0	(1,000)		(1,000)	(1,000)	0	(1,000)
			0.0			0			0			0
<b>070 Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(21,000)</b>	<b>(6,000)</b>	<b>(27,000)</b>	<b>(21,000)</b>	<b>(6,000)</b>	<b>(27,000)</b>
<b>100 Division of Voc. Rehabilitation</b>												
1. ISSD Compensation Adjustments			0.0			0	(2,000)		(2,000)	(2,000)	0	(2,000)
2. Central Service Reforms Redistribution			0.0			0	(45,000)	(14,000)	(59,000)	(45,000)	(14,000)	(59,000)
3. Auditor & Cell Phone Funding			0.0			0	(1,000)	(2,000)	(3,000)	(1,000)	(2,000)	(3,000)
4. Human Resource Consolidation		(2.0)	(1.0)			0		(122,000)	(122,000)	0	(122,000)	(122,000)
			0.0			0			0			0
<b>100 Total</b>	<b>0.0</b>	<b>(2.0)</b>	<b>(1.0)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(48,000)</b>	<b>(138,000)</b>	<b>(186,000)</b>	<b>(48,000)</b>	<b>(138,000)</b>	<b>(186,000)</b>
<b>110 Administration &amp; Supporting Services</b>												
1. ISSD Compensation Adjustments			0.0			0	130,000		130,000	130,000	0	130,000
2. Central Service Reforms Redistribution			0.0			0	(96,000)	(34,000)	(130,000)	(96,000)	(34,000)	(130,000)
3. Auditor & Cell Phone Funding			0.0			0	76,000	75,000	151,000	76,000	75,000	151,000
4. Human Resource Consolidation		71.5	35.8			0	2,458,000	2,189,000	4,647,000	2,458,000	2,189,000	4,647,000
5. Evidence Based Funding Transfer		(2.0)	(1.0)			0	(113,000)	(105,000)	(218,000)	(113,000)	(105,000)	(218,000)
7. Cost Allocation Funding Adjustment			0.0			0	(500,000)	500,000	0	(500,000)	500,000	0
			0.0			0			0			0
<b>110 Total</b>	<b>0.0</b>	<b>69.5</b>	<b>34.8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,955,000</b>	<b>2,625,000</b>	<b>4,580,000</b>	<b>1,955,000</b>	<b>2,625,000</b>	<b>4,580,000</b>
<b>135 Special Commitment Center</b>												
1. ISSD Compensation Adjustments			0.0			0	(1,000)		(1,000)	(1,000)	0	(1,000)
2. Central Service Reforms Redistribution			0.0			0	(22,000)		(22,000)	(22,000)	0	(22,000)
3. Auditor & Cell Phone Funding			0.0			0	(4,000)		(4,000)	(4,000)	0	(4,000)
7. SCC and CFS FTE Transfer		(3.7)	(1.9)			0			0			0
			0.0			0			0			0
<b>135 Total</b>	<b>0.0</b>	<b>(3.7)</b>	<b>(1.9)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(27,000)</b>	<b>0</b>	<b>(27,000)</b>	<b>(27,000)</b>	<b>0</b>	<b>(27,000)</b>
<b>145 Payments to Other Agencies</b>												
2. Central Service Reforms Redistribution			0.0			0	2,781,000	860,000	3,641,000	2,781,000	860,000	3,641,000
7. Cost Allocation Funding Adjustment			0.0			0	500,000	(500,000)	0	500,000	(500,000)	0
<b>145 Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,281,000</b>	<b>360,000</b>	<b>3,641,000</b>	<b>3,281,000</b>	<b>360,000</b>	<b>3,641,000</b>

**2013 Supplemental Budget  
M2-9T Transfers**

	Program	FTEs			FY 2012			FY 2013			2011-13 Biennium		
		FY12	FY13	Total	001-1	Other	Total	001-1	Other	Total	001-1	Other	Total
150	<b>Information System Services Division</b>												
	4. Human Resource Consolidation		(1.0)	(0.5)			0			0	0	0	0
				0.0			0			0	0	0	0
	<b>145 Total</b>	<b>0.0</b>	<b>(1.0)</b>	<b>(0.5)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
160	<b>Consolidated Field Services</b>												
	7. SCC and CFS FTE Transfer		3.7	1.9			0			0	0	0	0
				0.0			0			0	0	0	0
	<b>150 Total</b>	<b>0.0</b>	<b>3.7</b>	<b>1.9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Agency-Wide Total:</b>		<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**NOTES:**

1. Information System Services Division (ISSD) compensation adjustments from Administration & Supporting Services (Admin).
2. Central Service Reforms savings distribution from Payment to Other Agencies (PTOA). Reduces objects E and G costs and includes ISSD's share, which reduces programs' TZ costs.
3. Internal Auditor & Cell Phone Funding - transfers funding for from programs to Admin. Admin's share of the funding is accounted in the transfer.
4. Human Resource Consolidation - transferring from programs to Admin.
5. Evidenced Based Funding Transfer from Admin to Children's Administration (CA) and Mental Health (MH). Funding intended for CA and MH not Admin.
6. Special Commitment Center (SCC) and Consolidated Field Services (CFS) FTE Transfer. SCC received funding for McNeil Island Maintenance Operations and resident legal services transferred to the Office of Public Defense. Dollars reside in SCC but FTE authority reside in CFS.
7. Cost Allocation Funding Adjustment between Admin and PTOA. Adjusts state and federal funding between programs to align with anticipated federal earnings.
8. Fair Hearing Coordinator - transfer FTEs from Program 050 to Program 040.

**Department of Social and Health Services**

**DP Code/Title: M2-X8 Foster Well-Being from HCA to LTC**  
**Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

**Recommendation Summary Text:**

The Department of Social and Health Services (DSHS), Long Term Care (LTC), requests to transfer 10.5 FTEs and \$1,052,000 Total Funds, \$526,000 GF-State from the Health Care Authority (HCA) in the 2013 Supplemental Budget to align FTEs and funds for the Fostering Well-Being (FWB) program to LTC where the costs are incurred. The net impact between agencies is zero.

**Fiscal Detail:**

**Operating Expenditures**

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Program 050</b>			
001-1 General Fund - Basic Account-State	0	526,000	526,000
001-C General Fund - Basic Account-Medicaid Federal	0	526,000	526,000
<b>Total Cost</b>	<b>0</b>	<b>1,052,000</b>	<b>1,052,000</b>

**Staffing**

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
<b>Program 050 FTEs</b>	<b>0.0</b>	<b>10.5</b>	<b>5.3</b>

**Package Description:**

The FWB is a DSHS organizational framework for delivering person-centered health care services to children in out-of-home placement. This transfer moves medical staff from HCA to DSHS. The eligibility staff will remain at HCA.

FWB program goals include:

- 1) Improve the health outcomes of children in out-of-home placement through coordination of appropriate, timely, and accessible health care services.
- 2) Improve Early and Periodic Screening Diagnostic and Treatment (EPSDT) examination rates.
- 3) Process and maintain Medicaid eligibility.
- 4) Develop care coordination summaries for medically complex children in out-of-home placement.
- 5) Increase the availability of medical records and health care information to caregivers, social workers, health care providers, and others.
- 6) Identify and develop strategies to improve behavioral health services for children in out-of-home placement.

The FWB Coordinated Care Unit (CCU) provides health care coordination services for children in out-of-home placement to ensure optimal health and well-being of this vulnerable population. The FWB CCU was originally placed within the Medicaid Purchasing Administration (MPA). The children served by this program are dependents of the state and are served by the Children's Administration (CA) and the Division of Developmental Disabilities (DDD). When MPA was transferred to HCA in 2011 (Engrossed Substitute House Bill 2082), the FWB CCU was moved to DSHS to retain the program management and service delivery within DSHS. In addition, program management of the FWB CCU resides within Aging and Disability Services Administration (ADSA) along with the availability of clinical expertise and nursing leadership in implementation and management of nursing services in-home and community-based care settings; health care coordination; and chronic care management of high-risk populations. ADSA FWB CCU program staff (nurses, program specialists and pediatricians) collaborates with health care providers, CA case workers, caregivers, HCA, Department of Health (DOH), Office of the Superintendent of Public Instruction (OSPI), and others as needed on the delivery of coordinated health care services for children in foster care.

Department of Social and Health Services

**DP Code/Title: M2-X8 Foster Well-Being from HCA to LTC**  
**Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

Agency Contact: Edd Giger (360) 902-8067

Program Contact: Candace Goehring (360) 725-2562

**Narrative Justification and Impact Statement**

*What specific performance outcomes does the agency expect?*

Foster Well-Being fits into the DSHS strategic and organizational framework for delivering person-centered health care services to children in out-of-home placement.

***Performance Measure Detail***

**Program: 050**

**Activity: E052 Eligibility/Case Management Services**

No measures linked to package

**Incremental Changes**

**FY 1**

**FY 2**

0.00

0.00

*Is this decision package essential to implement a strategy identified in the agency's strategic plan?*

This request supports the following goals identified in the DSHS 2011-13 Strategic Plan:

--Goal 1 Improve the health status of vulnerable populations

Goal 1 Strategic Objective - Increase the quality and access to LTC services to address the demographically-driven increase in the need for services.

*Does this decision package provide essential support to one of the Governor's priorities?*

This package supports the Governor's priority of strengthening Washington families by protecting and providing for those who can't care for themselves.

*Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?*

This decision package rates as a high priority in the Priorities of Government (POG) process for the 2011-13 Budget development under the strategy:

Provide for the safety of Washington's vulnerable children and adults

--Where necessary, provide institutional-based and outpatient services

--Provide community-based residential and in-home support services

State government must achieve results through efficient and effective performance

--Deliver the efficient use of financial resources to provide public services

--Provide efficient and effective logistical support to deliver services

--Ensure efficiency, performance, and accountability to the public

*What are the other important connections or impacts related to this proposal?*

None

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

None



Department of Social and Health Services

**DP Code/Title: M2-X8 Foster Well-Being from HCA to LTC**  
**Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

*What are the consequences of not funding this package?*

The funding will continue to be transferred from HCA to DSHS. This will not account for any changes in client services and/or program support, including program expenses, employee salary adjustments, or program staffing level. Having all program aspects (case management, FTEs, and funding) in one program will increase the efficiency and client experience of the FWB program.

*What is the relationship, if any, to the state's capital budget?*

None

*What changes would be required to existing statutes, rules, or contracts, in order to implement the change?*

None

*Expenditure and revenue calculations and assumptions*

See attachment: LTC M2-X8 Foster Well-Being from HCA to LTC.xlsx

*Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?*

All costs are ongoing and will carry forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Program 050 Objects</b>			
A Salaries And Wages	0	720,000	720,000
B Employee Benefits	0	214,000	214,000
E Goods And Services	0	92,000	92,000
G Travel	0	4,000	4,000
J Capital Outlays	0	14,000	14,000
T Intra-Agency Reimbursements	0	8,000	8,000
<b>Total Objects</b>	<b>0</b>	<b>1,052,000</b>	<b>1,052,000</b>

**DSHS Source Code Detail**

<u>Program 050</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Fund 001-1, General Fund - Basic Account-State</b>			
<b><u>Sources Title</u></b>			
0011 General Fund State	0	526,000	526,000
<i>Total for Fund 001-1</i>	<b>0</b>	<b>526,000</b>	<b>526,000</b>
<b>Fund 001-C, General Fund - Basic Account-Medicaid Federal</b>			
<b><u>Sources Title</u></b>			
19TA Title XIX Assistance (FMAP)	0	526,000	526,000
<i>Total for Fund 001-C</i>	<b>0</b>	<b>526,000</b>	<b>526,000</b>
<b>Total Program 050</b>	<b>0</b>	<b>1,052,000</b>	<b>1,052,000</b>

# 2013 Supplemental Budget M2-X8 Foster Well-Being from HCA to LTC

DSHS Staffing Model - Calculation Results Report  
claim 50% FFP

	Section Manager( WT06)	Clinical Nurse Advisor (Average salary level -- WT27,W T28)	Foster Care Health Specialist (MAPM2) (Ref. average salary)	Regional Medical Consultant Supervisor( MM23 Reference section manager)	Regional Medical Consultant( Per CA transferred Amt --refer to CA model)	DHS Total	3% salary reduction	Transfer Amount/Year FY13	Total
	FY11	FY11	FY11	FY11	FY11	FY11			
FTEs	1.0	2.0	4.0	0.5	3.0	10.5			5.3
<b>Objects Summary</b>									
A	79,000	152,000	221,000	40,000	250,000	742,000	22,000		720,000
B	23,000	45,000	76,000	12,000	58,000	214,000			214,000
E	12,000	25,000	49,000	6,000		92,000			92,000
J	2,000	3,000	7,000	2,000		14,000			14,000
G	-	-	-	-	4,000	4,000			4,000
T	1,000	2,000	4,000	1,000		8,000			8,000
<b>Total Objects</b>	<b>117,000</b>	<b>227,000</b>	<b>357,000</b>	<b>61,000</b>	<b>312,000</b>	<b>1,074,000</b>		<b>1,052,000</b>	<b>1,052,000</b>
<b>Funds Summary</b>									
Fund	% of Total								
001-1 0011	0.5	113,000	179,000	31,000	156,000	537,000		526,000	526,000
0	0	-	-	-	-	-		-	-
001-C 19TA	0.5	114,000	178,000	30,000	156,000	537,000		526,000	526,000
0	0	-	-	-	-	-		-	-
0	0	-	-	-	-	-		-	-
0	0	-	-	-	-	-		-	-
<b>Total Funds</b>		<b>117,000</b>	<b>227,000</b>	<b>61,000</b>	<b>312,000</b>	<b>1,074,000</b>		<b>1,052,000</b>	<b>1,052,000</b>

Department of Social and Health Services

**DP Code/Title: M2-XB ACA-Mandatory Provider Revalidation**  
**Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

**Recommendation Summary Text:**

The Department of Social and Health Services (DSHS) is submitting this placeholder request for funds and FTEs to meet new federal requirements as part of the Affordable Care Act (ACA). DSHS is required to revalidate all enrolled providers every five years, complete additional screenings when enrolling new providers, complete site visits during revalidation, and satisfy other new requirements.

**Fiscal Detail:**

Operating Expenditures

FY 1

FY 2

Total

Overall Funding

*Program Cost*

**Total Cost**

Staffing

**Package Description:**

On March 25, 2011, ACA provisions for new provider enrollment screening requirements went into effect for the Medicare and Medicaid programs. A Washington State Plan Amendment outlining the implementation of these requirements was approved by the Centers for Medicare and Medicaid Services (CMS) on May 30, 2012 for implementation in January of 2013. DSHS will need additional staff resources in order to be in compliance with these new requirements. DSHS is still developing provider fee, cost, and staff estimates.

The new requirements include additional federal database checks, specific additional screening requirements based on risk, the collection of additional provider disclosures, fingerprint based criminal background checks on high risk providers, the collection of applications fees as applicable, and coordination of site visits. DSHS is required to revalidate every enrolled provider every five years, with an expectation to revalidate 20 percent each year.

Agency Contact: Edd Giger (360) 902-8067

Program Contact: Dan Murphy (360) 725-2555

**Narrative Justification and Impact Statement**

*What specific performance outcomes does the agency expect?*

DSHS will be compliant with the new ACA screening requirements that are intended to enhance the provider and supplier enrollment process to improve the integrity of the programs to reduce fraud, waste, and abuse.

It is anticipated that the additional screening measures taken by DSHS will improve the integrity of the Washington Medicaid Program by:

- Improving DSHS ability to identify and prevent federally and state excluded providers, owners, and managers from participating in the Washington Medicaid program through the use of Federal Data Base checks during enrollment and revalidation

- Additional Federal Data Base checks during enrollment and revalidation and with site visits for moderate risk providers (such as Physical Therapy and Ambulance)

Department of Social and Health Services

**DP Code/Title: M2-XB ACA-Mandatory Provider Revalidation**  
**Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

- Reduce the possibility of waste, fraud, and abuse from high risk providers (such as Durable Medical Equipment and Prosthetic Orthotic) with the addition of site visits and Fingerprint Criminal Background checks during enrollment and revalidations.

*Performance Measure Detail*

**Agency Level**

**Activity: E064 Nursing Home Services**

No measures linked to package

Incremental Changes

FY 1

FY 2

0.00

0.00

*Is this decision package essential to implement a strategy identified in the agency's strategic plan?*

This request supports the following goals identified in the DSHS 2011-2013 Strategic Plan:

- Goal 1 Improve the health status of vulnerable populations
- Goal 5 Increase public trust through strong management practices that ensure quality and leverage all resources

*Does this decision package provide essential support to one of the Governor's priorities?*

This package supports the Governor's priority of holding government accountable by focusing on performance and investing our resources to get the greatest possible return.

*Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?*

This decision package rates as a high priority in the Priorities of Government (POG) process for the 2011-13 Budget development under the strategy:

Improve the health of Washingtonians

- Ensure efficiency, performance, and accountability to clients and the public
- Provide access to quality health care

*What are the other important connections or impacts related to this proposal?*

This will impact the Division of Behavioral Health and Recovery - Mental Health (DBHR MH) and Long Term Care (LTC).

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

Consideration was given to automating some of the processes related to the ACA provider screening requirement. It was determined not to pursue this option due to significant costs for system changes.

*What are the consequences of not funding this package?*

Not funding this package would place DSHS out of compliance with federal regulations. In addition, non compliance may result in a missed opportunity to reduce fraud, waste, and abuse in the Washington Medicaid program.

*What is the relationship, if any, to the state's capital budget?*

None

*What changes would be required to existing statutes, rules, or contracts, in order to implement the change?*

Department of Social and Health Services

**DP Code/Title: M2-XB ACA-Mandatory Provider Revalidation**  
**Program Level - 050 Long Term Care Services**

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Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

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WACs would need to be updated for DSHS.

*Expenditure and revenue calculations and assumptions*

Estimates are currently under development.

*Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?*

Estimates are currently under development.

**Object Detail**

Overall Funding

**FY 1**

**FY 2**

**Total**

Program Totals

**DSHS Source Code Detail**

Overall Funding

**FY 1**

**FY 2**

**Total**

Fund ,

**Sources Title**

*Total for Fund*

**Total Overall Funding**

**Totals for all funds**

Department of Social and Health Services

**DP Code/Title: M2-XF Transfer between DVA and DSHS**  
**Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

**Recommendation Summary Text:**

The Department of Social and Health Services (DSHS), Long Term Care (LTC), requests a transfer of \$4,336,000 GF-State in Fiscal Year 2013 from the Department of Veterans Affairs (DVA) to include the Medicaid Nursing Home (NH) clients at Orting and Retsil in the ADSA Caseload Forecast.

**Fiscal Detail:**

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
001-1 General Fund - Basic Account-State	0	4,336,000	4,336,000
<b>Total Cost</b>	<b>0</b>	<b>4,336,000</b>	<b>4,336,000</b>

Staffing

**Package Description:**

This request is a net zero transfer between DVA and DSHS. The skilled nursing facilities operated by DVA at Orting and Retsil claim federally matched Medicaid funds for eligible clients. The state fund portion of the Orting and Retsil NH operating funds is transferred to DSHS to be included in the Aging and Disability Services Administration (ADSA) Medicaid Caseload Forecast, where the federal portion of the rate is already included in the ADSA budget.

Under the current process, the federal Medicaid funds are received by DSHS and an intergovernmental transfer reconciles the GF-State and GF-Federal funds between DSHS and DVA. This transfer would align the Orting and Retsil funding process with all other Washington State NHs, including the Spokane and pending Walla Walla Veteran homes, eliminating the need for the current accounting reconciliations between DVA, DSHS and the Office of Financial Management (OFM) to meet federal Medicaid requirements.

Agency Contact: Edd Giger (360) 902-8067  
Program Contact: Eric Mandt (360) 725-2579

**Narrative Justification and Impact Statement**

*What specific performance outcomes does the agency expect?*

This transfer will not eliminate the need for additional GF-State funds to satisfy Medicaid match requirements. However, it will centralize all Medicaid NH billings under one process. This will eliminate the manual reconciliation process between DVA and DSHS and maintain compliance with CMS rules regarding Medicaid reimbursements and intergovernmental transfers.

***Performance Measure Detail***

**Agency Level**

**Activity: E064 Nursing Home Services**

No measures linked to package

**Incremental Changes**

<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

*Is this decision package essential to implement a strategy identified in the agency's strategic plan?*

This request supports the following goals identified in the DSHS 2011-13 Strategic Plan:

Department of Social and Health Services

**DP Code/Title: M2-XF Transfer between DVA and DSHS**  
**Program Level - 050 Long Term Care Services**

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Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

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-- Goal 5 Increase public trust through strong management practices that ensure quality and leverage all resources

Goal 5 Strategic Objective - Implement process improvement activities within the department that promote efficiency, identify and eliminate waste, and improve customer satisfaction.

*Does this decision package provide essential support to one of the Governor's priorities?*

This package supports the Governor's priority of strengthening Washington families by protecting and providing for those who can't care for themselves.

*Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?*

This decision package rates as a high priority in the Priorities of Government (POG) process for the 2011-13 Budget development under the strategy:

Provide for the safety of Washington's children and adults

-- Provide services to families

-- Ensure efficiency, performance, and accountability to clients and the public

*What are the other important connections or impacts related to this proposal?*

This request will simplify accounting operations for DSHS, DVA and OFM. This request will also support the shortened timelines for the fiscal year close process. There is a corresponding request submitted for the 2013-15 Biennium.

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

No other alternatives were considered.

*What are the consequences of not funding this package?*

DSHS, DVA and OFM would continue to spend more time and effort than is necessary to pay for veterans in two NHs entitled to Medicaid funding for their care.

*What is the relationship, if any, to the state's capital budget?*

None

*What changes would be required to existing statutes, rules, or contracts, in order to implement the change?*

There would no longer be a need for an interagency agreement between DSHS and DVA regarding the transfer of funds.

*Expenditure and revenue calculations and assumptions*

See attachment: LTC M2-XF Transfer between DVA and DSHS.xlsx

*Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?*

All costs are ongoing and will carry forward into future biennia.





**2013 Supplemental Budget  
M2-XF Transfer Between DVA and DSHS**

<b>1</b>	<b>Veteran's Homes FY 13 Revenue Projections</b>	<b>FY 13</b>
	<b>(Full TXIX Payments All Homes)</b>	
	<b>Federal</b>	25,321,871
	<b>Local</b>	22,338,529
	<b>Total</b>	47,660,400
<b>2</b>	<b>Veteran's Homes FY 13 Revenue Projections</b>	<b>FY 13</b>
	<b>(Retsil &amp; Orting at FMAP, Spokane Full TXIX Payment)</b>	
	<b>Federal</b>	29,352,283
	<b>Local</b>	13,971,705
	<b>Total</b>	43,323,988

4,336,412

Forecast using operating revenues recorded from Jan 1, 2012 through Jul 31, 2012.

(4,030,412)  
8,366,824  
**4,336,412**

Department of Social and Health Services

**DP Code/Title: PL-XA Community Living Connections Grant**  
**Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

**Recommendation Summary Text:**

The Department of Social and Health Services (DSHS), Long Term Care (LTC), requests 1.5 FTEs and \$525,000 GF-Federal in the 2013 Supplemental Budget to enable the Aging and Disability Resource Centers (ADRC) to strengthen and expand the person-centered access programs to help citizens learn about the long-term services and supports that best meet their needs. This funding has been awarded to DSHS by the United States Department of Health and Human Services (US DHHS) Administration of Community Living (ACL) and requires no state funds.

**Fiscal Detail:**

**Operating Expenditures**

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Program 050</b>			
001-C General Fund - Basic Account-Medicaid Federal	0	525,000	525,000
<b>Total Cost</b>	<b>0</b>	<b>525,000</b>	<b>525,000</b>

**Staffing**

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
<b>Program 050 FTEs</b>	<b>0.0</b>	<b>1.5</b>	<b>0.8</b>

**Package Description:**

The goal of the Community Living Connections grant is to achieve statewide implementation of the national Options Counseling Training and Certification program to facilitate statewide ADRC expansion. The grant performance period is September 30, 2012 to September 29, 2015.

The ADRC Options Counseling Program is designed specifically to help individuals and their family caregivers access the right services, at the right time and in the right setting. The program will have capacity to serve people of all ages, disabilities and income levels, including individuals interested in planning for or able to pay for their own long-term service and support system (LTSS) needs. It will coordinate with the state Medicaid agency and its delegated agencies to help streamline eligibility determinations for people appropriate for public LTSS programs and increase access to lower cost community-based alternatives that can help avoid institutional care and preserve personal resources. Washington State will be able use the ADRC Options Counseling Program as a key tool for continued rebalancing of its LTSS and for creating a system that is person-centered, efficient, and more supportive of community living.

Finding the right services can be a difficult task for individuals and their family members. Without the assistance from ADRC, clients must determine which programs administered by multiple federal, state and local agencies are appropriate for them. This is in addition to the multiple options for services and supports, in home, residential, and institutional settings. All of this can lead to the use of the most expensive forms of care, including institutional care such as nursing homes or extended hospitalization.

Agency Contact: Edd Giger (360) 902-8067

Program Contact: Susan Shepherd (360) 725-2418 or Susan Engels (360) 725-2527

**Narrative Justification and Impact Statement**

*What specific performance outcomes does the agency expect?*

Performance outcomes of the project are to: (1) participate on a national workgroup to develop and implement a national standards-based curriculum and training process to increase capacity of ADRCs and their partners to deliver a quality Options Counseling program statewide; (2) participate on a national workgroup to develop and implement a standards-based Options Counseling Certification program; (3) expand the Washington State Veterans' Directed Home Services Program; (4) develop

Department of Social and Health Services

**DP Code/Title: PL-XA Community Living Connections Grant**  
**Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

and apply Continuous Quality Improvement principles and an evaluation plan that demonstrates results of the project; and (5) develop a financially sustainable ADRC model that includes revenue from multiple sources.

*Performance Measure Detail*

**Program: 050**

**Activity: E051 Program Support for Long Term Care**

		<b>Incremental Changes</b>	
		<u><b>FY 1</b></u>	<u><b>FY 2</b></u>
<b>Outcome Measures</b>			
001344	Monthly average cost per long-term care client living in the community.	0.00	0.00

*Is this decision package essential to implement a strategy identified in the agency's strategic plan?*

This request supports the following goals identified in the DSHS 2011-13 Strategic Plan:

- Goal 1 Improving the health status of vulnerable populations

*Does this decision package provide essential support to one of the Governor's priorities?*

This package supports three of the Governor's priorities:

- Strengthening Washington families by protecting and providing for those who can't care for themselves
- Access to high-quality, affordable health care for all Washingtonians
- Holding government accountable by focusing on performance and investing our resources to get the greatest possible return

*Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?*

This decision package rates as a high priority in the Priorities of Government (POG) process for the 2011-13 Budget development under the strategy:

Provide for the safety of Washington's vulnerable children and adults

- Provide support services to families

Improve the health of Washingtonians

- Encourage healthy behaviors

Department of Social and Health Services

**DP Code/Title: PL-XA Community Living Connections Grant**  
**Program Level - 050 Long Term Care Services**

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Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

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*What are the other important connections or impacts related to this proposal?*

- These grant dollars do not replace any existing GF-State dollars and go towards new services.
- Separate federal grant funds support procurement of a statewide ADRC information system to track ADRC client outcomes and non-Medicaid services delivery outcomes.
- DSHS Enhanced ADRC Options Counseling Program grant proposal was supported by stakeholders, many of which will participate in achieving grant outcomes.
- DSHS-Aging and Disability Services Administration (ADSA) is designated as the lead agency and administration for management and oversight of this grant. Over the last year, significant DSHS and Health Care Authority (HCA) collaboration led to the submission of the HealthPathWashington proposal, under the Dual-Eligible Initiative, to coordinate care for individuals covered by both Medicare and Medicaid. The proposal includes both a health home model for high risk/high cost individuals and a comprehensive managed care health plan option including community-based services associated with waiver services.

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

No other alternatives were considered.

*What are the consequences of not funding this package?*

The objectives in a federally approved Washington State ADRC Expansion Plan will go unfulfilled; federal grant dollars that require no state match will be unspent; partners will not be able to participate as one of the first states in the country to implement a national options counseling training and certification program; and Washington State citizens will be denied the opportunity to access high quality options counseling and assistance when seeking help navigating the state's LTSS system.

*What is the relationship, if any, to the state's capital budget?*

None

*What changes would be required to existing statutes, rules, or contracts, in order to implement the change?*

None

*Expenditure and revenue calculations and assumptions*

See attachment: PL-XA Community Living Connections Grant.xlsx

*Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?*

These costs will carry forward into the 2013-15 Biennium at the federal grant approved levels. The federal grant is for the project period of September 30, 2012 through September 29, 2015.

**Department of Social and Health Services**

**DP Code/Title: PL-XA Community Living Connections Grant**  
**Program Level - 050 Long Term Care Services**

Budget Period: 2011-13    Version: E3 050 - 2011-13 Final 2013 Sup

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Program 050 Objects</b>			
A Salaries And Wages	0	97,000	97,000
B Employee Benefits	0	31,000	31,000
E Goods And Services	0	33,000	33,000
G Travel	0	6,000	6,000
N Grants, Benefits & Client Services	0	358,000	358,000
<b>Total Objects</b>	<b>0</b>	<b>525,000</b>	<b>525,000</b>

**DSHS Source Code Detail**

<u>Program 050</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Fund 001-C, General Fund - Basic Account-Medicaid Federal</b>			
<b><u>Sources Title</u></b>			
19TA Title XIX Assistance (FMAP)	0	525,000	525,000
<i>Total for Fund 001-C</i>	<b>0</b>	<b>525,000</b>	<b>525,000</b>
<b>Total Program 050</b>	<b>0</b>	<b>525,000</b>	<b>525,000</b>

**2013 Supplemental Budget  
PL-XA Community Living Connections Grant**

<b>Object Class Category</b>	<b>TOTAL</b>
FTE	1.5
Salaries (A)	\$ 97,000
Benefits (B)	\$ 31,000
Goods and Services (E)	\$ 33,000
Travel (G)	\$ 6,000
Grants, Benefits and Client Services (N)	\$ 358,000
<b>TOTAL</b>	<b>\$ 525,000</b>

Year 1 - Federal Grant Cycle: 9/30/12 to 9/29/13  
Budget estimate below: 9/30/12 to 6/30/13

Department of Social and Health Services

**DP Code/Title: PL-XD Federal Sequester**  
**Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

**Recommendation Summary Text:**

The Department of Social and Health Services (DSHS) requests an increase to GF-State funds and a corresponding decrease in GF-Federal appropriation in anticipation of across-the-board reductions (sequestration) to certain federal awards scheduled to take effect on January 2, 2013.

**Fiscal Detail:**

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
<i>Program Cost</i>			
<b>Total Cost</b>			

Staffing

**Package Description:**

DSHS requests an increase in GF-State funds and a corresponding decrease in GF-Federal appropriation in anticipation of across-the-board reductions (sequestration) to certain federal awards scheduled to take effect on January 2, 2013. The Budget Control Act of 2011 (BCA P.L. 112-25) created a Joint Select Committee on Deficit Reduction (JSC) to develop recommendations for reducing the federal budget deficit by at least \$1.2 trillion over 10 years. The work of the JSC did not result in the required deficit reduction, thereby triggering an automatic process to reduce federal spending, known as sequestration. Sequestration results in across-the-board cuts to nonexempt federal discretionary and mandatory spending. Federal awards for the following DSHS programs are expected to be reduced under this sequestration process: Children's Administration, Juvenile Rehabilitation, Mental Health, Long Term Care, Economic Services, Alcohol and Substance Abuse, Vocational Rehabilitation, and Administration.

Agency Contact: Dan Winkley (360) 902-8179

**Narrative Justification and Impact Statement**

*What specific performance outcomes does the agency expect?*

To maintain the current level of services in programs impacted by sequestration.

*Performance Measure Detail*

**Agency Level**

**Activity: E053 In-Home Services**

No measures linked to package

<b>Incremental Changes</b>	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

*Is this decision package essential to implement a strategy identified in the agency's strategic plan?*

This request supports the following goals identified in the DSHS 2011-2013 Strategic Plan:

- Goal 1 Improving the health status of vulnerable populations
- Goal 2 Improving economic stability, employment and self-sufficiency
- Goal 3 Improve individual and public safety

*Does this decision package provide essential support to one of the Governor's priorities?*

Department of Social and Health Services

**DP Code/Title: PL-XD Federal Sequester**  
**Program Level - 050 Long Term Care Services**

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Budget Period: 2011-13 Version: E3 050 - 2011-13 Final 2013 Sup

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This package supports the Governor's priority of strengthening Washington families by protecting and providing for those who can't care for themselves.

*Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?*

This decision package rates as a high priority in the Priorities of Government (POG) process for the 2011-13 Budget development under the strategies:

Provide for the safety of Washington's vulnerable children and adults  
--Provide emergency cash, food, and shelter assistance  
--Where necessary, provide institutional-based and outpatient services  
--Provide secure treatment settings  
--Provide outpatient services

Improve the health of Washingtonians  
--Provide institutional-based and outpatient mental health services  
--Provide drug and alcohol abuse prevention and treatment services  
--Provide access to quality health care

*What are the other important connections or impacts related to this proposal?*

If this request is not funded, then any resulting decrease in DSHS services may result in increased demand for services from other entities such as city and county governments and community-based organizations.

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

None

*What are the consequences of not funding this package?*

If this request is not funded, then DSHS client services and/or benefits will be reduced or eliminated.

*What is the relationship, if any, to the state's capital budget?*

None

*What changes would be required to existing statutes, rules, or contracts, in order to implement the change?*

None

*Expenditure and revenue calculations and assumptions*

Until the sequestration process is complete, the exact impact to DSHS funding levels is unknown.

*Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?*

This sequestration is to generate \$1.2 trillion in savings over the period of Fiscal Year 2013 through 2021. Absent federal legislation eliminating this sequestration, these reductions in federal funding will be ongoing through Fiscal Year 2021.



Department of Social and Health Services

**DP Code/Title: PL-XD Federal Sequester**  
**Program Level - 050 Long Term Care Services**

Budget Period: 2011-13    Version: E3 050 - 2011-13 Final 2013 Sup

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
<b>Program Totals</b>			
<u>DSHS Source Code Detail</u>			
Overall Funding	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund ,			
<u>Sources Title</u>			
<i>Total for Fund</i>			
<b>Total Overall Funding</b>			
<b>Totals for all funds</b>			

