

Department of Social and Health Services

2012 Reduction Options and Supplemental Budget Request

Long-Term Care

Table of Contents

Maintenance Level Decision Packages

- M1-0U Forecast Cost/Utilization
- M1-93 Mandatory Caseload Adjustments
- M1-94 Mandatory Workload Adjustments
- M2-9T Transfers
- M2-WB Federal Funds Technical Adjustment
- M2-WK FAMLINK
- M2-WW Technical Corrections
- M2-ZZ Unemployment

Policy Level Decision Packages

- PL-PF State Data Center Equipment
- PL-Q7 AFH Oversight-Full Costs
- PL-Q8 Eliminate Adult Day Health
- PL-Q9 Eliminate Nursing Homes Add-ons
- PL-WD Major Eligibility/Prgm Reductions
- PL-WH Hospital Re-sizing
- PL-WL Transfer Fostering Well-Being
- PL-WR Elimination Capital Add on
- PL-WU Supp Living Investigators and Fee

Recommendation Summary

Budget Period:2011-13

Version: E2 - 050 - 2012 Sup Agency Request

Budget Level Criteria: ALL

Dollars in Thousands	Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds	
Program 050 - Long Term Care Services						
CB - Current Biennium						
00	Current Biennium Base	0	1,346.2	1,594,945	1,804,885	3,399,830
	SubTotal CB		1,346.2	1,594,945	1,804,885	3,399,830
	Cumulative Total Thru CB		1,346.2	1,594,945	1,804,885	3,399,830
M1 - Mandatory Caseload and Enrollment Changes						
0U	Forecast Cost/Utilization	0	0.0	(3,688)	(6,049)	(9,737)
93	Mandatory Caseload Adjustments	0	0.0	66	24	90
94	Mandatory Workload Adjustments	0	0.1	(126)	(122)	(248)
	SubTotal M1		0.1	(3,748)	(6,147)	(9,895)
	Cumulative Total Thru M1		1,346.3	1,591,197	1,798,738	3,389,935
M2 - Inflation and Other Rate Changes						
9T	Transfers	0	(6.5)	(72)	(15)	(87)
WB	Federal Funds Technical Adjustment	0	0.0	0	0	0
WK	FAMLINK	0	3.5	0	6,851	6,851
WW	Technical Corrections	0	0.0	(6,218)	(4,222)	(10,440)
ZZ	Unemployment	0	0.0	6	4	10
	SubTotal M2		(3.0)	(6,284)	2,618	(3,666)
	Cumulative Total Thru M2		1,343.3	1,584,913	1,801,356	3,386,269
PL - Performance Level						
PF	State Data Center Equipment	0	0.0	17	16	33
Q7	AFH Oversight-Full Costs	0	0.0	(1,310)	3,839	2,529
Q8	Eliminate Adult Day Health	0	0.0	(4,120)	(3,932)	(8,052)
Q9	Eliminate Nursing Homes Add-ons	0	0.0	(8,021)	(8,022)	(16,043)
WD	Major Eligibility/ Prgm Reductions	0	(9.5)	(124,857)	(124,897)	(249,754)
WH	Hospital Re-sizing	0	2.7	2,497	2,497	4,994
WL	Transfer Fostering Well-Being	0	0.0	1,052	1,052	2,104
WR	Eliminate Capital Add on	0	0.0	(1,924)	(1,925)	(3,849)
WU	Supp Living Investigators and Fee	0	2.5	0	686	686
	SubTotal PL		(4.3)	(136,666)	(130,686)	(267,352)
	Cumulative Total Thru PL		1,339.0	1,448,247	1,670,670	3,118,917
Total Proposed Budget for Program 050 - Long Term Care Services			1,339.0	1,448,247	1,670,670	3,118,917

Recommendation Summary Text

0U - Forecast Cost/Utilization

(M1) The Department of Social and Health Services (DSHS), Long Term Care (LTC) requests (\$9,737,000), (\$3,688,000) GF-State, for the 2012 Supplemental Budget to reflect changes in the utilization of LTC services.

93 - Mandatory Caseload Adjustments

(M1) The Department of Social and Health Services (DSHS), Long Term Care (LTC), requests \$90,000 (\$66,000 GF-State) for changes in the number of clients in the LTC program. This decision package reflects the June 2011 forecast produced by the

Recommendation Summary

Budget Period: 2011-13
Budget Level Criteria: ALL

Version: E2 - 050 - 2012 Sup Agency Request

Dollars in Thousands	Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
----------------------	------------------	-----------------	--------------------	-------------	-------------

93 - Mandatory Caseload Adjustments

Caseload Forecast Council (CFC).

94 - Mandatory Workload Adjustments

(M1) The Department of Social and Health Services (DSHS), Long Term Care (LTC), requests (\$248,000), (\$126,000) GF State), and (1.2) FTEs for mandatory workload adjustments associated with June 2011 caseload forecasts.

9T - Transfers

(M2) The Department of Social and Health Services (DSHS) requests to shift FTEs and funding among programs in the 2012 Supplemental Budget. This transfer will align FTEs and funds within the programs where the costs are incurred. The net impact is zero.

PF - State Data Center Equipment

(PL) The Department of Social and Health Services (DSHS), Information System Services Division (ISSD), requests \$512,000 (\$291,000 GF-State) in the 2012 Supplemental Budget for startup equipment required to migrate systems from the Office Building 2 (OB2) to the new State Data Center (SDC) located in the 1500 Jefferson Building.

Q7 - AFH Oversight-Full Costs

(PL) The Department of Social and Health Services (DSHS), Aging and Disability Services Administration (ADSA), requests \$2,845,000 (a reduction of (\$1,310,000) GF-State) for the Adult Family Home (AFH) license fee adjustment in order to fully cover the costs of AFH oversight, thereby, eliminating the GF-State subsidy for licensing activities.

Q8 - Eliminate Adult Day Health

(PL) The Department of Social and Health Services (DSHS), Long Term Care (LTC), reduces (\$8,052,000), (\$4,120,000) GF-State, to eliminate Adult Day Health (ADH).

Q9 - Eliminate Nursing Homes Add-ons

(PL) This Department of Social and Health Services (DSHS), Long Term Care (LTC) proposes a reduction of (\$16,043,000), (\$8,021,000) GF-State, in the 2012 Supplemental Budget from the elimination of the nursing home add-ons.

WB - Federal Funds Technical Adjustment

(M2) The Department of Social and Health Services (DSHS) requests adjustments between types of federal funds, within the current GF-Federal spending authority, to accurately reflect expected types of federal earnings in the 2012 Supplemental Budget.

WD - Major Eligibility/ Prgm Reductions

(PL) The Department of Social and Health Services (DSHS), Aging and Disability Services Administration (ADSA) eliminates and reduces services for more than 80,000 people, (\$532,524,000) ((\$273,886,000) GF-State) in the 2012 Supplemental by a) increases in the eligibility thresholds for core Medicaid programs that support people with needs related to developmental disabilities and/or long-term care, and b) limits on the type and scope of Medicaid-funded community supports for people with needs related to mental health. These changes will eliminate or reduce core services for people with less needs, while continuing service to person with greater needs, and are necessary to reduce ADSA's 2011-13 Biennial Appropriation by (\$273,886,000) GF-State.

WH - Hospital Re-sizing

Recommendation Summary

Version: E2 - 050 - 2012 Sup Agency Request

Budget Period:2011-13
Budget Level Criteria: ALL

Dollars in Thousands	Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
----------------------	---------------------	--------------------	-----------------------	-------------	-------------

(PL) The Department of Social and Health Services (DSHS), Aging and Disability Services Administration (ADSA), reduces (46.6) FTEs and (\$2,622,000) ((\$5,119,000) GF-State) by closing two decertified wards at Western State Hospital (WSH) and increasing services in community Long Term Care (LTC) settings in the 2012 Supplemental Budget.

WK - FAMLINK

(M2) The Department of Social and Health Services (DSHS), Long Term Care (LTC), requests \$6,851,000 GF-Federal in the 2012 Supplemental Budget for the federally approved Critical Incident Tracking System (CITS) under the Money Follows the Person (MFP) grant.

WL - Transfer Fostering Well-Being

(PL) The Department of Social and Health Services (DSHS), Long Term Care (LTC), requests 10.5 FTEs and \$2,104,000 (\$1,052,000 GF-State) for the 2012 Supplemental Budget to reflect the transfer from the Health Care Authority's (HCA) Fostering Well Being Program (FWB) to LTC.

WR - Eliminate Capital Add on

(PL) The Department of Social and Health Services (DSHS), Long Term Care (LTC), reduces (\$3,849,000), (\$1,924,000) GF-State, in the 2012 Supplemental Budget through the elimination of the facility incentive add-on effective March 1, 2012.

WU - Supp Living Investigators and Fee

(PL) The Department of Social and Health Services (DSHS), Aging and Disability Services Administration (ADSA), requests 5.0 FTEs and \$1,398,000 in the 2012 Supplemental Budget to allow Residential Care Services (RCS) to do additional investigations of abuse and neglect complaints in Certified Community Residential Supports and Services (CCRSS) settings for clients with developmental disabilities.

WW - Technical Corrections

(M2) The Department of Social and Health Services (DSHS) requests a reduction of (\$24,050,000) ((\$18,494,000) GF-State) and 0.6 FTEs in the 2012 Supplemental Budget to make technical corrections throughout the department.

ZZ - Unemployment

(M2) The Department of Social and Health Services (DSHS) requests \$2,893,000 (\$2,245,000 GF-State) in the 2012 Supplemental Budget to offset increased Unemployment Insurance reimbursement to the Employment Security Department (ESD).

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: E2 050 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Long Term Care (LTC) requests (\$9,737,000), (\$3,688,000) GF-State, for the 2012 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>
Program 050			
001-1 General Fund - Basic Account-State	2,159,000	(5,847,000)	(3,688,000)
001-C General Fund - Basic Account-Medicaid Federal	(1,651,000)	(2,907,000)	(4,558,000)
562-1 Skilled Nursing Facility Net Trust-State	(613,000)	(878,000)	(1,491,000)
Total Cost	(105,000)	(9,632,000)	(9,737,000)

Staffing

Package Description:

This request utilizes the June 2011 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 in this decision package is the per capita cost of nursing home clients, which is forecasted to be lower than had been previously anticipated.

Agency contact: Edd Giger (360) 902-8067

Program contact: James Kettel (360) 725-2586

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; and
- clients experience stability.

Performance Measure Detail

Program: 050

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

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

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

Incremental Changes	
<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

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

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: E2 050 - 2012 Sup Agency Request

		Incremental Changes	
		<u>FY 1</u>	<u>FY 2</u>
Activity: E052 Eligibility/Case Management Services			
No measures linked to package		0.00	0.00
Activity: E053 In-Home Services			
No measures linked to package		0.00	0.00
Activity: E055 Residential Community Services			
No measures linked to package		0.00	0.00
Activity: E064 Nursing Home Services			
No measures linked to package		0.00	0.00
Activity: E077 Managed Care Services			
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?

Yes, this decision package falls within ADSA's 2009-13 Strategic Plan:

Objective: Offer a variety of home and community options to improve the balance between home and community and institutional care.

Strategy: Adjust payment systems where necessary to provide incentives to meet client needs in home and community settings.

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

Yes, by providing In-Home services, Community Residential, and Institutional-based services to vulnerable adults in Washington.

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

Yes, providing In-Home services, Personal Care, Community Residential, AFH community services, and NH services to vulnerable adults in Washington State all ranked in first place in the 2009-11 Priorities of Government (POG) Final Report.

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

Funding this decision package will ensure that providers of LTC services will see little change in their method of conducting business with ADSA.

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

None

What are the consequences of not funding this package?

This request addresses the forecasted growth of per capita costs for Medicaid clients in the LTC program. It is possible that reductions in non-mandatory activities may become necessary (to cover the cost of growth within mandatory activities).

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

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: E2 050 - 2012 Sup Agency Request

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-OU 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 utilization forecast estimates.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050 Objects			
N Grants, Benefits & Client Services	(105,000)	(9,632,000)	(9,737,000)
<u>DSHS Source Code Detail</u>			
Program 050	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	2,159,000	(5,847,000)	(3,688,000)
	<u>2,159,000</u>	<u>(5,847,000)</u>	<u>(3,688,000)</u>
<i>Total for Fund 001-1</i>			
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources</u> <u>Title</u>			
19TA Title XIX Assistance (FMAP)	(1,712,000)	(2,986,000)	(4,698,000)
19UL Title XIX Admin (50%)	61,000	79,000	140,000
	<u>(1,651,000)</u>	<u>(2,907,000)</u>	<u>(4,558,000)</u>
<i>Total for Fund 001-C</i>			
Fund 562-1, Skilled Nursing Facility Net Trust-State			
<u>Sources</u> <u>Title</u>			
5621 Skilled Nursing Facility Net Trust Fund Fund/AT	(613,000)	(878,000)	(1,491,000)
	<u>(613,000)</u>	<u>(878,000)</u>	<u>(1,491,000)</u>
<i>Total for Fund 562-1</i>			
Total Program 050	(105,000)	(9,632,000)	(9,737,000)

2012 Supplemental Budget M1 - 0U Forecast Cost and Utilization

	Due to Cost/Utilization Changes			
	Total	State	Federal	Other State
FY12 - June 2011 Update				
X01 Nursing Facilities	(7,875,000)	(1,604,000)	(5,658,000)	(613,000)
X40 Adult Day Health	2,032,000	949,000	1,083,000	
X43 NF Discharge	-	-	-	
X48 Private Duty Nurse	-	-	-	
X49 Recoveries	(1,064,000)	(542,000)	(522,000)	
X61 In-Home	33,488,000	17,107,000	16,381,000	
J86 Agency Health Insurance	(29,758,000)	(15,080,000)	(14,678,000)	
X62 Adult Family Homes	(80,000)	(428,000)	348,000	
X63 Adult Residential Centers	978,000	516,000	462,000	
X64 Assisted Living	1,598,000	864,000	734,000	
X65 Managed Care	276,000	138,000	138,000	
FY12 Subtotal	(405,000)	1,920,000	(1,712,000)	(613,000)
FY13 - June 2011 Update				
X01 Nursing Facilities	(11,035,000)	(4,795,000)	(5,362,000)	(878,000)
X40 Adult Day Health	1,537,000	709,000	828,000	
X43 NF Discharge	-	-	-	
X48 Private Duty Nurse	35,000	18,000	17,000	
X49 Recoveries	(1,064,000)	(542,000)	(522,000)	
X61 In-Home	33,569,000	15,404,000	18,165,000	
J86 Agency Health Insurance	(37,596,000)	(19,049,000)	(18,547,000)	
X62 Adult Family Homes	915,000	357,000	558,000	
X63 Adult Residential Centers	1,249,000	623,000	626,000	
X64 Assisted Living	2,213,000	1,109,000	1,104,000	
X65 Managed Care	295,000	148,000	147,000	
FY13 Subtotal	(9,882,000)	(6,018,000)	(2,986,000)	(878,000)
Additional Adjustments outside forecast				
FY12 - June 2011 Update				
J82 AAA Case Management and Nursing Services	415,000	287,000	128,000	
J83 AAA Contract Management - AP	(115,000)	(48,000)	(67,000)	
	300,000	239,000	61,000	
FY13 - June 2011 Update				
J82 AAA Case Management and Nursing Services	318,000	206,000	112,000	
J83 AAA Contract Management - AP	(68,000)	(35,000)	(33,000)	
	250,000	171,000	79,000	
Budget Steps:				
TOTAL FY12	\$ (105,000)	\$ 2,159,000	\$ (1,651,000)	\$ (613,000)
TOTAL FY13	\$ (9,632,000)	\$ (5,847,000)	\$ (2,907,000)	\$ (878,000)

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: E2 050 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Long Term Care (LTC), requests \$90,000 (\$66,000 GF-State) for changes in the number of clients in the LTC program. This decision package reflects the June 2011 forecast produced by the Caseload Forecast Council (CFC).

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050			
001-1 General Fund - Basic Account-State	560,000	(494,000)	66,000
001-C General Fund - Basic Account-Medicaid Federal	504,000	(479,000)	25,000
562-1 Skilled Nursing Facility Net Trust-State	(1,000)	0	(1,000)
Total Cost	1,063,000	(973,000)	90,000

Staffing

Package Description:

DSHS, LTC, requests \$90,000 (\$66,000 GF-State) for changes in the number of clients in the LTC program. This decision package reflects the June 2011 forecast produced by the CFC for Nursing Homes and Home and Community Based Services (HCBS). There has been some fluctuation in the various caseload segments that comprise the LTC forecast. Overall, however, the variance did not rise to a level justifying a change from the February 2011 forecast, which established the 2011-13 Biennial appropriation for the forecasted components of the LTC program. Therefore, in the June 2011 forecast, there is no caseload change to Nursing Homes, or HCBS, and only a small adjustment to the funding for the LTC program. The funding adjustment comes from a minor change to Adult Day Health, which is one of the few caseload segments that is not forecasted by the CFC.

Agency contact: Edd Giger (360) 902-8067
Program contact: James Kettel (360) 725-2586

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, and
- clients experience stability.

Performance Measure Detail

Program: 050

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

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

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

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>
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: E2 050 - 2012 Sup Agency Request

		Incremental Changes	
		<u>FY 1</u>	<u>FY 2</u>
Activity:	E051 Program Support for Long Term Care		
	No measures linked to package	0.00	0.00
Activity:	E052 Eligibility/Case Management Services		
	No measures linked to package	0.00	0.00
Activity:	E053 In-Home Services		
	No measures linked to package	0.00	0.00
Activity:	E055 Residential Community Services		
	No measures linked to package	0.00	0.00
Activity:	E064 Nursing Home Services		
	No measures linked to package	0.00	0.00
Activity:	E077 Managed Care Services		
	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?

The expenditures in this decision package reflect the current caseload forecasts for the LTC program. This decision package is essential in ensuring a safety net for "elders and people with disabilities who need a system of long term care and supports."

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

Yes. This request meets the goal to "improve the health of Washingtonians, and support and keep safe our children and adults who are unable to 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?

Yes. Providing in home services, personal care, community residential, adult family home community services and nursing home services to vulnerable adults in Washington State were all ranked in first place in the 2009-11 Priorities of Government (POG) Final Report.

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

This request reflects changes in caseload developed by the CFC for the June 2011 Forecast.

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

None

What are the consequences of not funding this package?

This request addresses the forecasted growth of Medicaid clients in the LTC program. It is possible that reductions in non-mandatory activities may become necessary (to cover the cost of growth within mandatory activities).

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: E2 050 - 2012 Sup Agency Request

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>
Program 050 Objects			
N Grants, Benefits & Client Services	1,063,000	(973,000)	90,000
<u>DSHS Source Code Detail</u>			
Program 050	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	560,000	(494,000)	66,000
<i>Total for Fund 001-1</i>	<u>560,000</u>	<u>(494,000)</u>	<u>66,000</u>
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources Title</u>			
19TA Title XIX Assistance (FMAP)	722,000	(301,000)	421,000
19UL Title XIX Admin (50%)	(218,000)	(178,000)	(396,000)
<i>Total for Fund 001-C</i>	<u>504,000</u>	<u>(479,000)</u>	<u>25,000</u>
Fund 562-1, Skilled Nursing Facility Net Trust-State			
<u>Sources Title</u>			
5621 Skilled Nursing Facility Net Trust Fund Fund/AT	(1,000)	0	(1,000)
<i>Total for Fund 562-1</i>	<u>(1,000)</u>	<u>0</u>	<u>(1,000)</u>
Total Program 050	<u>1,063,000</u>	<u>(973,000)</u>	<u>90,000</u>

2012 Supplemental Budget M1 - 93 Mandatory Caseload

Expenditures			
Due to Caseload			
Total	State	Federal	Other State

FY12 - June 2011 Update

X01 Nursing Facilities	(11,000)	(4,000)	(6,000)	(1,000)
X40 Adult Day Health	1,358,000	703,000	655,000	
X43 NF Discharge	-	-	-	
X48 Private Duty Nurse	-	-	-	
X49 Recoveries	-	-	-	
X61 In-Home	182,000	91,000	91,000	
J86 Agency Health Insurance	-	-	-	
X62 Adult Family Homes	11,000	6,000	5,000	
X63 Adult Residential Centers	15,000	8,000	7,000	
X64 Assisted Living	(68,000)	(35,000)	(33,000)	
X65 Managed Care	6,000	3,000	3,000	
FY12 Subtotal	1,493,000	772,000	722,000	(1,000)

FY13 - June 2011 Update

X01 Nursing Facilities	-	-	-	-
X40 Adult Day Health	(599,000)	(310,000)	(289,000)	
X43 NF Discharge	-	-	-	
X48 Private Duty Nurse	(35,000)	(18,000)	(17,000)	
X49 Recoveries	-	-	-	
X61 In-Home	(8,000)	(4,000)	(4,000)	
J86 Agency Health Insurance	-	-	-	
X62 Adult Family Homes	5,000	3,000	2,000	
X63 Adult Residential Centers	8,000	4,000	4,000	
X64 Assisted Living	(4,000)	(2,000)	(2,000)	
X65 Managed Care	10,000	5,000	5,000	
FY13 Subtotal	(623,000)	(322,000)	(301,000)	-

Additional Adjustments outside forecast

FY12 - June 2011 Update

J82 AAA Case Management and Nursing Services	(385,000)	(189,000)	(196,000)	
J83 AAA Contract Management - AP	(45,000)	(23,000)	(22,000)	
	(430,000)	(212,000)	(218,000)	

FY13 - June 2011 Update

J82 AAA Case Management and Nursing Services	(339,000)	(167,000)	(172,000)	
J83 AAA Contract Management - AP	(11,000)	(5,000)	(6,000)	
	(350,000)	(172,000)	(178,000)	

Budget Steps:

TOTAL FY12	\$ 1,063,000	\$ 560,000	\$ 504,000
TOTAL FY13	\$ (973,000)	\$ (494,000)	\$ (479,000)

Department of Social and Health Services

DP Code/Title: M1-94 Mandatory Workload Adjustments
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Long Term Care (LTC), requests (\$248,000), (\$126,000) GF State), and (1.2) FTEs for mandatory workload adjustments associated with June 2011 caseload forecasts.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050			
001-1 General Fund - Basic Account-State	(24,000)	(102,000)	(126,000)
001-C General Fund - Basic Account-Medicaid Federal	(28,000)	(94,000)	(122,000)
Total Cost	(52,000)	(196,000)	(248,000)

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Program 050 FTEs	(0.4)	(2.0)	(1.2)

Package Description:

The Home and Community Services (HCS) and Residential Care Services (RCS) Divisions use caseload projections in conjunction with a system of established workload standards to project staffing needs. The workload standards serve to weigh different service types, ranging from Adult Protective Services (APS) to determination of Medicaid eligibility. Social service staffing needs are determined based on the number of hours needed to complete services for projected clients. Financial, supervisory, clerical, and managerial staffing needs are also factored into the staffing request based on an established ratio to social service staff.

Agency contact: Edd Giger (360) 902-8067
Program contact: James Kettel (360) 725-2586

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Adjusting staffing levels based on a rise in caseload will allow Aging and Disability Services Administration (ADSA) to maintain current performance with (1) the percentage of compliance with response targets, and (2) the length of time APS cases are left open.

Performance Measure Detail

Program: 050

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 relates to the ADSA Strategic Plan Goal Number 3 to maintain timely access to programs and responsiveness to changing needs, and manage risk through appropriate staffing.

It also supports Goal 2 of the ADSA plan to continue efforts to enhance quality of services. An objective within this goal is

Department of Social and Health Services

DP Code/Title: M1-94 Mandatory Workload Adjustments
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

to support development, in sufficient numbers, of an effective workforce.

Objectives within the strategic plan include identifying and requesting funding for appropriate caseload ratios and developing methods to make work more efficient.

Failing to adjust staffing levels due to a rise in caseload would essentially eliminate the chances of accomplishing either the objectives or the goals outlined in ADSA's 2009-13 Strategic Plan.

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

Yes. This request supports the Governor's priorities to "Improve the security of Washington's vulnerable children and adults."

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

Improving the security of Washington's vulnerable adults is one of the Priorities of Government (POG). One of the key indicators under this priority is "Increase the percentage of vulnerable adults living in permanent families and safe home or community settings."

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

Not applicable

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

None

What are the consequences of not funding this package?

None

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 ML-94 Mandatory Workload Adjustment.xls

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.

Department of Social and Health Services

DP Code/Title: M1-94 Mandatory Workload Adjustments

Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050 Objects			
A Salaries And Wages	(29,000)	(111,000)	(140,000)
B Employee Benefits	(7,000)	(37,000)	(44,000)
E Goods And Services	(4,000)	(24,000)	(28,000)
G Travel	(2,000)	(8,000)	(10,000)
J Capital Outlays	(9,000)	(13,000)	(22,000)
T Intra-Agency Reimbursements	(1,000)	(3,000)	(4,000)
Total Objects	(52,000)	(196,000)	(248,000)

DSHS Source Code Detail

Program 050	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	(24,000)	(102,000)	(126,000)
<i>Total for Fund 001-1</i>	(24,000)	(102,000)	(126,000)
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources Title</u>			
19UL Title XIX Admin (50%)	(28,000)	(94,000)	(122,000)
<i>Total for Fund 001-C</i>	(28,000)	(94,000)	(122,000)
Total Program 050	(52,000)	(196,000)	(248,000)

2012 Supplemental M1-94 Mandatory Workload Adjustments

2012 Supplemental Budget M1-94 Mandatory Workload

Home and Community Services (HCS)

Revised with June 2011 forecast

	FTE'S	TOTAL	GF-State	GF-Federal
FY12	0.9 \$	85,000 \$	46,000 \$	39,000
FY13	(0.7) \$	(73,000) \$	(39,000) \$	(34,000)
11/13 Biennium	0.1 \$	12,000 \$	7,000 \$	5,000

Residential Care Services (RCS)

	FTE'S	TOTAL	GF-State	GF-Federal
FY 12	(1.3) \$	(137,000) \$	(70,000) \$	(67,000)
FY 13	(1.3) \$	(123,000) \$	(63,000) \$	(60,000)
11/13 Biennium	(1.3) \$	(260,000) \$	(133,000) \$	(127,000)

TOTAL

	FTE'S	TOTAL	GF-State	GF-Federal
FY12	(0.4) \$	(52,000) \$	(24,000) \$	(28,000)
FY 13	(2.0) \$	(196,000) \$	(102,000) \$	(94,000)
11/13 Biennium	(1.2) \$	(248,000) \$	(126,000) \$	(122,000)

Department of Social and Health Services

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

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests to shift FTEs and funding among programs in the 2012 Supplemental Budget. This transfer will align FTEs and funds within the programs where the costs are incurred. The net impact is zero.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050			
001-1 General Fund - Basic Account-State	(9,000)	(63,000)	(72,000)
001-C General Fund - Basic Account-Medicaid Federal	10,000	(25,000)	(15,000)
Total Cost	1,000	(88,000)	(87,000)

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Program 050 FTEs	(3.9)	(9.1)	(6.5)

Package Description:

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

Information System Services Division (ISSD) Compensation Adjustment (110 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): Administration and Supporting Services (Administration) will transfer compensation costs for staff in ISSD to other DSHS programs. Compensation steps associated with staff in ISSD are routinely included within the budget steps for Administration. Administration will distribute \$383,000 (\$303,000 GF-State) of ISSD's costs to the programs. These steps include: 1) savings from ending automatic benefit increases from the Public Employees' Retirement System Plan 1; 2) health insurance decrease in Fiscal Year 2013 to reflect the expected decrease of state employees in 2011-13, (the decrease in the carry forward level has already been adjusted in Fiscal Year 2012); 3) 3 percent cost savings in employee salaries; and 4) employer contributions adjusted to levels adopted by the Pension Funding Council. ISSD's budget resides in programs' budgets at Sub-Object TZ.

Department of Information Services (DIS) Rate Reduction (145 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): Payments to Other Agencies (PTOA) will distribute \$2,130,000 (\$1,494,000 GF-State) of DIS rate adjustment costs to the various programs. DIS reduced their 2011-13 rates in technology leasing services, storage, and mainframe computing. Also, the Central Service Model reduced the department's funding for DIS services. PTOA does not pay these DIS costs for the entire department; rather, they are paid out of the programs' budgets at the Sub-Object EL levels.

Medicaid Purchasing Administration (MPA) Funding (110 to 010, 020, 030, 040, 050, 060, 070, 100, 135): Administration will distribute \$456,000 (\$296,000 GF-State) in costs to DSHS programs for the funding of positions that were transferred to the Health Care Authority (HCA). The negotiation for the DSHS and MPA transfer required DSHS to provide additional staff funding to HCA. Administration distributes this cost to the programs in this request. (Economic Services Administration (ESA) agreed to provide 3.0 FTEs, which were transferred out of the ESA 2011-13 Biennial Budget.) This distribution will give each program a share of the cost without Administration carrying the full cost as this was the original intent.

Department of Labor and Industries (L&I) Funding from PTOA to Programs (145 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): L&I funding for the various DSHS programs was provided in PTOA's budget and will need to transfer to the respective programs. PTOA will transfer \$9,341,000 (\$6,725,000 GF-State) to the programs.

ISSD Transfer of Email and Blackberry services to DIS (All DSHS Programs):

Department of Social and Health Services

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

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

ISSD will no longer provide email and blackberry services for the department and will transfer these services to DIS. Program's funding for these services are in Sub-Object TZ and will need to transfer to Sub-Object EL. The estimated transfer amount is \$624,000 total funds for Fiscal Year 2012 and \$1,208,000 total funds for Fiscal Year 2013. Amounts in the first year are estimates because the transfer timeline may change.

ISSD Staff Transfer to Administration (150 or 020, 030, 040, 050, 060, 070, 100, 135 to 110):
ISSD will transfer 1.0 FTE and \$216,000 (\$126,000 GF-State) to Administration, which fits with the current organizational reporting structure. As mentioned above, because of ISSD's budget residing in the programs' Sub-Object TZ costs, programs will transfer \$176,000 of their ISSD's costs to Administration, which will also reduce their share of ISSD's costs by \$40,000.

Mental Health Category Transfers (030 8000 to 030 9000):
DSHS, Mental Health (MH), is a categorically appropriated program. Thus, MH requests to move 8.6 FTEs and \$671,000 (\$74,000 GF-State) from Category 8000 to Category 9000 to align appropriations where costs are incurred.

Consolidated Field Services FTE Transfer (010, 020, 030, 040, 050, 060, 135 to 110 & 160):
Program 160 - Consolidated Field Services (CFS) will consolidate 343.1 FTEs in Fiscal Year 2012 and 540.2 FTEs in Fiscal Year 2013 from various DSHS Programs, which is designed to centralize services and maximize efficiencies in order to support business functions and maintenance for the regional centers and the institutions. CFS will operate as a chargeback to programs in order to maintain the maximum federal participation rate that DSHS Programs receive. Part of this consolidation is a transfer of 8.0 FTEs and \$704,000 (\$490,000 GF-State) in Fiscal Year 2012 and 13.0 FTEs and \$1,021,000 (\$714,000 GF-State) in Fiscal Year 2013 for payroll staff, Facility Planners and a Fiscal Coordinator from the various programs to Program 110. The consolidation will phase in from November 1, 2011, through March 1, 2012, and has been approved by the Legislative Evaluation and Accountability Program (LEAP) Committee.

These transfers will realign the 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?

DSHS accounts for the wise use of public dollars by maximizing federal funding sources.

Performance Measure Detail

Program: 050

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

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

Yes. This request supports our goal to improve health care quality and access and to improve internal and external partnerships.

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

Yes. This request supports the Governor's priority associated with efficient state government services for the people of Washington State.

Department of Social and Health Services

DP Code/Title: M2-9T Transfers

Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

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

Yes. This request makes key contributions to the Governor's statewide results to "strengthen government's ability to achieve results efficiently and effectively."

This package will rate high in the Priorities of Government (POG) process as it will assist us in ensuring that needed support and funds are in the correct programs. In addition, it will allow DSHS to monitor costs and services efficiently and effectively.

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, 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 resulting in the funding being in the correct programs. Then, all costs associated with these transfers will be ongoing and will carry-forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050 Objects			
A Salaries And Wages	16,000	(48,000)	(32,000)
B Employee Benefits	6,000	(15,000)	(9,000)
E Goods And Services	65,000	125,000	190,000
T Intra-Agency Reimbursements	(86,000)	(150,000)	(236,000)
Total Objects	1,000	(88,000)	(87,000)

Department of Social and Health Services

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

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 050		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	(9,000)	(63,000)	(72,000)
	<i>Total for Fund 001-1</i>	(9,000)	(63,000)	(72,000)
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u>	<u>Title</u>			
19UL	Title XIX Admin (50%)	10,000	(25,000)	(15,000)
	<i>Total for Fund 001-C</i>	10,000	(25,000)	(15,000)
	Total Program 050	1,000	(88,000)	(87,000)

**2012 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
100	Division of Voc. Rehabilitation												
	ISSD compensation adjustments from Admin			0.0	(2,000)	(2,000)	(4,000)	(2,000)	(3,000)	(5,000)	(4,000)	(5,000)	(9,000)
	DIS reductions from PTOA			0.0	(2,000)	(5,000)	(7,000)	(2,000)	(5,000)	(7,000)	(4,000)	(10,000)	(14,000)
	MPA costs from Admin			0.0	(1,000)	(4,000)	(5,000)	(1,000)	(4,000)	(5,000)	(2,000)	(8,000)	(10,000)
	L&I Funding from PTOA			0.0	30,000		30,000	12,000		12,000	42,000	0	42,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	0	(2,000)	(2,000)	0	(2,000)	(2,000)	0	(4,000)	(4,000)
				0.0			0			0	0	0	0
	100 Total	0.0	0.0	0.0	25,000	(13,000)	12,000	7,000	(14,000)	(7,000)	32,000	(27,000)	5,000
110	Administration & Supporting Services												
	ISSD compensation adjustments from Admin			0.0	137,000	31,000	168,000	166,000	49,000	215,000	303,000	80,000	383,000
	DIS reductions from PTOA			0.0	(21,000)		(21,000)	(21,000)		(21,000)	(42,000)	0	(42,000)
	MPA costs from Admin			0.0	148,000	80,000	228,000	148,000	80,000	228,000	296,000	160,000	456,000
	L&I Funding from PTOA			0.0	37,000	8,000	45,000	16,000	3,000	19,000	53,000	11,000	64,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin	1.0	1.0	1.0	51,000	37,000	88,000	51,000	37,000	88,000	102,000	74,000	176,000
	FTE Consolidation Transfer	8.0	13.0	10.5	490,000	214,000	704,000	714,000	307,000	1,021,000	1,204,000	521,000	1,725,000
				0.0			0			0	0	0	0
	110 Total	9.0	14.0	11.5	842,000	370,000	1,212,000	1,074,000	476,000	1,550,000	1,916,000	846,000	2,762,000
135	Special Commitment Center												
	ISSD compensation adjustments from Admin			0.0	(2,000)		(2,000)	(3,000)		(3,000)	(5,000)	0	(5,000)
	DIS reductions from PTOA			0.0	(1,000)		(1,000)	(1,000)		(1,000)	(2,000)	0	(2,000)
	MPA costs from Admin			0.0	(6,000)		(6,000)	(6,000)		(6,000)	(12,000)	0	(12,000)
	L&I Funding from PTOA			0.0	183,000		183,000	90,000		90,000	273,000	0	273,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(1,000)	0	(1,000)	(1,000)	0	(1,000)	(2,000)	0	(2,000)
	FTE Consolidation Transfer	(24.7)	(37.0)	(30.9)	(54,000)	0	(54,000)	(79,000)	0	(79,000)	(133,000)	0	(133,000)
				0.0			0			0	0	0	0
	135 Total	(24.7)	(37.0)	(30.9)	119,000	0	119,000	0	0	0	119,000	0	119,000
145	Payments to Other Agencies												
	DIS reductions from PTOA			0.0	755,000	322,000	1,077,000	739,000	314,000	1,053,000	1,494,000	636,000	2,130,000
	L&I Funding from PTOA			0.0	(4,609,000)	(1,773,000)	(6,382,000)	(2,116,000)	(843,000)	(2,959,000)	(6,725,000)	(2,616,000)	(9,341,000)
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	145 Total	0.0	0.0	0.0	(3,854,000)	(1,451,000)	(5,305,000)	(1,377,000)	(529,000)	(1,906,000)	(5,231,000)	(1,980,000)	(7,211,000)
150	Information System Services Division												
	Email & BB to DIS from ISSD	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin	(1.0)	(1.0)	(1.0)	0	0	0	0	0	0	0	0	0
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	145 Total	(1.0)	(1.0)	(1.0)	0	0	0	0	0	0	0	0	0
160	Consolidated Field Services												
	FTE Consolidation Transfer	343.1	540.2	441.7	0	0	0	0	0	0	0	0	0
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	150 Total	343.1	540.2	441.7	0	0	0	0	0	0	0	0	0
	Agency-Wide:	0	0	0.0	0	0	0	0	0	0	0	0	0

notes:

- Information System Services Division (ISSD) compensation adjustments from Administration & Supporting Services (Admin).
- Department of Information Services (DIS) rate & central service reductions from Payments to Other Agencies (PTOA).
- Additional Medicaid Purchasing Administration (MPA) costs to transfer from Admin.
- L&I funding from PTOA to programs.
- Email and Blackberry (BB) services transfer from ISSD to DIS. Net impact to the programs is zero; however, ISSD's funding will decrease by the amount programs reduce/transfer their TZ costs.
- ISSD Staff Transfer to Admin.
- In Mental Health, move FTEs and funding from Category 8000 to 9000 to align appropriations where costs are incurred.
- FTE Transfer related to the Regional Business Centers, Institutional Business Offices, and Maintenance Operations are consolidated in Program 160.

Department of Social and Health Services

**DP Code/Title: M2-WB Federal Funds Technical Adjustment
Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests adjustments between types of federal funds, within the current GF-Federal spending authority, to accurately reflect expected types of federal earnings in the 2012 Supplemental Budget.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050			
001-2 General Fund - Basic Account-Federal	(902,000)	(968,000)	(1,870,000)
001-C General Fund - Basic Account-Medicaid Federal	902,000	968,000	1,870,000
Total Cost	<u>0</u>	<u>0</u>	<u>0</u>

Staffing

Package Description:

This adjustment realigns federal funds between fund types that DSHS will be able to earn in the 2012 Supplemental Budget. This decision package nets to zero and impacts programs 010, 030, 040, 050, and 060.

Agency Contact: Jialing Huang (360) 902-7831

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To align budgeted federal funding sources with projected federal earnings.

Performance Measure Detail

Program: 050

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 proposal supports the department's strategic plan to maintain a safety net for people in need by delivering cash, food, medical benefits, child care, and other services to eligible people quickly and accurately.

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

Yes. This request supports the Governor's priority of holding government accountable.

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

Yes.

Department of Social and Health Services

**DP Code/Title: M2-WB Federal Funds Technical Adjustment
Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

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

This request aligns federal funding sources with projected federal earnings.

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

Not applicable

What are the consequences of not funding this package?

Not realigning federal funds will result in less accurate information on fund sources that will be earned.

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

Not applicable

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

Not applicable

Expenditure and revenue calculations and assumptions

See attachment: 'AW_M2-WB Federal Funds Technical Adjustment_2011.xls'.

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

The budget impacts will carry forward.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program Totals			
DSHS Source Code Detail			
Program 050	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-2, General Fund - Basic Account-Federal			
<u>Sources Title</u>			
ZZ06 001-2 s/b 001-C 19UL	(902,000)	(968,000)	(1,870,000)
<i>Total for Fund 001-2</i>	(902,000)	(968,000)	(1,870,000)
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources Title</u>			
19UL Title XIX Admin (50%)	902,000	968,000	1,870,000
<i>Total for Fund 001-C</i>	902,000	968,000	1,870,000
Total Program 050	0	0	0

**2012 Supplemental Budget
AW M2-WB Federal Funds Technical Adjustment**

Program	Fund Given As	2012	2013
010	001-2	787,000	977,000
	001-A	-	-
	001-C	-	-
	001-D	-	-
030	001-2	(547,000)	(525,000)
040	001-2	(976,000)	(1,064,000)
050	001-2	(902,000)	(968,000)
060	001-2	(1,264,000)	(1,958,000)
	001-A	-	-
	001-C	-	-
	001-D	-	-
Grand Total		(2,902,000)	(3,538,000)

Fund Should Be	2012	2013
001-0	-	-
001-A	(787,000)	(977,000)
001-D	-	-
001-C	-	-
001-A	-	-
001-A	-	-
001-C	547,000	525,000
001-C	976,000	1,064,000
001-C	902,000	968,000
001-A	(489,000)	(303,000)
001-C	1,753,000	2,261,000
001-2	-	-
001-C	-	-
001-A	-	-
001-8	-	-
Grand Total	2,902,000	3,538,000

Net Impact of DP	2012	2013
	-	-

Department of Social and Health Services

DP Code/Title: M2-WK FAMLINK
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Long Term Care (LTC), requests \$6,851,000 GF-Federal in the 2012 Supplemental Budget for the federally approved Critical Incident Tracking System (CITS) under the Money Follows the Person (MFP) grant.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050			
001-C General Fund - Basic Account-Medicaid Federal	3,723,000	3,128,000	6,851,000
Total Cost	3,723,000	3,128,000	6,851,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Program 050 FTEs	3.5	3.5	3.5

Package Description:

The CITS has been approved by the federal government for a grant under MFP of \$6,851,000 for 2012 Supplemental Budget. This does not require an additional appropriation of state matching funds. This request is for the additional federal appropriation authority. CITS will include an integrated capability to track (1) clients and perpetrators across settings and trend deficiencies, (2) the type of allegation, and (3) critical incidents by waiver type and MFP. The new system will be developed over the span of two years and will allow us to meet federal quality assurance requirements for our 1915-c waiver programs and MFP federal grant.

DSHS' computer applications that support the investigation and tracking of the abuse and neglect of Washington State's vulnerable adults and children are fragmented and do not interface. As a result, LTC cannot track or trend critical allegations of abuse and neglect across systems and living situations. LTC does not have an automated way to identify and analyze incidents by incident type, waiver or MFP program to provide system level remediation and improvement. Current analysis is a manual process. By not having these capabilities, LTC can not meeting federal quality assurance requirements for our 1915-c waiver programs and MFP federal grant.

The state proposes to incorporate the functionality of our current systems into FAMLINK, which is the case management and incident management system used by Children's Administration (CA) since February 1, 2009. The new system will include an integrated capability to track clients and perpetrators across settings and trend deficiencies in operations across facility types. It will also support tracking by type of allegation giving us the ability to quickly identify patterns in both type and frequency. And we will be able to track critical incidents by waiver type and MFP. This is a very high priority for Washington State. The solution will require temporary program and information technology resources to unify the key elements of these systems and strengthen their reliability and integrity for the protection of some of our most vulnerable citizens.

Agency contact: Edd Giger (360) 902-8067
Program contact: Daniel Knutson-Bradac (360) 725-2436

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

- Funding from this request would allow ADSA to utilize FAMLINK in order to:
- * Track all allegations of neglect, abuse and exploitation by type in an integrated reporting database.
 - * Track all allegations by waiver or program (i.e., Medicaid Personal Care (MPC), MFP, etc) type.

Department of Social and Health Services

DP Code/Title: M2-WK FAMLINK
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

- * Develop necessary functionality to support quality management functions: discovery, tracking, trending, remediation and improvement.
- * Enhance connection between provider background checks and critical incidents.
- * Increase coordination between complaint investigation and case management functions including case manager notification of incident.
- * Eliminate aging and inadequate systems that require expensive maintenance services.
- * Leverage functionality already in use by the CA.

Performance Measure Detail

Program: 050

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 relates to the Aging and Disability Services Administration (ADSA) Strategic Plan Goal Number 2 to continue efforts to enhance quality of services. Applicable objectives in this goal are (1) develop programmatic changes necessary to improve service quality and (2) support quality assurance processes.

Failing to incorporate the functionality of our current systems into CITS would essentially eliminate the chances of accomplishing either the objectives or the goals outlined in ADSA's 2009-13 Strategic Plan.

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

Yes. This request meets the goal to "Create a health care system that works" by increasing health care quality and utilizing health information technology.

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

Yes. Improving state government efficiency is one of the Priorities of Government. One of the key indicators under this priority is "Improve adequacy of tools/resources to execute government functions."

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

Not applicable

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

In the circumstance that funding (state and/or federal) is not available to build the new system identified in the Proposed Solution outlined above, ADSA will meet the waiver and MFP program assurances by completing the following:

- * Residential Community Services (RCS) will manually look up in Comprehensive Assessment, Reporting and Evaluation (CARE) to determine if a waiver or MFP client has been named in a Compliant Resolution System (CRU) report alleging abuse, neglect, or misappropriation.
- * If it is determined that a waiver or MFP client has been named in the report, a copy of the complaint will be sent to the identified case manager.
- * Allegations will be hand-coded to reflect the type of alleged incident for the waiver and MFP clients.
- * Office Chiefs or delegates will conduct annual audit samples to identify trends and patterns in type of incidents for waiver and MFP clients.
- * At the conclusion of RCS investigations, copies of Investigative Summary Reports will be made available electronically to case managers.

Department of Social and Health Services

DP Code/Title: M2-WK FAMLINK
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

* Adult Protective Services (APS) will receive Incident Reports from Division of Developmental Disabilities (DDD) via the regional email inbox and by phone.

* APS staff will notify case manager when initial report is received.

What are the consequences of not funding this package?

ADSA will not meet federal quality assurance requirements for 1915-c waivers. By not meeting federal requirements, this could risk waiver renewals and grant funding.

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 attachments: LTC M2-WK FAMLINK.xlsx; DSHS IT Investment Plan; and IT Addendum

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

Costs to build the system will continue into Fiscal Year 2014 and then end. Staff costs for system maintenance will be on-going and carry forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050 Objects			
A Salaries And Wages	81,000	112,000	193,000
B Employee Benefits	44,000	54,000	98,000
C Personal Service Contracts	3,524,000	2,875,000	6,399,000
E Goods And Services	42,000	49,000	91,000
J Capital Outlays	29,000	34,000	63,000
T Intra-Agency Reimbursements	3,000	4,000	7,000
Total Objects	3,723,000	3,128,000	6,851,000

DSHS Source Code Detail

<u>Program 050</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
Sources Title			
19TD Title XIX Assistance (90%)	3,723,000	3,128,000	6,851,000
Total for Fund 001-C	3,723,000	3,128,000	6,851,000
Total Program 050	3,723,000	3,128,000	6,851,000

2012 Supplemental Budget LTC WK - FAMLINK

8/24/2011

APSYS Famlink Critical Incident Tracking System (CITS) Project

Phase I APSIS Famlink CITS

APSYS Famlink Phase I funding will cover (1) requirements and design, (2) development interfaces, conversion, reports, (3) system testing, UAT certification, (4) knowledge transfer and (5) system configuration

The goals of Phase I are to integration RCS systems and APS systems in order to

1. Track all allegations of neglect, abuse and exploitation by type in an integrated reporting database.
 2. Track all allegations by waiver or program (i.e. MPC, MFP, etc) type.
 3. Develop necessary functionality to support quality management functions: discovery, tracking, remediation and improvement.
 4. Enhance connection between provider background checks and critical incidents.
 5. Increase coordination between complaint investigation and case management functions including case manager notification of incident.
 6. Eliminate aging and inadequate systems that require expensive maintenance services.
 7. Leverage functionality already in use by the Children's Administration.
- for clients of Home and Community Services, AAAs and Division of Developmental Disabilities
Contracted work for Phase I will begin May 2011 and be completed by December 2013.

FTEs						
SFY	Time frames	# of Months	FTEs	G-F-S Total	Federal Total	Total
SFY 2011	05/2011-06/2011	0				\$ -
SFY 2012	07/2011-06/2012	12	2.5	\$ -	\$ 145,098	\$ 145,098
SFY 2013	07/2012-06/2013	12	2.5	\$ -	\$ 145,098	\$ 145,098
SFY 2014	07/2013-02/2013	8	2.5	\$ -	\$ 96,732	\$ 96,732
Total		32	7.5	\$ -	\$ 386,928	\$ 386,928

Contracted Amount						
SFY	Time frames	# of Months	FTEs	G-F-S Total	Federal Total	Total
SFY 2011	05/2011-06/2011	2		\$ -	\$ 220,590	\$ 220,590
SFY 2012	07/2011-06/2012	12		\$ -	\$ 3,515,808	\$ 3,515,808
SFY 2013	07/2012-06/2013	12		\$ -	\$ 1,897,314	\$ 1,897,314
SFY 2014	07/2013-12/2013	6		\$ -	\$ -	\$ -
Total		32		\$ -	\$ 5,633,712	\$ 5,633,712

Total						
SFY	Time frames	# of Months	FTEs	G-F-S Total	Federal Total	Total
SFY 2011	05/2011-06/2011	2	0.0	\$ -	\$ 220,590	\$ 220,590
SFY 2012	07/2011-06/2012	12	2.5	\$ -	\$ 3,660,906	\$ 3,660,906
SFY 2013	07/2012-06/2013	12	2.5	\$ -	\$ 2,042,412	\$ 2,042,412
SFY 2014	07/2013-02/2013	8	2.5	\$ -	\$ 96,732	\$ 96,732
Total		34	7.5	\$ -	\$ 6,020,640	\$ 6,020,640

2012 Supplemental Budget LTC WK - FAMLINK

Phase 2 APSIS Famlink CITS

APSYS Famlink Phase II funding will cover (1) requirements and design, (2) development of interfaces, conversion, reports, (3) system testing, UAT certification, (4) knowledge transfer and (5) system configuration. Contracted work on Phase 2 will begin April 2013 and is expected to finish December 2013. Contracted costs below include some additional costs for Phase I.

The goal of Phase II is to:

1. Expands the proposed Critical Incident System to include children and adolescents with mental illness

SFY	Time frames	# of Months	FTEs			Federal Total	Total
			FTEs	G-F-S Total	Total		
SFY 2011		0	\$	-	\$	0	
SFY 2012	12/2011-06/2012	6	1 \$	-	54,000 \$	54,000	
SFY 2013	07/2012-06/2013	12	1 \$	-	108,000 \$	108,000	
SFY 2014	07/2013-12/2013	6	1 \$	-	54,000 \$	54,000	
Total		24	3 \$	-	216,000 \$	216,000	

SFY	Time frames	# of Months	Contracted Amount			Federal Total	Total
			FTEs	G-F-S Total	Total		
SFY 2011		0	\$	-	\$	0	
SFY 2012	07/2011-06/2012	12	\$	-	8,000 \$	8,000	
SFY 2013	07/2012-06/2013	12	\$	-	977,333 \$	977,333	
SFY 2014	07/2013-12/2013	6	\$	-	484,667 \$	484,667	
Total		30	\$	-	1,470,000 \$	1,470,000	

SFY	Time frames	# of Months	Total			Federal Total	Total
			FTEs	G-F-S Total	Total		
SFY 2011	05/2011-06/2011	0	0 \$	-	\$	-	
SFY 2012	07/2011-06/2012	12	1 \$	-	62,000 \$	62,000	
SFY 2013	07/2012-06/2013	12	1 \$	-	1,085,333 \$	1,085,333	
SFY 2014	07/2013-12/2013	6	1 \$	-	538,667 \$	538,667	
Total		30	3 \$	-	1,686,000 \$	1,686,000	

**2012 Supplemental Budget
LTC WK - FAMLINK**

The Famlink Critical Incident Tracking System (CITS) Project has already been approved by the federal government to be included under the Money Follows the Person (MFP) grant for a total of \$7,706,640. This does not require an additional appropriation of state matching funds.

Total APSIS Famlink CITS

SFY	Time frames	# of Months	FTEs	G-F-S Total	Federal Total	Total
SFY 2011	05/2011-06/2011	2	0	\$ 0	\$ 220,590	\$ 220,590
SFY 2012	07/2011-06/2012	12	3.5	\$ 3,722,906	\$ 3,722,906	\$ 3,722,906
SFY 2013	07/2012-06/2013	12	3.5	\$ 3,127,746	\$ 3,127,746	\$ 3,127,746
SFY 2014	07/2013-02/2013	8	3.5	\$ 635,399	\$ 635,399	\$ 635,399
Total		34	10.5	\$ -	\$ 7,706,640	\$ 7,706,640

Amount Awarded by Federal Government (CMS)

	Federal Total	Total
Phase 1	\$ 6,020,640	\$ 6,020,640
Phase 2	\$ 1,686,000	\$ 1,686,000
Total	\$ 7,706,640	\$ 7,706,640

Department of Social and Health Services
Information Technology Investment Plan

Critical Incidents Tracking System (CITS)
Project

MAY 9, 2011


A. Investment Approval Request (IAR)

DIS Log Number:

(Check box below that applies)

Email the Investment Plan Packet and Signed IAR to:
SubmitInvestmentPlan@dis.wa.gov

- First Time IAR
- Amendment to a previously approved IAR

1	Agency: DSHS, ADSA Contact: Ron Mayo Phone No. and E-Mail: 360 – 725 – 2386 Ronald.Mayo@dshs.wa.gov														
2	Project Name: Critical Incident Tracking System (CITS) Project Oversight Level: Level II Description of Investment: The Critical Incidents Tracking System (CITS) Project purpose is to track, trend, and report on critical incidents across settings and individuals. Critical incidents data is in some cases incomplete and is currently housed in several, disparate information systems: Complaint Resolution System, CARE, Facility Management System (FMS), and Adult Protective Services (APS). The CITS Project will consolidate critical incident data into the FamLink system. The Centers for Medicare & Medicaid Services (CMS) identified the Department's inability to report and trend data on critical incidents as a deficit in management of 1915(c) waivers. CMS has informed ADSA that we must have the capability of reporting for both children and adults so using FamLink will leverage resources already in existence for children.		Resource(s) to be Acquired (check all that apply) Type of Resource: <input type="checkbox"/> Equipment <input type="checkbox"/> Software <input checked="" type="checkbox"/> Purchased Services <input type="checkbox"/> Personal Services Telecommunications: <input type="checkbox"/> Voice <input type="checkbox"/> Video <input type="checkbox"/> Data <input type="checkbox"/> Radio												
3	Acquisition Method(s): <input type="checkbox"/> Request for Quotation (RFQ) <input checked="" type="checkbox"/> WSCA / ITPS / Other Master Contract (check all that apply) <input type="checkbox"/> Request for Quotation and Qualification (RFQQ) <input type="checkbox"/> Inter-Agency Transfer Seventh Amendment to contract # <input type="checkbox"/> Request for Proposal (RFP) <input type="checkbox"/> Interlocal Coop. Purchasing 0752-12787. <input type="checkbox"/> DIS Technology Brokering <input type="checkbox"/> Private Sector Strategic Partnership <input type="checkbox"/> Sole Source <input type="checkbox"/> Academic Strategic Partnership														
4	<table style="width: 100%; border: none;"> <tr> <td style="width: 20%;">Investment Cost:</td> <td style="width: 30%;">\$7,818,715</td> <td style="width: 20%;">Investment FTEs:</td> <td style="width: 30%;">28.86</td> </tr> <tr> <td>Maintenance Cost:</td> <td>\$1,810,754</td> <td>Maintenance FTEs:</td> <td>16.93</td> </tr> <tr> <td>Total Lifecycle Cost:</td> <td>\$9,629,469</td> <td></td> <td></td> </tr> </table>			Investment Cost:	\$7,818,715	Investment FTEs:	28.86	Maintenance Cost:	\$1,810,754	Maintenance FTEs:	16.93	Total Lifecycle Cost:	\$9,629,469		
Investment Cost:	\$7,818,715	Investment FTEs:	28.86												
Maintenance Cost:	\$1,810,754	Maintenance FTEs:	16.93												
Total Lifecycle Cost:	\$9,629,469														
5	Planned Investment Start and Completion Dates or Duration in Months: Start: May 2011 - July 2012: 27 months														
6	 Section 904 Request Closed (Infra Req #1) 904 Consult Number and Completion Date														
7	Agency Approval (Print Name/Signature):		Date:												
8	ISB/DIS Approval (Print Name/Signature):		Date:												

9	(DIS USE ONLY)
---	----------------

Note: An Investment Plan will not be processed without a completed and signed IAR.

B. Purpose of the Planned Investment

1. Business Problem to Be Solved

ADSA's computer applications that support the investigation and tracking of abuse and neglect of Washington States vulnerable adults do not meet current business need. ADSA is required to track critical incidents of abuse and neglect across settings by Medicaid waiver type. The diverse systems currently in production are fragmented and do not "talk to each other". As a result, we cannot track or trend critical allegations of abuse and neglect across systems, individuals, and living situations.

2. Proposed Solution to Business Problem

ADSA proposes to incorporate the functionality of the Complaint Resolution System and the Adult Protective Services System in WA FamLink. This desired new system would enhance data integrity to support more consistent, complete, and accurate federal reporting. The FamLink System will be enhanced with a new 'ADSA Module' that will be developed by a Vendor then transferred to ADSA after implementation for ongoing maintenance. Data feeds from FamLink, Comprehensive Assessment, Reporting and Evaluation (CARE), and the Facility Management System (FMS) into SQL Server Reporting Services (SSRS) will provide an integrated capability to track clients and perpetrators across settings and trend deficiencies in operations across facility types.

3. Project Objectives

Washington State proposes to develop an integrated client protection and tracking system. The new system will be developed over the span of two years.

Phase I:

- Incorporate the existing functionality of the ADSA Complaint Resolution System (CRU) into FamLink
- Conversion of existing data from CRU into FamLink
- Three new FamLink Interfaces: CARE, FMS, and Background Check Central Unit (BCCU)
- Data extract/feed from FamLink to SSRS for the basis of tracking and trending by ADSA.
- Develop necessary functionality to meet current and new business needs
- Integrating existing forms, templates, and notifications

Phase II:

- Incorporate the existing functionality of the Adult Protective Services Automated System (APSAS) and the Resident and Client Protection Program (CRPP) tools into Famlink.
- Conversion of existing APSAS and RCPP data into FamLink
- 3 interface updates to FamLink to due to new Phase II functionality
- Develop necessary functionality to meet current and new business needs
- 5 reports coded from FamLink read only Database
- Integrating existing forms, templates, and notifications

4. Project Performance Outcome and Measures

- Manage and complete key activities (Requirements, System development, UAT Testing, Implementation and Stabilization) as outlined in the published, approved schedule
- Contract with the vendor to meet defined, documented priority stakeholder requirements
- Establish an Implementation Plan with project stakeholders and then manage/monitor success and system acceptance against those criteria
- Manage project costs and payment schedule per the performance based contract amendment

5. Business Performance Outcome and Measures

- Track all allegations of neglect, abuse, and exploitation by type in an integrated reporting database.
- Track all allegations by waiver or program (i.e. MPC, MFP, etc) type
- Develop necessary functionality to support quality management functions: discovery, tracking, trending, remediation and improvement.
- Enhance connection between provider background checks and critical incidents
- Increase coordination between compliant investigation and case management functions including case manager notification of incident
- Eliminate aging and inadequate systems that require expensive maintenance services
- Leverage functionality already in use by Children's Administration

C. Justification

1. Relationship to Agency IT Portfolio and Business Plan

This investment supports the Department's "One Vision, One Mission, One Core Set of Values" business plan. This investment utilizes the successful FAMLINK application framework to integrate Critical Incident Reporting and Investigation in Aging and Disability Services into a single Enterprise approach to this business process.

The technical framework of the FAMLINK application is well established

2. Proposed Exceptions to ISB Technical Policies or Standards

No exceptions needed.

3. Relationship to State's Technology Infrastructure

This extension of the FAMLINK application will continue to be hosted on DIS servers and will reside at the State Datacenter. No new technologies are being added through this application extension.

4. Alternatives Considered

Building a new application from scratch within Aging and Disability Services Administration was also considered. While this approach had the benefit of being less expensive, this alternative represented a siloed and fragmented implementation path. The current proposal was selected in order to benefit from a single department approach to Critical Incident Management.

5. Alternative Selected

Extend the Children's Administration FAMLINK application to integrated Aging and Disability Services Administration's Critical Incident Management business process. We will decommission the current "Complaint Resolution System", "Adult Protective Services Automated System", and the "Nursing Home Complaint Tracking System."

6. 904 Consultation Outcome

Section 904 Request Closed

Hello Daniel Knutson-Bradac,

Thank you for your time to discuss your upcoming information technology investment.

During our consultation, your agency chose to purchase the shared services offered by DIS that are appropriate to the investment. Initially, we've identified these offerings as:

-Information Technology Professional Services (ITPS) Master Contract Program

As long as you continue to use the ITPS program for this particular acquisition, no additional consultation is required. However, all new ITPS related investments require completion of the 904 consultation process.

This notice confirms that, for this investment, you have consulted with DIS according to the requirements set forth in Section 904.

We will continue to work with you to address your service needs.

Sincerely,

Mike Dombrowsky
 Department of Information Services
 360-725-4220
miked@dis.wa.gov

D. Acquisition Process/Approach

1. Acquisition Method

An Amendment to DSHS Contract NO 0752-12787. ITPS program.

2. Contract Negotiation and Management

DSHS current contract NO. 0752-12787 is already in place. Contract Amendment has been collaboratively developed between Children's Administration, Aging and Disability Services administration and the vendor.

3. Acquisition Schedule

NA

Milestone	Start Date	Completion Date
Release RFP	09/09/2010	09/09/2010
RFP Responses Due		
Conduct Evaluations		
Announcement of ASV		
Contract Negotiations		
Sign Contract		

4. Implementation Schedule

Milestone	Start Date	Completion Date
-----------	------------	-----------------

Project Begins	5/31/11	12/20/13
Phase I (RCS)		
Requirements/Design/Gap Analysis	5/31/11	8/5/11
Detailed System Design	8/8/11	11/4/11
Testing	11/7/11	4/19/12
Implementation	4/20/12	4/20/12
Maintenance	4/23/12	6/29/12
Phase II (HCS)		
Requirements/Design/Gap Analysis	5/7/12	7/6/12
Detailed System Design	7/9/12	10/5/12
Testing	10/8/12	3/29/13
Implementation	4/1/13	4/1/13
Maintenance	4/1/13	5/31/13
Reports (RCS & HCS)		
Requirements/Design	5/6/13	7/12/13
Development	7/15/13	9/20/13
Testing	9/23/13	11/15/13
Implementation	11/18/13	11/18/13
Maintenance	11/19/13	12/20/13

E. Costs and Benefits

1. Internal IT Resources

The following IT resources will be assigned to the CITS project either part time or full time:

Team Member	Role
Daniel Knutson-Bradac	Project Director
Ron Mayo	Project Manager
Somu Somasundaram	Systems And Programming Section Chief
Deborah West	Testing Manager
Patt Monts	Project Office Section Chief
Kris Moehlenkamp	Technical Training Manager
Kate Easton	Business Analyst
Kevin Ewig	Developer

Keith Strandberg	Developer
------------------	-----------

2. Additional IT Resources to Be Acquired

1. One ITS 5 Application Developer
2. One ITS 5 Report Developer
3. One ITSS Application Trainer/Tester

3. Cost Benefit Analysis

Selected Alternative: Extend FAMLINK to include Aging and Disability Services applications for Critical Incident Management:

Cost: Contractor ITPS: **\$6,620,292.00**

Internal IT Resources: **\$537,000**

Total: **\$7,157,292**

Benefit: The selected option provides the department with a single enterprise solution to track and trend critical incidents of abuse and neglect perpetrated across all populations.

Discarded Alternative: Build Administration specific solution with in-house development services:

Cost: Internal Project Staff Costs: **\$994,980**

Benefit: This approach is less expensive and would provide significantly less functionality from an enterprise perspective.

4. Source of Funds

Funds requested from CMS Money Follows the Person Grant program.

5. Financing Plan

NA

6. Implementation and Maintenance Costs

{Provide all implementation and maintenance costs associated with this investment. An Excel document with instructions is provided to identify these costs. Click on the following link to access this document: Implementation and Maintenance Costs. Both worksheets included in the Excel document must be submitted with the investment plan packet.}

F. Project Management

1. Executive Management Support

MaryAnne Lindeblad and Denise Revels Robinson, Executive Sponsors have both served in a Project Sponsor role previously. Denise Revels Robinson currently serves as the Executive Sponsor for the FamLink Project. Both Executive Sponsors have demonstrated support for and an understanding of IT projects processes and best projects. This project will produce a monthly status report for both sponsors.

2. Experienced Project Manager

Ron Mayo is the ADSA Project Manager and Tim Lund is the CGI Project Manager for this effort. Ron Mayo has 4 years of project manager experience including managing the CMIS (Case Management Information System) project, a Level II project. Tim Lund has 18 years of Project Manager experience including managing the FamLink project since 2007.

3. Quality Assurance / Independent Verification and Validation

ADSA will rely on external Quality Assurance (QA) services from ISSD during the CITS Project. The additional oversight external QA will bring to the project is a key success factor. The quality assurance activities will include:

- A QA Plan including tasks to be preformed, related timelines, deliverable associated roles and responsibilities and how the QA staff fit into the organization structure of the project.
- Routine project schedule monitoring.
- Project Management Plan reviews and comments.
- Review and comment on all project deliverables.
- Routine project issue identification and resolution suggestions.
- Routine risk identification, prioritization and recommended risk mitigation strategies.
- Routine QA reporting to include briefing of key agency and/or project executives such as the project sponsor and project steering committee.

4. User Involvement

RCS and HCS Users: Headquarters and Field staff within Residential Care Services (RCS) and Home and Community Services (HCS) are the primary users of the CITS project. Therefore, each Division will designate staff who will participate in Core team meetings, requirements gathering sessions, UAT, training, and Implementation activities.

The Project Manager will train both internal and external users about project management protocols, best practices and the ADSA Project Management Methodology.

All Project Stakeholders will be aware of Risks, issues, and project Decisions as all project documentation is reviewed during Core team meetings and posted on a project SharePoint site.

5. Minimized Scope

Project scope is realistic and can be accomplished within the identified project schedule. Scope has been clearly identified, documented and prioritized. The Project Managers and Project Directors will maintain careful vigilance around defined scope, having discussions with the Executive Sponsors as needed to confirm/reassess.

6. Responsive Business Requirements Process

The Requirements team will be comprised of 10 ADSA headquarters stakeholders and 8 ADSA stakeholders from the field. The team will meet for face-to-face requirements gathering sessions (or via GoToMeeting) to participate in System Prototyping and Detailed Design sessions. The Business Requirements document will be developed, reviewed, and approved by in collaboration with the Requirements team who will also participate in User Acceptance Testing. All documents, including user feedback, will be catalogued, versioned and posted on SharePoint. All activities are detailed in the MS Project Schedule which is updated weekly. The original requirements schedule contains contingency to allow for modifications.

7. Formal Methodology

Yes, the project is using the rigorous, documented ADSA Project methodology that is based on Project Management best practices from a variety of sources – past lessons learned, PMI, PMBOK, PMF, etc.

8. Reliable Estimates

Schedule estimates are realistic based upon recent FamLink project schedules of similar size and scope. Cost estimates are realistic based upon feedback from the Central Contracts Office and prior experience with such procurements.

9. Skilled Staff

Yes, the project has identified the skill sets and specific staff for the various project phases and activities. Staffing expectations are documented and approved in the project staffing plan on SharePoint.

10. Implementation

Implementation will be managed collaboratively between ADSA and the CA vendor. The CA Vendor will manage FamLink implementation and ADSA will manage the implementation of ADSA systems, data links, and SSRS Reports. ADSA will manage user training business area post implementation support per standard ADSA best practices on past projects.

G. Risk

1. Change Capacity

The primary business change is the shift from using ADSA systems to manage incident reporting to the CA FamLink system. This change will be managed jointly by ADSA business and technical staff, and CA vendor technical staff through:

- ADSA involvement in all project phases and activities
- Training planned and delivered together
- A rigorous, proven post-implementation/stabilization support protocol
- Continued quality improvement analysis and system enhancements throughout the operations/maintenance periods

2. Dependencies

Project resourcing needs have been and will continue to be an ongoing topic in Sponsor and Executive Management venues to unsure that the project has adequate resourcing. All ADSA project resources have 'other jobs' but expectations around project needs are clearly articulated and agreed to on a regular basis. ADSA Executive Management and CA Executive Management teams have authority over project resources and have approved commitments planned for the project duration.

3. Investment Impact on Other Governmental Organizations

The only governmental agencies impacted by this project are DSHS ADSA staff and CA technical staff.

4. Project Risks

There are only two open risks currently on this project, as documented on our SharePoint site:

- Completing the vendor contract and receiving approval from Central Contracts so that work can begin on May 31, 2011 as scheduled
- Receiving CITS project Charter approval from DIS so that work can begin on May 31, 2011 as scheduled.

5. Agency Technology Infrastructure

The Department has several successful years of experience with the FAMLINK application architecture. ADSA has more than ten years experience with the Java Development Environment. Knowledge Transfer for other components of the FAMLINK framework are provided in the contract extension for internal developers to be able to maintain and extend the system in future years.

6. Severity and Risk Assessment

See the attached, CITS IT Project Assessment Matrix.

2012 Supplemental Budget M2 - WK FAMLINK

Provide the IT costs and staff breakdown for ongoing maintenance and support of this investment. Do not include implementation costs listed on the Implementation spreadsheet.

Replace FYxx with the applicable fiscal year. Shaded fields contain formulas and are protected. See "Instructions" tab if additional rows are needed.

Project Name: ADSA Critical Incident Tracking System in FAMLINK

Cost Breakdown - Maintenance	Year 1 - Planned FY14 (7/1 - 6/30)				Year 1 - Actual FYxx (7/1 - 6/30)				Year 2 - Planned FY15 (7/1 - 6/30)				Year 2 - Actual FYxx (7/1 - 6/30)								
	Number of Staff (Optional)	Annual Hours	# FTEs	Hourly Sal & Ben Rate	Salaries & Benefits (or Costs)	Number of Staff (Optional)	Annual Hours	# FTEs	Hourly Sal & Ben Rate	Salaries & Benefits (or Costs)	Number of Staff (Optional)	Annual Hours	# FTEs	Hourly Sal & Ben Rate	Salaries & Benefits (or Costs)	Number of Staff (Optional)	Annual Hours	# FTEs	Hourly Sal & Ben Rate	Salaries & Benefits (or Costs)	
Section 1 - State Resources																					
Project Director	1	208	0.10	\$59.37	\$12,349				0.00	\$0.00	1	208	0.10	\$59.37	\$12,349				0.00	\$0.00	\$0
Technical Lead	1	208	0.10	\$56.02	\$11,652				0.00	\$0.00	1	208	0.10	\$56.02	\$11,652				0.00	\$0.00	\$0
ITAS 6 Developer	1	2080	1.00	\$53.68	\$111,654				0.00	\$0.00	1	2080	1.00	\$53.68	\$111,654				0.00	\$0.00	\$0
ITAS 6 Developer	1	2080	1.00	\$53.68	\$111,654				0.00	\$0.00	1	2080	1.00	\$53.68	\$111,654				0.00	\$0.00	\$0
ITSS4	1	2080	1.00	\$45.26	\$94,141				0.00	\$0.00	1	2080	1.00	\$45.26	\$94,141				0.00	\$0.00	\$0
Project Manager	1	416	0.20	\$49.76	\$20,700				0.00	\$0.00	1	416	0.20	\$49.76	\$20,700				0.00	\$0.00	\$0
Total Annual State IT Staff and Hours	6	7072	3.39		\$362,151	0	0	0.00		\$0	6	7072	3.39		\$362,151	0	0	0.00		\$0	
Section 2																					
Total IT Salary and Benefits					\$362,151					\$0					\$362,151					\$0	\$0
Purchased Services Contracts																					
Personal Services Contracts																					
• Project Manager				\$0.00	\$0.00				0.00	\$0.00				0.00	\$0.00				0.00	\$0.00	\$0
• Quality Assurance				\$0.00	\$0.00				0.00	\$0.00				0.00	\$0.00				0.00	\$0.00	\$0
• IV&V				\$0.00	\$0.00				0.00	\$0.00				0.00	\$0.00				0.00	\$0.00	\$0
• All others combined				\$0.00	\$0.00				0.00	\$0.00				0.00	\$0.00				0.00	\$0.00	\$0
Hardware Purchases or Upgrades																					
Hardware Maintenance																					
Software License Purchases or Upgrades																					
Software Maintenance																					
Hardware Lease of Finance (including servers)																					
Indirect Costs																					
Training																					
Travel																					
Other (Specify)																					
Total Annual Contracted IT Staff and Hours	0	0	0.00		\$0	0	0	0.00		\$0	0	0	0.00		\$0	0	0	0.00		\$0	\$0
Total Contracted IT FTEs					\$0					\$0					\$0					\$0	\$0
Total Contracted Costs					\$0					\$0					\$0					\$0	\$0
Total Costs					\$362,151					\$362,151					\$362,151					\$362,151	\$0

* Total FTE calculations may vary from individual FTE calculations due to rounding. Totals are correct.

2012 Supplemental Budget M2 - WK FAMLINK

Year 3 - Planned FY15 (7/1 - 6/30)					Year 3 - Actual FYxx (7/1 - 6/30)					Year 4 - Planned FY17 (7/1 - 6/30)					Year 4 - Actual FYxx (7/1 - 6/30)					
Number of Staff (Optional)	Annual Hours	# FTEs	Hourly Sal & Ben Rate	Salaries & Benefits (or Costs)	Number of Staff (Optional)	Annual Hours	# FTEs	Hourly Sal & Ben Rate	Salaries & Benefits (or Costs)	Number of Staff (Optional)	Annual Hours	# FTEs	Hourly Sal & Ben Rate	Salaries & Benefits (or Costs)	Number of Staff (Optional)	Annual Hours	# FTEs	Hourly Sal & Ben Rate	Salaries & Benefits (or Costs)	
1	208	0.10	\$59.37	\$12,349				0.00	\$0.00	1	208	0.10	\$59.37	\$12,349				0.00	\$0.00	\$0
1	208	0.10	\$56.02	\$11,852				0.00	\$0.00	1	208	0.10	\$56.02	\$11,852				0.00	\$0.00	\$0
1	2080	1.00	\$53.68	\$111,854				0.00	\$0.00	1	2080	1.00	\$53.68	\$111,854				0.00	\$0.00	\$0
1	2080	1.00	\$53.68	\$111,854				0.00	\$0.00	1	2080	1.00	\$0.00	\$0				0.00	\$0.00	\$0
1	2080	1.00	\$45.26	\$94,141				0.00	\$0.00	1	2080	1.00	\$45.26	\$94,141				0.00	\$0.00	\$0
1	416	0.20	\$49.76	\$20,700				0.00	\$0.00	1	416	0.20	\$49.76	\$20,700				0.00	\$0.00	\$0
		0.00	\$0.00	\$0				0.00	\$0.00				0.00	\$0.00				0.00	\$0.00	\$0
6	7072				6	7072				6	7072				0	0				
		3.39		\$382,151				0.00	\$0			3.39		\$250,496				0.00	\$0	\$0
		0.00	\$0.00	\$0				0.00	\$0.00				0.00	\$0.00				0.00	\$0.00	\$0
		0.00	\$0.00	\$0				0.00	\$0.00				0.00	\$0.00				0.00	\$0.00	\$0
		0.00	\$0.00	\$0				0.00	\$0.00				0.00	\$0.00				0.00	\$0.00	\$0
		0.00	\$0.00	\$0				0.00	\$0.00				0.00	\$0.00				0.00	\$0.00	\$0
		0.00	\$0.00	\$0				0.00	\$0.00				0.00	\$0.00				0.00	\$0.00	\$0
		0.00	\$0.00	\$0				0.00	\$0.00				0.00	\$0.00				0.00	\$0.00	\$0
		0.00	\$0.00	\$0				0.00	\$0.00				0.00	\$0.00				0.00	\$0.00	\$0
		0.00	\$0.00	\$0				0.00	\$0.00				0.00	\$0.00				0.00	\$0.00	\$0
		0.00	\$0.00	\$0				0.00	\$0.00				0.00	\$0.00				0.00	\$0.00	\$0
0	0	0.00		\$0	0	0		0.00	\$0	0	0		0.00	\$0	0	0		0.00	\$0	\$0
		0.00		\$0				0.00	\$0				0.00	\$0				0.00	\$0	\$0
				\$382,151					\$382,151					\$250,496					\$250,496	\$0

2012 Supplemental Budget
M2 - WK FAMLINK

Year 5 - Planned FY18 (7/1 - 6/30)	Year 5 - Actual FYxx (7/1 - 6/30)	Year 5 - Planned		Year 5 - Actual		Combined Planned Totals	Combined Actual Totals	Combined Variance				
		# FTEs	Hourly Sal & Ben Rate	Salaries & Benefits (or Costs)	Number of Annual Staff (Optional) Hours				# FTEs	Hourly Sal & Ben Rate	Salaries & Benefits (or Costs)	
1	208	0.10	\$59.37	\$12,349			0.00	\$0.00	\$0	\$61,745	\$0	\$61,745
1	208	0.10	\$56.02	\$11,852			0.00	\$0.00	\$0	\$58,261	\$0	\$58,261
1	2080	1.00	\$53.66	\$111,854			0.00	\$0.00	\$0	\$556,272	\$0	\$556,272
1	2080	1.00	\$53.66	\$111,854			0.00	\$0.00	\$0	\$446,618	\$0	\$446,618
1	2080	1.00	\$45.26	\$94,141			0.00	\$0.00	\$0	\$470,704	\$0	\$470,704
1	476	0.20	\$49.76	\$20,700			0.00	\$0.00	\$0	\$103,801	\$0	\$103,801
		0.00	\$0.00	\$0			0.00	\$0.00	\$0	\$0	\$0	\$0
6	7072	3.39			0	0	0.00			16.93	0.00	16.93
				\$382,151					\$0	\$1,699,100	\$0	\$1,699,100
		0.00	\$0.00	\$0			0.00	\$0.00	\$0	\$0	\$0	\$0
		0.00	\$0.00	\$0			0.00	\$0.00	\$0	\$0	\$0	\$0
		0.00	\$0.00	\$0			0.00	\$0.00	\$0	\$0	\$0	\$0
		0.00	\$0.00	\$0			0.00	\$0.00	\$0	\$0	\$0	\$0
		0.00	\$0.00	\$0			0.00	\$0.00	\$0	\$0	\$0	\$0
		0.00	\$0.00	\$0			0.00	\$0.00	\$0	\$0	\$0	\$0
		0.00	\$0.00	\$0			0.00	\$0.00	\$0	\$0	\$0	\$0
		0.00	\$0.00	\$0			0.00	\$0.00	\$0	\$0	\$0	\$0
		0.00	\$0.00	\$0			0.00	\$0.00	\$0	\$0	\$0	\$0
		0.00	\$0.00	\$0			0.00	\$0.00	\$0	\$0	\$0	\$0
		0.00	\$0.00	\$0			0.00	\$0.00	\$0	\$0	\$0	\$0
0	0	0.00		\$0	0	0	0.00			0.00	0.00	0.00
				\$362,151					\$0	\$1,699,100	\$0	\$1,699,100

Copy the total from the yellow highlighted cell to "Maintenance Cost" in Section 4 of the IAR form

**2012 Supplemental Budget
M2 - WK FAMLINK**

There is often confusion related to the calculation of FTEs. For the purpose of this workbook FTEs represent hours planned or worked annually.

If you are using the percentage of time worked, the table shows how that calculates to hours and FTE. * If you have a different percentage you can enter it in the yellow highlighted cell then the hours and FTE will be calculated for you.

** If you have a different number of hours than what is represented on the chart you can enter them in the green highlighted cell then the % and FTE will be calculated for you. **Note:** Formulas for converting number of hours to FTEs are already built into the worksheets.

Each Fiscal Year's Planned and Actual FTEs are added under the associated sections on both the Implementation and Maintenance worksheets. For the overall FTE counts on either worksheet look at the Combined Totals on the far right of the worksheet.

Definitions

FTE = Full-Time Equivalency

1 Staff Month = 174 hours = 0.08 FTE

12 Staff Months = 2088 hours = 1 FTE

Annual Hours	Annual %	FTE
2088.00	100.00%	1.00
1879.20	90.00%	0.90
1670.40	80.00%	0.80
1566.00	75.00%	0.75
1461.60	70.00%	0.70
1252.80	60.00%	0.60
1044.00	50.00%	0.50
835.20	40.00%	0.40
626.40	30.00%	0.30
522.00	25.00%	0.25
417.60	20.00%	0.20
208.80	10.00%	0.10
173.93	8.33%	0.08
104.40	5.00%	0.05
20.88	1.00%	0.01
0.00		0.00
	0.00%	0.00

*Enter Percent →

**Enter Hours →

2012 Supplemental Budget

M2 - WK FAMLINK

Provide the IT costs and breakdown of full-time and part-time, permanent and project staff required to implement this investment. Include staff on loan from other agencies. Do not include ongoing maintenance costs on this page.

Replace FYxx with the applicable fiscal year. Replace or delete the italicized sample data in the unshaded fields in the Year 1 - Planned/Actual columns. Shaded fields contain formulas and are protected. See "Instructions" tab if additional rows are needed.

Project Name: +

	Year 1 - Planned (7/1 - 6/30)				Year 1 - Actual (7/1 - 6/30)				Year 2 - Planned (7/1 - 6/30)				Year 2 - Actual (7/1 - 6/30)								
	Number of Staff (Optional)	Hours	# FTEs	Hourly Sal & Ben Rates	Salaries & Benefits (or Costs)	Number of Staff (Optional)	Hours	# FTEs	Hourly Sal & Ben Rates	Salaries & Benefits (or Costs)	Number of Staff (Optional)	Hours	# FTEs	Hourly Sal & Ben Rates	Salaries & Benefits (or Costs)	Number of Staff (Optional)	Hours	# FTEs	Hourly Sal & Ben Rates	Salaries & Benefits (or Costs)	
Section 1 - State Resources																					
In House Staff																					
Project Director	1	346	0.17	\$59.37	\$20,642																
WMS Band 3 - Project Subject Lead	1	346	0.17	\$53.68	\$18,573																
ITSS 5 Project Manager	1	346	0.17	\$49.76	\$17,217																
Technical Lead	1	346	0.17	\$56.02	\$19,383																
Subject Matter Experts	10	200	0.10	\$41.25	\$8,250																
ITAS 6 Developer			0.00	\$0.00	\$0																
ITAS 6 Testing Manager			0.00	\$0.00	\$0																
ITSS 5 Trainign Manager			0.00	\$0.00	\$0																
ITSS 4 Trainer			0.00	\$0.00	\$0																
ITSS 4 Tester			0.00	\$0.00	\$0																
ITSS 4 Developer			0.00	\$0.00	\$0																
Total Annual State IT Staff and Hours	14	1584				0	0	0			20	13208	6.33			0	0	0			
Total IT Salary and Benefits					\$83,965					\$0					\$613,286						\$0
Section 2																					
Purchased Services Contracts					\$0					\$0					\$0						\$0
Project Manager	1	346	0.17	\$140.00	\$48,440					\$0					\$0						\$0
Project Lead	1	346	0.17	\$140.00	\$48,440					\$0					\$0						\$0
Senior Business Analyst	1	319	0.15	\$140.00	\$44,660					\$0					\$0						\$0
Business Analyst	1	66	0.04	\$140.00	\$12,040					\$0					\$0						\$0
Business Analyst	1	0	0.00	\$140.00	\$0					\$0					\$0						\$0
Senior Developer	1	346	0.17	\$140.00	\$48,440					\$0					\$0						\$0
Developer	1	86	0.04	\$140.00	\$12,040					\$0					\$0						\$0
Developer	1	0	0.00	\$140.00	\$0					\$0					\$0						\$0
Conversion DBA	1	222	0.11	\$140.00	\$31,080					\$0					\$0						\$0
External QA	1	10	0.00	\$65.00	\$650					\$0					\$0						\$0
Hardware Lease of Finance (including servers)					\$0					\$0					\$0						\$0
Indirect Costs					\$0					\$0					\$0						\$0
Training					\$0					\$0					\$0						\$0
Travel					\$0					\$0					\$0						\$0
Other (Specify)					\$0					\$0					\$0						\$0
Total Annual Contracted IT Staff and Hours	6	1124				0	0	0		\$0	4	8320	6.73		\$3,164,260	0	0	0			\$0
Total Contracted FTEs					\$245,790					\$0					\$3,164,260						\$0
Total Contracted Costs					\$245,790					\$0					\$3,164,260						\$0
Total Costs					\$329,755					\$0					\$3,777,546						\$0

* Total FTE calculations may vary from individual FTE calculations due to rounding. Totals are correct.

2012 Supplemental Budget M2 - WK FAMLINK

ADSA Critical Incident Tracking System in FAMLINK

Year 3 - Planned (7/1 - 6/30)				Year 3 - Actual (7/1 - 6/30)				Year 4 - Planned (7/1 - 6/30)				Year 4 - Actual (7/1 - 6/30)							
Number of Staff (Optional)	Annual Staff Hours	Hourly Sal & Ben Rates	# FTEs	Salaries & Benefits (or Costs)	Number of Staff (Optional)	Annual Staff Hours	# FTEs	Hourly Sal & Ben Rates	Salaries & Benefits (or Costs)	Number of Staff (Optional)	Annual Staff Hours	# FTEs	Hourly Sal & Ben Rates	Salaries & Benefits (or Costs)	Number of Staff (Optional)	Annual Staff Hours	# FTEs	Hourly Sal & Ben Rates	Salaries & Benefits (or Costs)
1	416	\$0.00	0.00	\$0				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
1	520	\$59.37	0.20	\$24,698				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
1	520	\$63.68	0.25	\$27,914				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
1	1560	\$49.76	0.75	\$77,626				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
1	416	\$56.02	0.20	\$23,304				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
10	5200	\$41.25	2.49	\$214,500				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
1	2080	\$53.68	1.00	\$111,654				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
1	520	\$53.68	0.25	\$28,460				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
1	1040	\$49.76	0.50	\$51,750				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
1	1560	\$45.26	0.75	\$70,608				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
1	1040	\$45.26	0.50	\$47,070				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
1	2080	\$45.26	1.00	\$94,141				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
20	16442		7.87	\$771,713	0	0	0.00		\$0	0	0	0.00		\$0	0	0	0.00		\$0
1	1040	\$140.00	0.50	\$145,600				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
1	2080	\$140.00	1.00	\$291,200				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
1	2080	\$140.00	1.00	\$291,200				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
1	2080	\$140.00	1.00	\$291,200				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
1	2080	\$140.00	1.00	\$291,200				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
1	2080	\$140.00	1.00	\$291,200				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
1	2080	\$140.00	1.00	\$291,200				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
1	2080	\$140.00	1.00	\$291,200				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
2	3095	\$140.00	1.48	\$433,300				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
1	2080	\$140.00	1.00	\$291,200				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
1	460	\$65.00	0.23	\$31,200				\$0.00	\$0				\$0.00	\$0				\$0.00	\$0
				\$0				\$0	\$0				\$0	\$0				\$0	\$0
				\$0				\$0	\$0				\$0	\$0				\$0	\$0
				\$0				\$0	\$0				\$0	\$0				\$0	\$0
				\$0				\$0	\$0				\$0	\$0				\$0	\$0
4	8320		6.48	\$2,939,700	0	0	0.00		\$0	0	0	0.00		\$0	0	0	0.00		\$0
				\$0				\$0	\$0				\$0	\$0				\$0	\$0
				\$3,711,413				\$0	\$0				\$0	\$0				\$0	\$0
				\$0				\$0	\$0				\$0	\$0				\$0	\$0

2012 Supplemental Budget M2 - WK FAMLINK

FYxx	Year 5 - Planned (7/1 - 6/30)		Year 5 - Actual (7/1 - 6/30)		Hourly Sal & Ben Rates	FTEs	Hourly Sal & Ben Rates	FTEs	SALARIES & BENEFITS (or Costs)	SALARIES & BENEFITS (or Costs)	Combined Planned Totals	Combined Actual Totals	Combined Variance
	Number of Annual Staff (Optional) Hours	# FTEs	Number of Annual Staff (Optional) Hours	# FTEs									
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$0	\$0	\$0
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$69,938	\$0	\$69,938
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$74,400	\$0	\$74,400
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$172,468	\$0	\$172,468
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$65,992	\$0	\$65,992
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$437,250	\$0	\$437,250
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$187,482	\$0	\$187,482
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$50,781	\$0	\$50,781
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$77,828	\$0	\$77,828
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$117,876	\$0	\$117,876
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$94,141	\$0	\$94,141
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$141,211	\$0	\$141,211
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$14,96	\$0	\$14,96
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$1,468,965	\$0	\$1,468,965
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$0	\$0	\$0
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$630,840	\$0	\$630,840
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$627,060	\$0	\$627,060
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$584,440	\$0	\$584,440
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$582,400	\$0	\$582,400
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$582,400	\$0	\$582,400
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$630,840	\$0	\$630,840
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$594,440	\$0	\$594,440
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$1,015,700	\$0	\$1,015,700
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$613,480	\$0	\$613,480
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$63,050	\$0	\$63,050
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$0	\$0	\$0
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$0	\$0	\$0
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$0	\$0	\$0
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$0	\$0	\$0
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$0	\$0	\$0
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$0	\$0	\$0
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$13,90	\$0	\$13,90
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$6,349,750	\$0	\$6,349,750
					\$0.00	0.00	\$0.00	0.00	\$0	\$0	\$7,818,715	\$0	\$7,818,715

Copy the total from the yellow highlighted cell to "Implementation Cost" in Section 4 of the IAR form

Information Technology (IT) Addendum

Complete one IT Addendum for each decision package. See Section 12.3 of the 2011-13 Operating Budget Instructions for more guidance. This form is located at <http://www.ofm.wa.gov/budget/forms.asp>

I. Complete questions 1 through 9 for every IT-related Decision Package:

1. Provide a brief description of the Information Technology (IT) components of this decision package (e.g., the project or commodity investment):

This decision package requests authority to spend the federal dollars allocated to this project through a Money Follows the Person Grant to the State of Washington.

The Critical Incidents Tracking System (CITS) Project purpose is to track, trend, and report on critical incidents across settings and individuals. Critical incidents data is in some cases incomplete and is currently housed in several, disparate information systems: Complaint Resolution System, CARE, Facility Management System (FMS), and Adult Protective Services (APS). The CITS Project will consolidate critical incident data into the FamLink system. The Centers for Medicare & Medicaid Services (CMS) identified the Department's inability to report and trend data on critical incidents as a deficit in management of 1915(c) waivers. CMS has informed ADSA that we must have the capability of reporting for both children and adults so using FamLink will leverage resources already in existence for children.

2. Is the project or commodity investment in the agency's IT Portfolio: Yes No
3. What is the oversight level for this project or commodity investment? Attach a copy of the completed severity risk matrix : Project has been rated a Level 2 Assessment Attached
4. What common services will be utilized for this project or commodity investment?
A list of common services is available at <http://techmall.dis.wa.gov/>.
 - Network Services
 - Portfolio Management
 - Project Management Framework
5. Is a 904 consultation e-mail confirmation for this project or commodity investment attached to the decision package? Yes No
6. Breakdown of Implementation Costs/FTEs of the IT Project or Commodity Investment:
Note: Do not include any on-going maintenance costs, since they will be asked for in Question # 7 below. Please provide this information using the InfoPath form at: <http://sharepoint.dis.wa.gov/ofm/dut/OFMSAF/IT%20Addendum/Forms/allitems.aspx>. Specific instructions for completing this form can be found at Appendix A-3 of the Budget Instructions. If you need access, please email a request to SharePointHelpDesk@ofm.wa.gov, with the Subject: Request for IT Addendum SharePoint Site Access.
7. Breakdown of Ongoing Maintenance and Support Costs for the Project or Commodity Investment: Provide the IT costs and IT FTE breakdown for ongoing maintenance and

support of this project or commodity investment in the table (below). These costs should not duplicate implementation costs provided in Question # 6 (above).

Cost Breakdown (maintenance)						
	Year 1 FY14	Year 2 Fy15	Year 3 FY16	Year 4 FY17	Year 5 FY18	Totals
IT FTEs –						
▪ 1 Project Director	\$12,349	\$12,349	\$12,349	\$12,349	\$12,349	\$61,475
▪ 1 Technical Lead	\$11,652	\$11,652	\$11,652	\$11,652	\$11,652	\$58,261
▪ 2 ITAS6	\$223,308	\$223,308	\$223,308	\$223,308	\$223,308	\$1,116,544
▪ 1ITSS4	\$94,141	\$94,141	\$94,141	\$94,141	\$94,141	\$470,704
▪ 1 Project Manager	\$20,700	\$20,700	\$20,700	\$20,700	\$20,700	\$103,501
Purchased Services Contracts						
Personal Services Contracts						
Hardware Purchase or Upgrades						
Hardware Maintenance						
Software License Purchase or Upgrades						
Software Maintenance						
Hardware Lease or Finance (including servers)						
Maintenance & Operations (including DIS)						
Training						
Travel						
Other (specify)						
Annual Total	\$362,151	\$362,151	\$362,151	\$362,151	\$362,151	\$1,810,754

8. Was a quote provided to you for this project or commodity investment? Yes No

If yes, who provided the quote and when? Please attach a copy of the quote.

CGI Amendment Attached:

9. Is this investment an e-commerce investment? Yes No

If yes, a copy of the approved Economic Feasibility Study must be attached to the decision package.

II. Continue completing questions 10 through 14 if the IT request pertains to a project (versus a commodity investment):

10. Is this a new project or a continuation of an existing project?

New Continuation

11. Describe how the Project Manager and Quality Assurance will be acquired (i.e., existing state employees , hire new staff, or contract with vendor):

ADSA will utilize the Section Chief of its Project Management Office to manage this project.

ADSA will rely on external Quality Assurance (QA) services from ISSD during the CITS Project. The additional oversight external QA will bring to the project is a key success factor. The quality assurance activities will include:

A QA Plan including tasks to be performed, related timelines, deliverable associated roles and responsibilities and how the QA staff fit into the organization structure of the project.

- Routine project schedule monitoring.
- Project Management Plan reviews and comments.
- Review and comment on all project deliverables.
- Routine project issue identification and resolution suggestions.
- Routine risk identification, prioritization and recommended risk mitigation strategies.
- Routine QA reporting to include briefing of key agency and/or project executives such as the project sponsor and project steering committee.

12. Describe your project management approach.

Oversight

Project oversight is provided by the IT Assistant Director and the PMP certified Project Office Section Chief.

Staffing

ADSA subscribes to ISB Policy 300-P1 that states: "It is ISB policy that agencies shall ensure that IT projects are conducted in a disciplined, well-managed, and consistent manner that promotes the delivery of quality products completed on time and within budget. It shall be accomplished through the hiring of experienced project managers or through training." 80% of ADSA Project Management staff are certified Project Managers. They have been selected and skill sets developed so that our Project Manager knowledge, skills and abilities include:

- Demonstrated effective management and leadership skills.
- Knowledge of IT Project Management best practices and principles
- Experience communicating with management, business and technical staff, end users and stakeholders in a project environment through all phases of the project lifecycle.
- Experience developing project schedules including defining work breakdown structures, estimating resources, and task scheduling as well as maintaining project schedules throughout the project lifecycle.
- Experience defining, developing, implementing and monitoring critical project management plan components such as change management,

communications management, risk management, issue management, stakeholder management and resource management.

- Proven ability to define, communicate and maintain an effective project organization and governance structure throughout the project lifecycle.
- Proficiencies in the technical tools and techniques that are required to support IT projects
- Experience building cohesive teams within a complex, political environment

Processes

ADSA's Project Office has created and adopted a Project Management Methodology that again supports the ISB Policy in that "IT projects are conducted in a disciplined, well-managed, and consistent manner that promotes the delivery of quality products completed on time and within budget." Our Methodology has consistently proven itself in recent years as evidenced by our successful project deliveries – within scope, schedule and budget.

The Methodology incorporates DIS Project Management Framework components, Project Management Institute best practices as well as ISB Policy and ISSD Standards content. ADSA Project Managers are held to the highest standards as outlined in our Methodology areas of emphasis:

- Documentation
- Requirements & Testing
- Change management and scope control
- Risk and issue management
- Budget and schedule management
- Communication Planning
- Resource management

13. Provide the estimated project duration and estimated start date.

Start: 6/6/2011 – 12/20/2013: 30 months

14. Where will the system be hosted?

System will be hosted in the state data center.

	Impact on Clients	Visibility	Impact on State Operations	Failure or Nil Consequences
High	<input type="checkbox"/> Direct contact with citizens, political subdivisions, and service providers - including benefits payments and transactions.	<input type="checkbox"/> Highly visible to public, trading partners, political subdivisions and Legislature. Likely subject to hearings. System processes sensitive / confidential data (e.g. medical, SSN, credit card #s).	<input type="checkbox"/> Statewide or multiple agency involvement / impact.	<input type="checkbox"/> Inability to meet legislative mandate or DSHS mission.
Medium	<input type="checkbox"/> Indirect impacts on citizens through management systems that support decisions that are viewed as important by the public.	<input checked="" type="checkbox"/> Some visibility to the Legislature, trading partners, or public the system / program supports.	<input checked="" type="checkbox"/> Multiple administrations, within DSHS.	<input type="checkbox"/> Potential failure of aging systems.
Low	<input checked="" type="checkbox"/> Impact on DSHS systems that support service delivery.	<input type="checkbox"/> Internal DSHS only. Visible to multiple administrations.	<input type="checkbox"/> Single administration. Improve or expand existing wide area networks or mainframes with similar technology.	<input type="checkbox"/> Loss of opportunity for improved service delivery efficiency.
Very Low	<input type="checkbox"/> Impact on systems that are operational or administrative only.	<input type="checkbox"/> Visible to single division only.	<input type="checkbox"/> Single division. Improve or expand existing local area network.	<input type="checkbox"/> Loss of opportunity for improved operational or administrative efficiency.

	Functional Impact on Business Processes or Rules	Development Effort and Resources	Technology	Capability and Management
High	<input type="checkbox"/> Significant change to business rules. <input type="checkbox"/> Replacement of a mission critical system. <input type="checkbox"/> Multiple organizations involved. <input type="checkbox"/> Requires extensive and substantial job training for work groups.	<input checked="" type="checkbox"/> Over \$5 million. <input checked="" type="checkbox"/> Development and implementation exceeds 24 months.* <input type="checkbox"/> Requires a second decision package. * Clock starts after feasibility study or project approval and release of funding.	<input type="checkbox"/> Emerging. <input type="checkbox"/> Unproven. <input type="checkbox"/> Two or more of the following are new for agency technology staff or integrator, or are new to the agency architecture: <input type="checkbox"/> Programming language <input type="checkbox"/> Operating systems <input type="checkbox"/> Database products <input type="checkbox"/> Development tools <input type="checkbox"/> Data communications technology. <input type="checkbox"/> Requires PKI certificate. <input type="checkbox"/> Complex architecture – greater than 2 tier.	<input type="checkbox"/> Minimal executive sponsorship. <input type="checkbox"/> Organization uses ad-hoc processes. <input type="checkbox"/> Organization and/or vendor track record suggests inability to mitigate risk on project requiring a given level of development effort.
Medium	<input checked="" type="checkbox"/> Moderate change to business rules. <input type="checkbox"/> Major enhancement or moderate change of mission critical system. <input type="checkbox"/> Medium complexity business process(es). <input checked="" type="checkbox"/> Requires moderate job training.	<input type="checkbox"/> Under \$5 million but over agency delegated authority. <input type="checkbox"/> 12 to 24 months for development and implementation.*	<input type="checkbox"/> New in DSHS with 3rd party expertise and knowledge transfer. <input type="checkbox"/> One of the technologies listed above is new for agency development staff.	<input type="checkbox"/> Executive sponsor knowledgeable but not actively engaged. <input checked="" type="checkbox"/> System integrator under contract with organization technical participation. <input type="checkbox"/> Organization and/or vendor record indicates good level of success but without the structure for repeatability.
Low	<input type="checkbox"/> Insignificant change to business rules. <input type="checkbox"/> Low complexity business process(es). <input type="checkbox"/> Some job training could be required.	<input type="checkbox"/> Within agency delegated authority (\$1.73 million). <input type="checkbox"/> Under 12 months for development and implementation.*	<input type="checkbox"/> Standard, proven DSHS technology. <input type="checkbox"/> New in administration or division with 3rd party expertise and knowledge transfer. Third party may include another DSHS administration or division.	<input checked="" type="checkbox"/> Strong executive sponsorship. <input checked="" type="checkbox"/> Organization and vendor have strong ability to mitigate risk on a development project.
Very Low	<input type="checkbox"/> No training required, but may require brief orientation. <input type="checkbox"/> No change to business rules or processes.	<input type="checkbox"/> Under \$50,000 total and no single purchase greater than \$10,000. <input type="checkbox"/> Under three staff-months for development and implementation.*	<input checked="" type="checkbox"/> Standard, proven administration or division technology. <input type="checkbox"/> Development staff possesses high degree of expertise in chosen technology.	<input checked="" type="checkbox"/> Project staff uses documented and repeatable processes for tracking status, problems, and change. <input type="checkbox"/> Project management practices are appropriate for nature and scope of this effort.

Project Approval and Oversight Matrix				
	Level 1	Level 2	Level 2	Level 3
High Severity	Level 1 <input type="checkbox"/>	Level 2 <input type="checkbox"/>	Level 2 <input type="checkbox"/>	Level 3 <input type="checkbox"/>
Medium Severity	Level 1 <input type="checkbox"/>	Level 1 <input type="checkbox"/>	Level 2 <input checked="" type="checkbox"/>	Level 2 <input type="checkbox"/>
Low Severity	Level 0 <input type="checkbox"/>	Level 1 <input type="checkbox"/>	Level 1 <input type="checkbox"/>	Level 1 <input type="checkbox"/>
Very Low Severity	Level 0 <input type="checkbox"/>	Level 0 <input type="checkbox"/>	Level 1 <input type="checkbox"/>	Level 1 <input type="checkbox"/>
	Very Low Risk	Low Risk	Medium Risk	High Risk

Oversight Requirements		
	Justification and Approval Decision	Feasibility Study and Project Management Approach/Execution
Level 0 <input type="checkbox"/>	<ul style="list-style-type: none"> Administration or division approval with option of e-Center consultation 	<ul style="list-style-type: none"> Administration- or division-defined methods using industry best practices.
Level 1 <input type="checkbox"/>	<ul style="list-style-type: none"> DSHS Executive* approval with option of DIS consultation. *May be administration Assistant Secretary or CIO. 	<ul style="list-style-type: none"> DSHS-defined methods using industry best practices.
Level 2 <input checked="" type="checkbox"/>	<ul style="list-style-type: none"> DSHS CIO approval. DIS Director review and approval. 	<ul style="list-style-type: none"> DSHS executive approval. DIS consultation.
Level 3 <input type="checkbox"/>	<ul style="list-style-type: none"> DSHS Secretary approval. DIS executive review and comment. ISB approval. 	<ul style="list-style-type: none"> DSHS presents feasibility study to ISB. Prototype required at discretion of ISB. Private sector participation encouraged or required.
		<ul style="list-style-type: none"> Internal or external QA at DSHS discretion. DIS and DSHS determine oversight required. ISB oversight optional. Reported as part of portfolio.
		<ul style="list-style-type: none"> Administration or division discretion.
		<ul style="list-style-type: none"> Internal QA at DSHS determination. Reported as part of portfolio. DSHS determines internal oversight required.
		<ul style="list-style-type: none"> Internal or external QA at DSHS discretion. DIS and DSHS determine oversight required. ISB oversight optional. Reported as part of portfolio.
		<ul style="list-style-type: none"> ISB oversight required. External QA required. ISB audit as necessary. Other ISB discretionary actions as needed. Reported as part of portfolio.
		<ul style="list-style-type: none"> Administration or division discretion.

IT Addendum

Decision Package Code: PL-WK **Decision Package Title:** Federal Grant-FAMLINK

Project Title (ITPMS):

Agency: Department of Social and Health Serv...

Preparer: Steve Blair

Contact Phone: 360-725-2578



All Version 30
Decision Packages.xls
Microsoft Office Excel
97-2003 Worksheet
343 KB



All Version 30
Decision Packages.xls
Microsoft Office Excel
97-2003 Worksheet
343 KB



All Version 30
Decision Packages.xls
Microsoft Office Excel
97-2003 Worksheet
343 KB

Phase Estimates for: PreDesign

IT FTEs	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	2011-13	2013-15	2015-17
Job Classification											
In House Staff									0.0	0.0	0.0
Project Director	0.2	0.2							0.2	0.0	0.0
WMS Band 3 - Project ...	0.3	0.3							0.3	0.0	0.0
ITSS 5 Project Manager	0.8	0.8							0.8	0.0	0.0
Technical Lead	0.2	0.2							0.2	0.0	0.0
Subject Matter Experts	2.5	2.5							2.5	0.0	0.0
ITAS 6 Developer	0.5	1.0							0.8	0.0	0.0
ITAS 6 Testing Manager	0.2	0.3							0.2	0.0	0.0
ITSS 5 Training Manager	0.3	0.5							0.4	0.0	0.0
ITSS 4 Trainer	0.5	0.8							0.6	0.0	0.0
ITSS 4 Tester	0.5	0.5							0.5	0.0	0.0
ITSS 4 Developer	0.5	1.0							0.8	0.0	0.0

Total FTEs	6.3	7.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Salaries & Benefits	613,286	771,713																		
Purchased Services	3,164,260	2,939,700																		
Personal Service Contracts																				
Hardware Purchases or Upgrades																				
Hardware Maintenance																				
Software Purchases or Upgrades																				
Software Maintenance																				
Hardware Lease & Finance																				
Training																				
Travel																				
Other																				
Subtotal	3,777,546	3,711,413	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Contingency 10%	377,755	371,141	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Inflation 3.0	0	124,659	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	4,155,301	4,207,213	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Account-EA (e.g., 001-1)																				
001-1																				
001-2	4,155,301	4,207,213																		
Total All Accounts	4,155,301	4,207,213	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Check Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Phase - Total All Accounts																				

Please provide a narrative summary, notes and assumptions, of non-staffing cost items

Click "Insert Item" below to add another phase cost detail

Total All Phases (section may be hidden if only one phase)

	Biennium											
	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	2011-13	2013-15	2015-17	2
Total FTEs	6.3	7.9	0.0	0.0	0.0	0.0	0.0	0.0	7.1	0.0	0.0	C
Salaries & Benefits	613,286	771,713	0	0	0	0	0	0	1,384,999	0	0	C
Purchased Services	3,164,260	2,939,700	0	0	0	0	0	0	6,103,960	0	0	C
Personal Service Contracts	0	0	0	0	0	0	0	0	0	0	0	C
Hardware Purchases or Upgrades	0	0	0	0	0	0	0	0	0	0	0	C
Hardware Maintenance	0	0	0	0	0	0	0	0	0	0	0	C
Software Purchases or Upgrades	0	0	0	0	0	0	0	0	0	0	0	C
Software Maintenance	0	0	0	0	0	0	0	0	0	0	0	C
Hardware Lease & Finance	0	0	0	0	0	0	0	0	0	0	0	C
Training	0	0	0	0	0	0	0	0	0	0	0	C
Travel	0	0	0	0	0	0	0	0	0	0	0	C
Other	0	0	0	0	0	0	0	0	0	0	0	C
Subtotal All Phases	3,777,546	3,711,413	0	0	0	0	0	0	7,488,959	0	0	C
Contingency	377,755	371,141	0	0	0	0	0	0	748,896	0	0	C
Inflation	0	124,659	0	0	0	0	0	0	124,659	0	0	C
Grand Total	4,155,301	4,207,213	0	0	0	0	0	0	8,362,514	0	0	C

EXHIBIT A

CHANGE REQUEST 525

Incorporate ADSA's CMS Requirements, CRU, RCPP and APSAS System Functionality into FamLink



Change Request Statement	Incorporate ADSA's CMS Requirements and the functionality of ADSA's Complaint Resolution System (CRU), Individuals in Facilities Spreadsheets(RCPP) and Adult Protective Services Automated System (APSAS) into FamLink			
	Change Request Number:		<u>CR-525</u>	
	Date Identified:		03/16/2011	
Originator	Name	Daniel Knutson-Bradac		
	Organization	Adult and Disability Services Administration (ADSA)		
	Phone No.			
	Manager Name			
Baseline / Deliverable / Config. Item To Be Changed	Changes to Baseline			
Proposed Production Release	Phase 1 – April/May 2012 Phase 2 – April/May 2013			
Priority (1=Urgent, 2=High, 3=Medium, 4=Low)	1 <input checked="" type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>
Change Request Description				
Summary: Provide a summary of the change that are being requested to the FamLink application. Provide complete references to all applicable documents and processes that may be impacted.				

DSHS has specifically budgeted funding to support incorporation of Aging and Disability Services Administration's (ADSA) Compliant Resolution (CRU) application, Individuals in Facilities (RCPP) spreadsheet and Adult Protective Services Automated System (APSAS) functionality into the existing FamLink system. CGI has agreed to work with DSHS within the limitations of this budget to support such efforts. The parties agree that they will work together collaboratively to manage the effort described herein within the funding limitations of DSHS for this effort and will meet at the conclusion of each major stage for each of the two phases for this effort to mutually agreed on how to proceed within budget for the subsequent major phase. In order to manage unanticipated tasks associated with the current scope of this Change Request, the parties have agreed to



incorporate a "Hours Pool" (discussed below) which can be drawn upon to fund such unanticipated tasks and/or work effort.

Mitigating Risk to Scope and Time

This amendment, comparable to the original Agreement and associated amendments, is based on the following major stages for both Phase 1 and Phase 2:

- Requirements Validation and Gap Analysis
- Detailed System Design (Online, Batch, Interfaces, Conversion, Reporting)
- Development and Unit Test
- System and User Acceptance Testing

Each major stage ends in the delivery and acceptance of a project deliverable. These deliverables will include the identified outcomes of the major stage for the applicable phase and any variance in requirements which are an outcome of that major stage. If a variance exists, the deliverable will clearly document the positive or negative impacts on scope and time using the existing Impact Analysis Package (IAP) process to define the new level of effort or reduced level of effort. In the event of a variance, the State and CGI will meet formally and work collaboratively to review and agree upon resolution of the variance pursuant to one of the following methods ("Variance Resolutions"):

- Utilization of the "Hours Pool" for the variance for unanticipated tasks which are within the scope of this Change Request;
- Execution of an additional mutually agreeable contract amendment to increase the value of the Agreement and change the schedule for performance as applicable to resolve the variance;
- Agree to waive the additional requirements or unanticipated task which resulted in the variance; or
- Accommodating the variance subject to mutually agreed upon reductions in scope of equivalent value.

By using this approach, the Project can mitigate risks arising from State budget constraints and timelines associated with this amendment. This approach also provides the State and CGI with a powerful project assessment mechanism. Deliverables represent frequent tangible checkpoints for measuring ongoing project success and provide agreed upon scope for the next stage and associated deliverable(s).

In the unlikely event the State and CGI do not agree upon which of the above Variance Resolutions to use to resolve the variance, the parties agree to escalate the issue promptly for resolution through the terms of Section 14 of the Agreement, Dispute Resolution. If after good faith efforts to resolve the variance in accordance with the Variance Resolutions set forth above and expiration of the dispute resolution period, the parties do not come to agreement on how to proceed with the next major stage, the parties agree that the State shall terminate the remaining work associated with this



amendment, for its convenience pursuant to section 22.6 of the Agreement and neither party will have any obligation for continued performance under this Amendment 7. Notwithstanding anything to the contrary set forth in the Agreement, in no event shall the parties' inability, after good faith efforts, to resolve the dispute with respect to such variance in requirements constitute a failure or refusal by CGI to perform Services under this Amendment.

Hours Pool and Mitigating Impacts to Existing Production Functionality

Under this Amendment, new functionality will be added to the existing FamLink application that is currently in production. The CGI team, working with the State, will continuously review existing functionality to help mitigate potential impacts to production functionality. One of the first activities in each Phase is the Requirements Validation and Gap Analysis. During this activity, CGI will perform an analysis on impacts to existing functionality and the FamLink Data Warehouse. Outcomes could include changes to the FamLink application and/or the FamLink Data Warehouse.

It is also our experience that requirements can unintentionally mask areas of modification. It would not be unusual for unanticipated requirements to arise during the course of delivery due to State legislative or policy changes. Additionally, after analysis of requirements (online, batch, interfaces, conversion, reporting) the outcomes could expand the scope of the original requirements. However, project plans that do not account for such eventualities inevitably run into time and cost problems when they do arise.

In order to pre-empt these types of problems, and to account for the types of change that so often occur after the project starts, we have allocated an "Hours Pool" in the base cost. These hours are intended to cover just such eventualities, therefore allowing the project to continue moving forward smoothly, without having to be interrupted for change orders and/or contract amendments. We have found this to be an extremely valuable project management tool on the FamLink project. Both CGI and the State agree that there will be FAMLINK functionality impacts, unanticipated requirements and expansion of the scope of existing requirements which may arise during requirements analysis on this project and have, therefore, agreed to incorporate an "Hours Pool" under this Amendment.

The "Hours Pool" of 4,000 hours is included in the Fixed Price and will be applied as follows:

1,000 hours – To be used when impacts to existing Production Functionality are identified and it is necessary to modify FamLink. If no known impacts are found by Phase 2, these hours will be release to be used along with the remaining 3,000 hours for unanticipated scope and new requirements.

3,000 hours – To be used to incorporate unanticipated changes and/or new requirements identified in the outcomes of Requirements Validation, Gap Analysis and Detailed Design.

The parties agree that CGI will have no liability for performance beyond the specific requirements stated herein except as can be managed through the Hours Pool, unless the parties otherwise mutually agree to fund such effort under an additional amendment allocating additional funds.



This Change Request (CR) is broken down into 2 Phases. Please see the Requirements Section beginning on page 29 for detail on known requirements, by Phase. These requirements will be validated and updated during Phase 1 based on mutual agreement of the parties. Any updates to these existing requirements will be funded, as necessary, though the Hours Pool up to the hours limitation established by such Hours Pool.



ADSA FamLink Phase 1

During this Phase, CGI will:

- Incorporate the existing functionality of the ADSA Complaint Resolution System (CRU) into the Washington FamLink application. This will allow for the retirement of the CRU tool. This CR assumes customization allowing for new and updated fields, rules/edits, reference data, security, ticklers, notifications and documents as noted in the Requirements section. (ADSA supplied CRU Training Manual, Attachment B, was used as the requirement to incorporate CRU functionality into FamLink. This attachment was also used to assist in determining the overall cost.)
- Incorporate functionality needed to meet identified requirements from ADSA's Gap Analysis outcomes for CMS (See Requirements Section)
- Convert existing data (data date period to be determined) from CRU into FamLink.
- Develop 3 Interfaces: CARE, FMS and BCCU
- Provide 1 Extract/Data Feed (to be further scoped during Requirements Validation and High Level Design Analysis)
 - Data extract/feed to SSRS for the basis of tracking and trending by ADSA

Known impact areas in FamLink for Phase 1:

- Desktop
 - Minimal changes for viewing ADSA information
- Intake changes
 - New and updates to FamLink Intake to meet existing CRU functionality and ADSA/CMS Requirements
- Facility Complaints
 - New and updates to FamLink Facility Complaints to meet existing CRU functionality and ADSA/CMS Requirements
- Templates/Notifications
 - Letters and Forms
 - Phase 1 and 2: Updates to 8 existing FamLink Letters/Forms or 6 new forms for Intake, investigation and Providers
- Case Notes/Provider Notes
 - New note types and categories
- Case Management
 - FamLink functionality for Investigation purposes
- Provider Management



- Updates to incorporate facility complaints from CRU and RCPP functionality and ADSA/CMS Requirements
- Common Functions
 - Person Management
 - Ability to link a person to provider to track individuals in Facilities (RCPP) and ADSA/CMS Requirements
 - Provider Management
 - Update provider types and ADSA/CMS Requirements
 - Assignments
 - Create ADSA assignments on Intakes, Investigations and Providers.
 - Ticklers and Alerts
 - Ability to create notifications to identified ADSA workers on assignment to pieces of work
 - Ability to create notifications to identified ADSA workers on outcomes of investigations and facility complaints
 - Update associated ticklers in Intake, Investigation, Providers and Facility Complaints
 - Searches
 - Update search parameters for Individuals in Facilities (RCPP)
 - Security
 - New and updates to FamLink for ADSA Identified Staff
- Post Production Support
 - Under this Change Request, CGI's has no specific warranty obligations other than those set forth in Section 12 of the Agreement. The parties agree that the warranty period for Deliverables shall be a period of thirty (30) days from delivery. CGI will provide post production support for ADSA for 12 weeks starting the day of production go-live for Phase 1. During this time, CGI will provide support and incident correction for critical and serious incidents found in production and entered into the incident tracking system.

The project will begin with a week of Project Process/Procedures and Systems review. Since this Change Request is an amendment to the existing Agreement, all existing approved project processes and procedures will be utilized during for changes within this Change Request. During the first couple of weeks, CGI will work with the State to update the processes to reflect ADSA personnel and language. The first week will be used to review these existing processes, the current FamLink application and the ADSA systems to be incorporated into FamLink. The existing FamLink processes and procedures can be found on the FamLink Portal in the following location:

FamLink Portal>ADSA FamLink>Processes and Procedures



Phase 1, Major Stage 1, Requirements Validation and Gap Analysis. Following the first week of process reviews, the team will engage in 2 weeks of Requirements and Gap Analysis sessions. During these sessions, CGI will work with the State to define the final requirements and high level changes needed to incorporate the ADSA tool (CRU), 3 interfaces (FMS, CARE, BCCU), Data Feed (Extract) and conversion of CRU and RCPP. After the sessions, CGI will perform a written analysis of these final requirements to determine if there is a gap in the original estimate for this change request. CGI will then present the State with a deliverable of the outcomes of the sessions and gap analysis. The outcomes of this process may require a new change request to increase the Phase 1 level of effort. Increased scope will be funded by the use of and unless additional funding is required, subject to the limitations of an "Hours Pool" defined later in this change request.

Phase 1, Major Stage 2, Detailed System Design (Online, Batch, Interfaces, Conversion, Reporting)

After the Gap Analysis, and documentation of any required changes to the original estimate, CGI and the State will begin the Detailed Design phase. During this period, CGI will work with the State to gather the actual detail of the online additions/changes needed to incorporate the ADSA tool, 3 interfaces (BCCU, FMS and CARE) and the conversion of CRU data. CGI will then produce a full detailed design deliverable for the State to review and approve. Upon the approval of the design, programming of the online, batch, interfaces and conversion will commence.

Additionally, during the design phase, CGI will also perform analysis to review the designs for any potential impact to existing production data and functionality. This is a crucial step to mitigate risks of affecting the current users of the online application and data.

Phase 1, Major Stage 3, Development and Unit Test

Upon completion of programming, CGI and the State will engage in an integrated Functional Unit Test of the developed functionality. This allows for the functional team members from CGI and the State to upfront test the functionality prior to official testing.

Phase 1, Major Stage 4, System and User Acceptance Testing

After agreement and completion of Functional Unit Test, the teams will move into 6 weeks of System Testing and then 6 weeks of User Acceptance Testing support to the State. Once User Acceptance Test is complete, Phase 1 will be migrated to Production. CGI will then start a 12 week post production support cycle for Phase 1 (Critical and Serious) incidents found in production during the 12 week post production support period.

Estimated Timelines for Phase 1 (See ASDA FamLink Workplan, Attachment A, for details):

- Project Processes and Procedures Overview



- Sessions - 1 Week
- Requirements and High Level Design
 - Sessions – 2 Weeks
 - CGI Documentation – 2 Weeks
 - State Walkthrough and Updates – 1 Week
 - State Review – 1 Week
 - Updates and Outcomes (Gap Analysis) – 1 Week
- Detailed System Design
 - Sessions – 4 Weeks
 - CGI Documentation – 4 Weeks
 - State Walkthrough and Updates – 1 Week
 - State Review – 2 Weeks
 - Updates and Approval – 1 Week
- Code/Unit Test
 - Online, Batch, Interfaces, Data Extract and Conversion – 8 Weeks
 - Functional Unit Test – 2 Weeks
- System Test
 - Execution and Incident Management – 6 Weeks
 - Closeout and UAT Preparation – 1 Week
- User Acceptance Test
 - Execution and Incident Management – 6 Weeks
 - Closeout and Production Preparation – 1 Week
- Post Production Support
 - Post Production Support for Incident Management – 12 Weeks

ADSA FamLink Phase 2

During this Phase CGI will:

- Incorporate the functionality of the Adult Protective Services Automated System (APSAS) and Individuals in Facilities tracking tool (known as RCPP) into the Washington FamLink application. The scope of this Phase will be for CGI to convert existing APSAS data into FamLink allowing for the retirement of the APSAS tool, update Phase 1 interfaces and data extract due to Phase 2 functionality and add agreed upon new functionality needed for CMS requirements and 5 new reports.
- ADSA supplied APSAS Users Manual (Attachment C) was used as the requirement to incorporate APSAS functionality into FamLink. This attachment was also used to assist in the overall cost.



- Conversion of existing data (data date period to be determined) from RCPP and APSAS.
- 3 interfaces:
 - During Phase 2, the team will complete analysis for updates required to the 3 interfaces due to Phase 2 functionality.
- Reports:
 - 5 Reports coded from FamLink Read Only Database.
 - 1 Complex
 - 2 Moderate
 - 2 Simple
- Known impact areas in FamLink for Phase 2:
 - Desktop
 - Minimal changes for viewing ADSA information
 - Intake changes
 - New and updates to FamLink Intake to meet existing APSAS functionality and ADSA/CMS Requirements
 - Investigation and Facility Complaints
 - New and updated to FamLink Investigation to meet existing APSAS functionality and ADSA/CMS Requirements
 - Templates/Notifications
 - Letters and Forms
 - Phase 1 and 2: Updates to 8 existing FamLink Letters/Forms or 6 new forms for Intake, investigation and Providers
 - Case Notes/Provider Notes
 - New note types and categories
 - Case Management
 - FamLink functionality for Investigation purposes
 - Common Functions
 - Assignments
 - Create ADSA assignments on Intakes, Investigations and Providers.
 - Ticklers and Alerts
 - Ability to create notifications to identified ADSA workers on assignment to pieces of work
 - Ability to create notifications to identified ADSA workers on outcomes of investigations
 - Update associated ticklers in Intake and Investigation
 - Security
 - New and updates to FamLink for ADSA Identified Staff



Estimated Timelines for Phase 2 (See ASDA FamLink Work plan, Attachment A, for details):

- Lessons Learned from Phase 1
 - Sessions and Analysis – 1 Week
- APSAS and FamLink Overviews and Process Updates for Phase 2
 - Sessions - 1 Week
- Requirements and High Level Design
 - Sessions – 2 Weeks
 - CGI Documentation – 2 Weeks
 - State Walkthrough and Updates – 1 Week
 - State Review – 1 Week
 - Updates and Outcomes (Gap Analysis) – 1 Week
- Detailed System Design
 - Sessions – 4 Weeks
 - CGI Documentation – 4 Weeks
 - State Walkthrough and Updates – 1 Week
 - State Review – 2 Weeks
 - Updates and Approval – 1 Week
- Code/Unit Test
 - Online, Batch, Reports and Conversion – 8 Weeks
 - Functional Unit Test – 2 Weeks
- System Test
 - Execution and Incident Management – 6 Weeks
 - Closeout and UAT Preparation – 1 Week
- User Acceptance Test
 - Execution and Incident Management – 6 Weeks
 - Closeout and Production Preparation – 1 Week
- Post Production Support
 - Post Production Support for Incident Management – 12 Weeks
 - Knowledge Transfer Services – 12 Weeks (Concurrent with Production Support timelines)

Prior to the beginning of Phase 2, the integrated team will meet to discuss lessons learned from Phase 1. During this time, the team will determine what worked and did not work for the project, design, development, testing including processes and procedures. This will allow the team to adjust tasks, processes and procedures so that the team does not repeat prior mistakes and leverages what did work best for the team. This will help mitigate risks to tasks in Phase 2.

Phase 2, Major Stage 1, Requirements Validation and Gap Analysis.

After lessons learned, the team will attend 1 week of FamLink and APSAS Systems Review and then 2 weeks of Requirements and Gap Analysis sessions: During these sessions, CGI will work with the State to define the final requirements and high-level changes needed to incorporate the RCPP and APSAS



tools, updates required to the 3 interfaces (FMS, CARE, BCCU) from Phase 1, 5 reports and conversion (RCPP and APSAS). After the sessions, CGI will perform a written analysis of the requirements to determine if there is a gap in the original estimate. CGI will then present the State with a deliverable of the outcomes of the sessions and gap analysis. The outcomes of this process may require a new change request to increase the Phase's level of effort. Increased scope will be funded by the use of, and unless additional funding is required, subject to the limitations of the "Hours Pool" ..

Phase 2, Major Stage 2, Detailed System Design (Online, Batch, Interfaces, Conversion, Reporting)

After the Gap Analysis, and any required changes to the original estimate, CGI and the State will begin the Detailed Design phase. During this period, CGI will work with the State to gather the actual detail of the online additions/changes needed to incorporate the ADSA tools (RCPP and APSAS), changes to the 3 interfaces (BCCU, FMS and CARE), reports and the conversion of RCPP and APSAS. CGI will then produce a full detailed design deliverable for the State to review and approve. Upon the approval of the design, programming of the online, batch, interfaces and conversion will commence.

Additionally, during the design phase, CGI will also perform analysis to review the designs for any potential impact to existing production data and functionality. This is a crucial step to mitigate risks of affecting the current users of the online application and data.

Phase 2, Major Stage 3, Development and Unit Test

Upon completion of programming, CGI and the State will engage in an integrated Functional Unit Test of the developed functionality. This allows for the functional team members from CGI and the State to upfront test the functionality prior to official testing.

Phase 2, Major Stage 4, System and User Acceptance Testing

After agreement and completion of Functional Unit Test, the teams will move into 6 weeks of System Testing and then 6 weeks of User Acceptance Testing support to the State.

Finally, after the Phase 2 deployment to production, CGI will provide 12 weeks of Post Production support of Phase 2 and Knowledge Transfer to identified ADSA team members. See Attachment I for the existing FamLink Knowledge Transfer Strategy and Plan.



Additional Overview - High Level Functional and Technical Overview

Functional Analysis

Functional Analysis is an important step in the process to develop and implement ADSA FamLink solution for Washington. Steps within this phase are designed so that those Washington ADSA requirements are implemented into FamLink to meet ADSA's business improvement and enterprise goals. By starting with a foundation system (FamLink) solution that more closely matches the requirements for ADSA, more project effort will be spent focused on implementing the truly ADSA-specific requirements.

Successful knowledge transfer between ADSA and CGI during the first weeks of the project will set the stage for an effective Functional Analysis phase and help enable both parties to achieve objectives (described below) for the Functional Analysis effort:

- The State to have a thorough understanding of the transfer system as it relates to ADSA needed functionality
- CGI to have a detailed understanding of the ADSA program environment and its business requirements
- CGI and the State have a mutual understanding of the recommendations from the gap analysis and the State understands the impacts of implementing the recommendations
- Complete the design of the ADSA FamLink

Confirm Requirements and Gap Analysis

This analysis and confirmation phase is the first step in aligning the baseline FamLink solution with ADSA's requirements. Along with the gap analysis, high level, and detailed design, the requirements analysis and confirmation form the primary pieces of the Functional Analysis activity.

Requirements Verification

The purpose of requirements verification is to complete the blueprint for the Washington ADSA FamLink solution, and validate the system functionality, navigation, and operations that are required. The blueprint describes the post-solution organization from the perspectives of business requirements and information technology. The blueprint helps stakeholders understand the relationships between these areas and how they will be integrated. It provides the framework for building and delivering the updated FamLink application and is essential to success. Therefore, the explicit goal of the requirements analysis and confirmation is to finalize and validate the Washington ADSA business requirements, and simultaneously perform a high level design and gap analysis between these requirements and the proposed updated FamLink Solution.

For the requirements confirmation, high level design and gap analysis sessions, we will work with the ADSA team members to identify the key stakeholders and other staff needed for the requirements



review sessions. With the appropriate staff in attendance, our meeting approach is to discuss the functionality of the FamLink Solution through presentations and demonstrations of the baseline software—using what is already functional in Washington. The CGI Team and the State staff go through each requirement and discuss how the FamLink Solution currently meets the requirement or discuss the appropriate system modifications. Thus, each requirement is mapped to one of the following categories:

- **Exists:** Existing FamLink functions or features that entirely meet requirements;
- **Partially Exists:** Existing FamLink functions or features that partially meet requirements; or
- **Does Not Exist:** Required additions to the FamLink application.

The requirements confirmation process provides Washington with the opportunity to validate that previously identified system requirements are appropriately detailed, and help to make certain that any newly identified requirements are incorporated into the requirements repository.

Traceability of the requirements is an important concept within our existing project's methodology. Traceability links the functional requirements to the system design and, ultimately, to the software code and through system and acceptance testing. All requirements will be consolidated and loaded into a central requirements management repository named OSRMT (Open Source Requirements Management Tool) that the WA FamLink project already utilizes. Upon completion of this phase, CGI will submit a letter to the State certifying the update and load of requirements into central requirements management repository.

This tool is used to actively support the CGI Team's management of the requirements and provides the ability to trace the requirements throughout the project life cycle. The tool also has the ability to manage versions of the requirements allowing the team to recreate the requirements as they appeared at key project milestones.

From this requirements repository, the team can then produce a requirements traceability matrix, which plays a key role in the life cycle as it provides an unambiguous summary of the planned scope of the project. The requirements traceability matrix:

- Supports a top-to-bottom traceability process that is essential for managing expectations and scope.
- Facilitates ongoing visibility into how the implemented system supports user and technical requirements.
- Provides a starting point for test plans and scripts to support test coverage.
- Provides the basis for user acceptance testing.
- Provides a baseline for the change control process and associated scope control.

CGI and the State have developed a Requirements Management Plan to summarize the requirements management processes and corresponding roles and responsibilities.



Gap Analysis

For the next part of this phase, CGI and the State will engage in a Gap Analysis. CGI will work with the State to identify gaps between the FamLink application, the ADSA requirements and implementation environment. We will utilize the verified Requirements and conduct a fit/gap assessment for each requirement with State support. This process will begin with identifying ground rules for the gap analysis process in conjunction with the State. We describe below the TRAC design approach we use to classify and prioritize gaps.

As part of confirming the requirements, each requirement is reviewed and categorized as to how FamLink will meet the requirement. Generally, based on experience, CGI determines a functional fit along the following three categories:

- Requirements met in FamLink
- Partially met and some modification required
- New requirement and needs to be custom developed

Once the gaps have been identified, they can be prioritized according to the following criteria:

- Relevance to program: High, medium, low
- Importance to program: High, medium, low
- Impact to Program: High, medium, low
- Cost: High, medium, low

CGI and the State will then assign numerical points to each of the criteria to rank the gaps quantitatively. As we perform this task, we also indicate whether the requirement is met by configuring the solution using the project's configuration approach, called TRAC or whether the requirement will require a modification to the system software in order to support specific ADSA functionality.

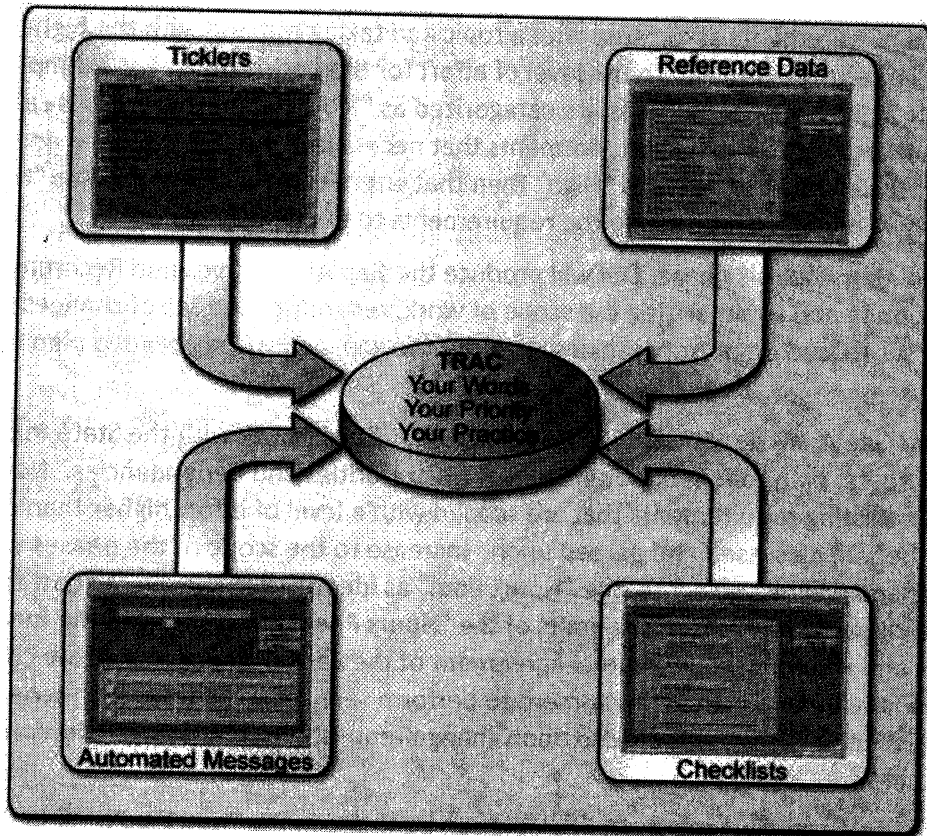
To promote the reuse of the FamLink solution, CGI conceived and built it with an easily customized, table-driven design. We recognized that every human services agency has its own language, that state-specific policies drive performance and associated time frames, and that long-standing practice (and external influences, such as consent decrees or court preferences) can shape the format and content of casework. As a part of the FamLink application, we have incorporated a practice of standard customization in order to build in the state-specific language and practices that make the system responsive to user needs.

We call this practice the TRAC approach, because it addresses ticklers, reference data, automated messages, and checklists. These elements of the system typically demonstrate the state-specific language that are familiar to users, and allow us to incorporate policy compliance with tools such as checklists to guide task performance and ticklers to promote timeliness. We consider the TRAC process to be a normal component of the FamLink system design. These are customizations that add significant value to ADSA's users, without affecting system processing.



As part of TRAC customization, we will make required changes to page names (limited to new pages) and to the labels on screen fields (collectively known as “screen literals”) so that ADSA workers will see the words and phrases to which they are accustomed. During this process, we will also examine these components:

- **Ticklers** – Ticklers and alerts are system-generated reminders of critical casework items that must be completed within a specified timeframe. During design, the CGI Team will work with the State to determine the appropriate automated ticklers and triggers for ADSA in each business area, as well as the precise time rules for each automated tickler.
- **Reference Data** – Reference data, or the pick list items that appear when a drop down box is selected, are generally table-driven, allowing creation of pick lists of the exact values the State uses today or wants to use.
- **Automated Messages** – The State will define the appropriate language and timing of automated message functionality, prompting the creation of an e-mail message to a user after an associated business process is completed. For example, after a supervisor makes a new casework assignment to a worker, the worker automatically receives a system-generated e-mail message that a particular case has been assigned
- **Checklists** – Where checklists exist in the FamLink application to guide worker activity, we will modify the items on the checklists to meet ADSA policies and procedures.



WM SACMS 030 V01

However, some requirements will require a modification to the system in order to support Washington-specific functionality that is not covered by TRAC. These requirements fall into three basic level-of-effort categories described below.

Summary of Modifications for Washington

Level of Effort	Description
Low	A modification at this level can be met in less than 100 hours of design, development, and testing
Moderate	A modification at this level can be met in less than 500 hours of design, development, and testing
High	A modification at this level can be met with less than 1,000 hours of design, development, and testing

Because the requirements traceability matrix can trace each requirement to its functional Topic, we can discern what level of effort an entire topic area will require to complete. This is accomplished by



evaluating all the requirements associated with a topic and taking the one with the highest level of effort. That level of effort translates to the level of effort for the entire Topic. For example, if all the requirements for a given functional topic are categorized as "TRAC," then that topic is categorized as a TRAC Topic. If another Topic has two requirements that necessitate modification and one requirement is rated as "Moderate" and the other as "High" then that entire topic is categorized as "High." These levels of efforts will then be used to take the requirements to the next step.

At the end of the Gap Analysis phase, CGI will produce the Gap Alternatives and Recommendations deliverable validating and summarizing the scope of work, recommended set of changes to system and business processes (based on priority ranking) to close the gap, and recommended plan of action to bridge the gaps.

As a result of the Gap Analysis activities described above, CGI will work with the State to determine any impacts to the project plan to reflect potential new task priorities and dependencies. New requirements or existing requirements that are scoped with a level of effort higher than originally estimated will then be discussed and agreed upon. Increase to the scope of the phases will be addressed using and will be subject to the "Hours Pool" as identified in the overall cost for this change request. Scope changes in excess of the limits of the "Hours Pool" will be outside the funding for this change request and will require the mutual agreement of the parties under a separate change request. CGI will have no liability under this Amendment to perform services to address such scope changes unless authorized under a mutually agreed upon change request which allocates additional funding for such scope.

A sample of the FamLink Gap Analysis Deliverable can be found in the FamLink Portal in the following folder:

FamLink Portal > ADSA FamLink > Sample Deliverables

Detailed System Design

Detailed Design phase of this project utilizes information gathered during the Requirements and Gap Analysis.

The requirements and outcomes from the Gap Analysis provide high-level understanding of the needs, processes, and functions of ADSA and promote understanding of the FamLink application. For our TRAC approach, basic components and functionality, sessions are held that allow users to define the ticklers, forms, automated messages, and checklists that are associated with each system component. For example, if a particular page has a drop-down list specifying intake type, participants in the session edit the terms or wording to reflect Department usage.

Based on information collected in the Requirements Verification process about topics that do not fall under the TRAC approach, we conduct formal Detailed Design sessions.

During Detailed System Design, each software component and its behavior is sufficiently described to allow for its construction.



For changes that require modifications to software components, the design process will focus on the following objectives:

- Refining the definitions of the design elements, documented in the FamLink topic papers, by working out the details of how the design elements realize the behavior required of them for ADSA functionality in FamLink.
- Refining and updating the design realizations based on newly identified design elements
- Refining the design as it evolves

The approach to design will typically involve a number of representative participants. Using FamLink as a starting point, one or more Formal Design Sessions may be conducted for a particular functional Topic area.

During these sessions, detailed design changes are discussed as necessary to meet ADSA's requirements. During the Formal Design Sessions, the participants review the page layouts and processing of FamLink. The participants discuss the requirements pertaining to the functional area, review the functional requirements, and determine the changes needed. There are many types of changes that may need to occur. For example, the group may determine that new fields need to be added or that field names should be changed, or new processing logic and business rule edits are required. During the session, the facilitator will document the discussion and any graphics changes needed.

Where new Web pages may be required that are not available in FamLink, the CGI team makes extensive use of "page mockups" to demonstrate the proposed functionality.

Detailed meeting minutes document the discussion and resulting outcomes and are distributed to all participants for approval. The formal design Topic papers are then revised with agreed upon changes and a walkthrough session is held. Detailed meeting minutes document outcomes of the walkthrough and are distributed to all participants for sign-off. At this point, full scale development of an application release can occur.

CGI has assumed State Design team members will be fully engaged with the CGI Design Team and leverage our joint teams' understanding to establish the design. Involvement throughout the design process will increase ADSA's understanding of the design concepts and provide the CGI team access to ADSA's domain knowledge, both of which will improve the quality and completeness of the design. Additionally, this approach will shorten review cycles enabling the team to stay on schedule by identifying and addressing issues and problems with the design early in the process, rather than relying on the design review to identify them.

At the conclusion of the design activities, CGI will provide the State with Topic Papers that encompass a Detailed System Design to be used by the development team to construct the software components for changes/additions to FamLink. For each of the recommended changes, CGI will at the very least document the following:

- Overview of the recommended change to the FamLink application



- Approach to defining the solution
- Functional Narrative
 - ▶ Web page layouts
 - ▶ Navigation techniques
 - ▶ Processing requirements
 - ▶ CRUD matrices (Security)
 - ▶ Attributes
 - ▶ Tickler, reference data, automated message, and configuration requirements
 - ▶ Report, notification, and form formats
- Database Design Documentation (traceable to the requirements):
 - ▶ Entity-relationship diagrams
 - ▶ Object models
 - ▶ Data models
 - ▶ Data flow diagrams
 - ▶ Data dictionary

Upon approval, the design specifications are released to the software development team for software construction activities.

A sample of the FamLink Detailed System Design Approach and Sample Topic Paper Deliverables can be found in the FamLink Portal in the following folder:

FamLink Portal > ADSA FamLink > Sample Deliverables

Code and Unit Test

The previous sections have discussed our approach to System Analysis and Design. During the build activities the System Analysis and Design work comes together to enable development of the ADSA functionality in FamLink. During this phase, the team focuses on building and testing the new and updated FamLink software components, their integration into the overall solution, and the testing of the integrated system.

Before responding to the specific Code and Unit Test requirements, CGI presents the code and unit test fundamentals that are part of our ARM. The pages that follow detail the four main principles of the methodology:

- Minimize complexity
- Anticipate changes
- Developer productivity



- Software quality and standards

At the core of our Code and Unit Test approach are four essential themes:

- **Minimizing Complexity** – An essential characteristic to provide in software is the ability to support application needs and behaviors while reducing complexity of software construction. Within FamLink, this is achieved by:
 - ▶ **Development of architecturally significant components early on in the development cycle** – This approach to software construction reduces risk within the project by addressing the key requirements in the earlier iterations of the development cycle. This improves developer productivity by providing reusable foundational software components that are used in later iterations for implementing other ADSA requirements.
 - ▶ **Providing a highly usable and interactive user-interface** – Enables end users to operate and manage complex business processes within the solution.
 - ▶ **Utilization of the existing Enterprise Service Bus** – Eliminates point-to-point interfaces and thereby reduces complexity of the integration architecture.
- **Anticipating Change** – Software applications change over time and the FamLink application is no exception. Within the solution, the anticipation of change and CGI's experience with the types of changes drives many aspects of software construction, such as:
 - ▶ **Component-based architecture** – FamLink is built on the J2EE platform and provides a component-based development model, thereby providing an interface based approach, flexibility in replacing/upgrading components, easy assembly and deployment, separation of concerns and responsibilities leading to division of labor, and technical infrastructure abstraction.
 - ▶ **Use of application frameworks** – FamLink leverages application framework components (such as Struts 2.0 and log4J) to encapsulate architectural and design patterns that provide component reuse, consistency, and modularity to application development and maintenance. The framework also insulates the application from technology upgrades and changes at the infrastructure level (such as operating system, RDBMS, application server, etc.).
 - ▶ **A highly configurable environment** – FamLink provides ADSA with a range of configurability options to deal with the most typical changes. For example, table-driven configurations allow ADSA users to alter the system behavior without any IT support.
 - ▶ **Externalization** – The FamLink application externalizes the high-variability aspects of the system, such as SQL data manipulation statements for data access and business rules that capture data conversion requirements.



- ▶ **Service-Oriented Architecture** – The integration approach leverages a service-oriented architecture and supports changes to the location, communication protocol, message format, synchronicity, and technology used for interfacing with the various applications and systems.
- **Developer Productivity** – The software construction process must provide the necessary development tools to boost developer productivity. Within the FamLink Solution, this is provided by:
 - ▶ **Eclipse Modeling Framework (EMF)** – FamLink Solution leverages a visual model driven approach to code generation that uses EMF.
 - ▶ **FamLink Portal and SCARAB** – Web-based tools that provides the development team with a collaboration environment for information exchange, knowledge repository, and tools for team development (such as configuration management, build/release management, incident management, test management, issue management, requirements management, and project management). DSHS has complete ownership of this tool and can continue using it after completion of the ADSA FamLink project.
 - ▶ **Development tools** – The FamLink solution leverages a rich set of development tools to get the job done. These tools comprise of CGI developed tools, such as Eclipse plug-ins for code checking; third-party tools, such as Pervasive Data Integrator for ETL development; and open source tools, such as Eclipse IDE.
- **Software Quality** – Software quality is influenced by two factors of software construction - verification of software components and standards that control the process for software development.

Verification of software is essential to support a software construction process that can identify defects early in the development cycle, and efficiently manage the defect resolution process. Within the FamLink solution, this is provided by:

- ▶ Requirements verification activities to confirm, refine, and finalize requirements that meet ADSA business needs
- ▶ Design and code reviews to identify issues early in the development cycle
- ▶ Use of automated code analysis tools for checking compliance with standards, best practices and identifying common developer errors
- ▶ Automated testing as part of continuous integration cycle to identify defects early
- ▶ Integrated IDE debugging tools and techniques
- ▶ Use of model driven code generation that reduces the amount of code to be tested and increases software quality



Software applications need to interoperate and therefore necessitate the use of standards for interoperability. Also, software construction needs to follow standards that enable component and best practice reuse, knowledge transfer, ease of use and learning, consistency in development, and abstraction of underlying technologies (such as operating system, application server, RDBMS, etc.). The CGI SACWIS solution follows standards, namely:

- ▶ Use of open standards such as Java/J2EE for the programming language and middle-tier, Web Services for remote invocation, HTTP and TCP/IP for communication, HTML for the user interface, SQL for database definition and manipulation (via JDBC), and UML for modeling.
- ▶ Use of open source software where viable, such as Struts for the MVC framework, Log4J for logging, JBoss for the application server, and JBoss ESB as the enterprise integration framework.
- ▶ The FamLink application architecture has established a set of development standards to provide for consistency and productivity during software construction, such as coding standards, common reusable framework components, development guidelines, and best practices documented in the developers guide, and use of a web-based collaborative development Web site that acts as a repository of artifacts useful to the developer.

The Build activities include the development of the functionality for ADSA in FamLink, unit testing the system, and the creation and/or modification of user and system documentation.

In addition, throughout these construction activities, development staff maintains the Development Standards and Process. The Development Standards and Process includes information useful for the development and implementation of future enhancements as well as solution turnover and operations. Topics such as build procedures, configuration management procedures, office automation integration, and workstation and server configuration are included in the Development Standard. Each component that is modified or created will be thoroughly documented by referencing the requirements, the functional specification elements, and the design specification elements that are implemented by the program. The CGI Team will also document traceability for use as the test scripts are developed for systems testing using the Requirements Management Repository.

The CGI Team believes the most critical aspect of software development is unit testing. The CGI Team will unit test all software developed or provided for use as part of the updated Famlink application until the code operates according to the approved design. There will be two rounds of unit testing: the first to be completed by the programmer responsible for the development of the code; the second to be completed by the designer responsible for the general design of the functionality. The CGI Team has found that the quality of the software increases dramatically when the designer performs this second level of unit testing. The CGI Team has a comprehensive set of unit test scripts for the FamLink solution. The CGI Team will modify and add to these scripts as needed.

In past development efforts, the CGI Team has developed a strategy and schedule for regular application builds and tests. The CGI Team continue this strategy with the state technical team. The CGI team plans to begin coding and testing as soon as design material has been produced.



Because the online FamLink system is structured in a standard J2EE application format, the Eclipse IDE can be used directly for the build process. Eclipse is capable of exporting the FamLink build in one step. FamLink online system is set up as a single enterprise application that contains one Web application. The Eclipse export utility exports a single EAR file containing one WAR file. The WAR file contains our application code and supporting libraries. This generated EAR file can then be deployed on any J2EE server.

At the completion of successful unit testing of all the functionality contained within a release, CGI will provide written affirmation certifying that application is ready for system testing.

The CGI Team understands that the development team must enter the users and their assigned roles into FamLink system using a State provided security administration tool. The CGI Team will work closely with the State staff to define the roles necessary to perform all the necessary business functions. The State staff will provide a list of users with the roles to which they should be assigned.

The existing FamLink Developers Manual and Standards can be found on the FamLink Portal in the following location:

FamLink Portal>ADSA FamLink>Processes and Procedures

Testing

The CGI team approach to comprehensive testing is the result of our extensive experience in large-scale systems implementations. Throughout the life-cycle, rigorous testing enhances the quality of the delivered system.

Testing represents a crucial bridge between the build (development) effort and the rollout for implementation. Testing is a process to validate the design and successful operation of a system. Testing examines system functionality supported by windows, forms, reports, interfaces, batch programs, as well as procedures, error handling, usability, and security. The goal of testing is to verify that all required features are documented and systematically tested and that all features and interfaces work appropriately.

The goal of the testing activities is to validate that the system is ready for implementation. The Test Team accomplishes this validation by examining system features, procedures, error handling, help documentation, usability, and security. The FamLink Project testing process addresses the testing necessary to promote a smooth transition of the system into the production environment.

System Testing and User Acceptance Testing are both critical phases in the system development life cycle. The successful completion of System Testing demonstrates that the updated FamLink application works as designed from both functional and technical perspectives. Testing validates that FamLink supports the intended business processes and meets the functional and technical expectations established for the system. Testers document areas where the application is not performing to expectations as incidents and work with developers to resolve the discrepancy. Successful completion



of User Acceptance Test demonstrates that end-users evaluating the system are ready to use this system in production.

The approach to performing this validation starts with the development of Test Scripts. The primary focus of the Test Scripts is features and workflow from a user perspective.

In addition, the System and User Acceptance Testing processes must map actual application behavior against the Functional Specification and System Design Specification documents defined during the Requirements Validation and Design phases.

System Test execution commences once the Test Scripts complete, the test environment is established, and the first unit test build is available from development. The System Test Team uses the Test Scripts to execute the application in the System Test Environment. The results of the execution are validated. Problems encountered during the execution are reported and resolved using the Incident Management process.

The System Test execution approach includes an initial pass to validate the application software. System Test completes once all the Test Scripts have executed and the criteria for success achieved. These criteria are described below.

User Acceptance Test execution commences once System Test Execution is complete and CGI and State Project Management have evaluated the results and agree to proceed. The approach is similar to System Testing with the key difference being that members of the user community are running the tests and viewing the results from the user perspective. User Acceptance Test completes once all the Test Scripts are executed and the criteria for success achieved. The CGI team compiles the results with State input and delivers for Project Management to evaluate readiness for production.

System Test

The CGI team conducts the full system test as part of this phase. This system test verifies that the new and updated FamLink functions correctly, that all interfaces execute as designed, and that the system addresses and meets all requirements. The system test verifies that the various system subcomponents communicate effectively, thus producing a correctly-operating system. It also tests the new operations software and cross-system functions in preparation for the user acceptance test. These tests will also verify that hardware, system software, and application software components are functioning properly, as are manual and automated system components. Batch cycles are executed during this test, including daily, weekly, monthly, and quarterly cycles.

The final deliverable of this task area is an integrated system that meets design specifications and performance criteria. The testing effort includes the interfaces, external systems (as applicable), conversion processes, operations software, and documented test results.

User Acceptance Testing

During User Acceptance Test (UAT), State ADSA user acceptance test personnel, with support from the CGI Team, perform the UAT to verify the "production readiness" of the application from the perspective of those who will use or support the application. The objectives of the UAT are to verify



that the entire system meets design specifications and supports ADSA operations (organization, policies, and procedures). An equally important objective is to establish user buy-in of the application and familiarize key users, participating as user acceptance testers, with the application and its benefits.

The CGI Team will review the system test results with the ADSA UAT Team. Once the system test is completed and the results reviewed and approved, the updated FamLink application is ready for User Acceptance Testing by the User Acceptance Test Team.

Depending on staff availability, it is recommended that User Acceptance Testing staff participate in the later stages of the actual System Test effort. When participation begins as recommended, then when User Acceptance Testing begins, the staff will have overcome the learning curve, both on system functionality and efficient testing procedures, and will be knowledgeable about what the System Test has accomplished. This not only provides the User Acceptance Test team(s) with "built-in" experts who can support the rest of the team, it also helps to make sure that the acceptance test is more than a repeat of the system test.

A significant element of UAT is configuration and security testing above that conducted during System Test. System configuration, such as control and security settings, are tested. User testers should log on using a specific security capability applicable to their specific role; testing of ADSA user roles will be conducted.

The User Acceptance Test requires user involvement and commitment in order to be successful. The CGI team understands that User Acceptance Test and other testing areas with State staff involvement must be timed to avoid the heavy workloads of peak processing times. The CGI team will work with ADSA Project Management to set appropriate timelines for testing that maintain project progress while minimizing disruption of ADSAs departmental duties. We emphasize that participation on the User Acceptance Test Team is an ideal mechanism to develop in-depth expertise among the State members of ADSA team. We recommend that special care be taken to select individuals for the UAT team who will have important on-going roles in using and operating FamLink with ADSA functionality.

It should be noted that UAT Test Script development and execution, Data Setup, and State Team member management will be ADSA owned tasks. CGI will provide oversight and support to ADSA UAT Team Members.

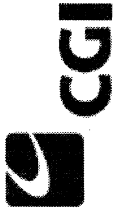
The existing FamLink System and User Acceptance Test Plans can be found on the FamLink Portal in the following location:

FamLink Portal>ADSA FamLink>Processes and Procedures

Change Request Requirements:

These requirements were created from ADSA provided information from the "Compliant Information Users' Guide", CMS provided requirements, the "APSAS Users Manual" and specific requirement requests from prior meetings with ADSA.

#	Requirement	Source	Phase	FamLink Modifications	Exists in FamLink	Modification Level
1	CRU Master Requirement: Incorporate ADSA Complaint Resolution System (CRU) functionality into the Washington FamLink application	ADSA	1	See Response to individual requirements 2 through 22	See Requirements 2 through 22	See Requirements 2 through 22
2	CRU Requirement: Ability to enter information from Transcribing Messages from the Voice-Mail System.	CRU Desk Manual	1	The existing FamLink Intake functionality includes the ability to capture narrative, dates and time. During design, the CGI team will work with the State to modify the Intake module to include: <ul style="list-style-type: none"> • Message Source • Message Review Actions and Priority 	Partially Exists	Low Included in Base Cost
3	CRU Requirement: Ability to reviewing and retrieve Intakes that were entered from the transcribe messages.	CRU Desk Manual	1	The existing FamLink Intake functionality includes the ability to retrieve an intake in progress to review information entered from transcribing messages. During design, the CGI team will work with the State to include the current CRU "Complaints Work List". This includes: <ul style="list-style-type: none"> • Compliant Intakes created from Phone Messages that need review. • Complaint Intakes that need additional information. • Complaint Intakes ready for assignment and referral. • Complaint Intakes that are ready for distribution. 	Partially Exists	Low Included in Base Cost
4	CRU Requirement: Ability to search and review Phone Messages input as intakes (a.k.a. Complaint Search)	CRU Desk Manual	1	This will be accomplished by utilizing existing intake search and retrieve functionality. Intake search may be updated to include additional search criteria for ASDA. Until an intake is approved, ADSA workers with the appropriate security will be able to make modifications to the intake. During design, the CGI team will work with the State to add additional intake search criteria to include: Intake Participant Name, role, and Referral Agency.	Partially Exists	Low Included in Base Cost
5	CRU Requirement: Ability for a ADSA worker to link an existing or new provider/facility to an intake, capture alleged regulation	CRU Desk Manual	1	The existing FamLink functionality includes the ability to link a facility/provider to an intake. Existing intake functionality includes the ability to capture allegations, multiple perpetrators, victims, narrative, reporter/complainant information, potential requested services, intake dates and	Exists	TRAC Changes Included in Base Cost



#	Requirement	Source	Phase	FamLink Modifications	Exists in FamLink	Modification Level
	infractions, Alleged perpetrators and victims, narrative, reporter/complainant information, potential requested services, intake date and time			times. During design, the CGI team will work with the State to make TRAC changes to update field literals to ADOSA language.		
6	CRU Requirement: Collect basic person information, including; name, ssn, date of birth, race, Hispanic origin, gender, telephone and addresses information.	CRU Desk Manual	1	The existing FamLink application functionality allows the worker to create or update person information. This includes: Name, AKA (Alias Name), SSN, date of birth, race, Hispanic origin, gender, telephone and address information.	Exists	None
7	CRU Requirement: Ability for the application to automatically derive an intake Id upon creation.	CRU Desk Manual	1	The existing FamLink application functionality creates a system derived ID upon the creation and save of the initial intake.	Exists	None
8	CRU Requirement: Ability to flag the intake reporter as confidential.	CRU Desk Manual	1	During design, the CGI team will work with State to add an indicator that the intake reporter/complainant is confidential.	Does Not Exist	Low Included in Base Cost
9	CRU Requirement: Ability to flag the intake for follow-up if the complainant indicates that they want to receive a report	CRU Desk Manual	1	The existing FamLink application functionality for intake includes a means to document if a reporter/complainant requests follow-up on intake and/or investigation status and/or outcomes. This includes the ability to produce a intake and/or investigation report to a reporter/complainant.	Exists	None
10	CRU Requirement: Ability to capture victim information.	CRU Desk Manual	1	The existing person module in FamLink allows the worker to create or update person information. This includes: Name, AKA, SSN, date of birth, race, Hispanic origin, gender, telephone and address information.	Exists	None
11	CRU Requirement:	CRU Desk	1	The existing person module in FamLink allows the worker to	Exists	None



#	Requirement	Source	Phase	FamLink Modifications	Exists in FamLink	Modification Level
	Ability to capture alleged perpetrator information.	Manual		create or update person information. This includes: Name, AKA, SSN, date of birth, race, Hispanic origin, gender, telephone and address information.		
12	CRU Requirement: Ability to capture Medication Information on each intake person. Including Mental Status, Ambulatory Status and Medical diagnosis. Ability to maintain medical reference values.	CRU Desk Manual	1	Existing Medical pages in FamLink are tied directly to a person record. During design, the CGI team will work with the State to determine if the existing medical pages can be used or if new fields will need to be added to the intake to capture Mental Status, Ambulatory Status and Medical diagnosis for each intake participant. Existing FamLink functionality for maintaining reference values, like medical values, will be used.	Exists, TRAC Changes, minimal changes to add ADOSA Language.	Low TRAC Changes Included in Base Cost
13	CRU Requirement: Ability to add narrative to an intake.	CRU Desk Manual	1	The existing FamLink intake functionality has multiple narrative boxes to capture text. CGI will work with the State during design to update field literals to closely match ADOSA policy language as part of TRAC Changes.	Exists	TRAC Changes Included in Base Cost
14	CRU Requirement: Ability to capture incident date and time.	CRU Desk Manual	1	The existing FamLink intake functionality includes the ability to capture the actual incident date and time.	Exists	None
15	CRU Requirement: Ability to Assign/Refer an Intake to an ADOSA worker and document Agency Referrals. Including the ability to maintain the list of Referral Agencies and ability to transfer work from one worker to another.	CRU Desk Manual	1	The existing assignment functionality will be used in FamLink. This functionality allows for the assigning or transferring a specific worker on the investigation, provider, case and other pieces of work. During design, the CGI team will work with the State to include the means to capture the referred agencies. Once agency referrals are added, the list of Referral Agencies can then be maintained in FamLink with existing reference data functionality.	Partially Exists	Low to Moderate Included in Base Cost
16	CRU Requirement: Assignments/Referrals must include the ability to select the known district, region and worker. The Assignment	CRU Desk Manual	1	The existing assignment functionality will be used in FamLink. This includes the ability to select the known district, region and worker, date assigned and assignor.	Exists	None



#	Requirement	Source	Phase	FamLink Modifications	Exists in FamLink	Modification Level
17	will include the date assigned and who assigned the intake. CRU Requirement: Ability to capture Referral Agency Information. Including: Agency Name, Type, Address, Contact Name, phone and fax numbers.	CRU Desk Manual	1	Existing assignment functionality in FamLink will be utilized to assign workers. During design, the CGI team will work with the State to modify intake functionality to refer the intake to an agency when a complaint contains allegation issues that are outside the investigative authority of RCS and therefore the intake would need to be referred to an outside organization. Existing functional standards will be used. This includes the worker's ability to attach the Intake Form to an e-mail that is then sent to the referred outside organization.	Partially Exists	Low, TRAC Changes Included in Base Cost
18	CRU Requirement: Ability to capture facility information. Including; System derived ID, SSN or F.E.I.N, Name, address, Facility Type, and Facility Members.	CRU Desk Manual	1	Existing provider functionality in FamLink will be used. This includes a robust provider module that allows for the collection of provider name(s), SSN, IDs, FEIN, Addresses, Types, Members/Employees of the provider.	Exists	None
19	CRU Requirement: Ability to create forms and/or letters from Intake. This includes the ability to save the form with the intake, document if the form is faxed or sent via e-mail of regular post.	CRU Desk Manual	1	During design, the CGI team will work with the State to identify the forms needed in FamLink to meet ADOSA requirements. This contract amendment allows for updates to 8 existing or 6 new forms in FamLink.	Document Management Exists. New Forms	Moderate Included in Base Cost
20	CRU Requirement: Ability to complete an intake for closure (no action needed), refer for investigation or refer to outside agency.	CRU Desk Manual	1	Existing FamLink Intake functionality includes the decision functions. This allows the worker to make the decision to screen-in the intake and refer for provider actions, screen-out due to lack of information, screen-out with the reason of referral to an outside entity. During design, the CGI team will work with the State to update the decision functions to incorporate the actual referral agencies. (See Requirement 17)	Partially Exists	Low to Moderate Included in Base Cost



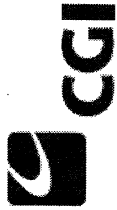
#	Requirement	Source	Phase	FamLink Modifications	Exists in FamLink	Modification Level
21	CRU Requirement: Ability to create an investigation on a facility. Capturing: First Investigation date, Last Investigation Date, date intake was received, investigation type, type of regulations, ability to capture allegation outcomes/findings for each allegation/regulation and manager decisions.	CRU Desk Manual	1	The existing FamLink functionality includes the ability to screen-in an intake, link to an existing or new case and create an investigation and/or facility compliant. This includes the investigation date, associated intake and participant history, allegation findings, facility regulation findings on Facility complaints and supervisor decisions. During design, the CGI team will work with the State to add additional field needed to capture Last Investigation Date, new investigation types, ADSA regulations and regulation findings per ADSA policy.	Partially Exists	Low to Moderate Included in Base Cost
22	CRU Requirement: Ability to access OSCAR from the application.	CRU Desk Manual	1	During design, the CGI team will work with the State to include a link to OSCAR, the on-line survey and federal information complaint management system (On-line Survey and Certification Automated System). Per 04/06/2011 meeting with ADSA, this requirement is no longer needed.	Does not Exist	Low Included in Base Cost
23	CRU Requirement: Ability to Add, Update and search for a worker.	CRU Desk Manual	1	The existing FamLink functionality includes the ability to add, update and search for a worker.	Exists	None
24	Create an Incoming and Outgoing interface with CARE and the FamLink application.	ADSA	1	During design, the CG Team will work with the State to design, develop and implement a 2-way interface with the ADSA CARE Application. Data to be part of the interface: <ul style="list-style-type: none"> From CARE to FamLink – Person and Program Data including Waiver Status. From FamLink to CARE – Incident and Outcome Data. 	Does not Exist	High Included in base Cost
25	Create an Incoming and Outgoing interface with FMS and the FamLink application.	ADSA	1	During design, the CG Team will work with the State to design, develop and implement a 2-way interface with the ADSA FMS Application. Data to be part of the interface: <ul style="list-style-type: none"> From FMS to FamLink – Facility Data 	Does not Exist	High Included in base Cost



#	Requirement	Source	Phase	FamLink Modifications	Exists in FamLink	Modification Level
26	Create an Outgoing Interface with BCCU and the FamLink application.	ADSA	1	<ul style="list-style-type: none"> From FamLink to FMS – Facility Incident and Outcome Data <p>During design, the CG Team will work with the State to design, develop and implement a 1-way interface with the BCCU Application. Data to be part of the interface:</p> <ul style="list-style-type: none"> From BCCU to FamLink – Results to be part of data extract for reporting From FamLink to FMS – Substantiated Outcome Data on Individuals 	Does not Exist	Moderate Included in base Cost
27	Create an Extract from FamLink data that will be used by ADSA for reporting and trend analysis via SSRS.	ADSA	1 and 2	<p>During design, the CG Team will work with the State to design, develop and implement a data extract for use with SSRS. The file will include required person, intake, facility, assignments and investigation data. This will be a pure data extract of elements housed in the FamLink database “read only” version. This does not include special data formatting for SSRS reporting.</p> <p>ADSA Clarification Discussion: ADSA requests a daily “snapshot” of the data from FamLink “Read-Only”.</p> <p>During design, the CGI team will work with the State to define the conversion design to convert the existing CRU application data and RCPP MS Excel spreadsheet data into FamLink. It is understood that ADSA has chosen not to include all of CRU application history, but will decide on “how far back” data should be kept and converted into FamLink.</p>	Does not Exist	Moderate Included in base Cost
28	Convert existing CRU and RCPP data into the FamLink Application and Database.	ADSA	1 and 2	<p>CRU data will be converted in Phase 1 and RCPP data will be converted in Phase 2.</p> <p>The Complaints Resolution System (CRU) conversion was estimated by using ADSA provided information for the Complaints Resolution System NHS Registry Database (Attachment D).</p> <ul style="list-style-type: none"> Estimated CRU Table Rows to be Converted: Last 10 	Does not Exist.	High Included in Base Cost



#	Requirement	Source	Phase	FamLink Modifications	Exists in FamLink	Modification Level
				<p>Years of Data.</p> <p>The Individuals in Facilities (RCPP) conversion was estimated by using ADSA provided information as follows:</p> <ul style="list-style-type: none"> • 2 Supported Living Provider Spreadsheets with the following columns: <ul style="list-style-type: none"> ○ Adult Family Home Findings ○ Name ○ Complaint Number ○ Provider (any type of ownership role) ○ Provider Name ○ Provider Number ○ Supported Living or Group Home Administrator ○ Mailing Address ○ Phone Number ○ Fax Number ○ E-Mail Address ○ Facility License# ○ Provider Practice Assigned Region ○ Provider Practice Enforcement ○ Provider Practice Appeal Date ○ Provider Practice Final Date ○ RCPP Finding Type ○ RCPP Prelim Date ○ RCPP Appeal Date ○ RCPP Final Date • Approximately 150 Providers and 4,000 Clients <p>The following hours have been allocated for conversion of APSAS:</p> <ul style="list-style-type: none"> • Initial Analysis: 120 • Requirements Validation/Gap Analysis: 80 • Detailed Design: 240 		



#	Requirement	Source	Phase	FamLink Modifications	Exists In FamLink	Modification Level
29	Ability to create a Service Episode Record (SER) in FamLink.	APSAS Users Manual and CRU Desk Manual	1 and 2	<ul style="list-style-type: none"> Development: 420 Testing and Implementation (Scripts/Execution/Support): 860 	Exists with TRAC Changes	TRAC Changes Included in Base Cost
30	Incorporate ADSA Individuals in Facilities tracking tool (RCPP) functionality into the Washington FamLink application.	ADSA	2	FamLink already has the functionality to add and track members that are part of facilities. Additional functionality will need to be added to FamLink to link Persons directly to a facility. During design, CGI will work with the State to incorporate functionality that exists to track individuals in Facilities.	Partially Exists	Moderate Included in Base Cost
31	Master APSAS Requirement: Incorporate ADSA Adult Protective Service Automated System (APSAS) functionality into the Washington FamLink application.	ADSA	2	See Response to individual requirements 32 through 62	See Requirements 32 through 62	See Requirements 32 through 62
32	Update and create needed security for ADSA users of the FamLink application	ADSA	1 and 2	Existing FamLink security functionality will be used for ADSA. Updates to the security functionality will be made for new ADSA required changes.	Exists	TRAC Changes Included in Base Cost
33	APSAS Requirement: Ability to Search for an Intake, Case, Person, Worker, Case and/or Provider. Ability to Search for a Intake or Case using a wide range of	ADSA User Manual	2	The existing FamLink functionality includes Intake, Case, Person, Worker and Provider searches. The Intake Search allows a user to search using the following criteria: Intake Name, Intake ID, Final Screening Decision (based on Intake Type), Received From/To Dates,	Exists	None



#	Requirement	Source	Phase	FamLink Modifications	Exists In FamLink	Modification Level
	criteria.			Reason (based on Final Screening Decision), Response Time, Provider Type, Region created, Office created, Region assigned, Participant ID, Worker Logon ID, Worker ID. The Case Search allows a user to search using the following criteria: Last and First Name, Case ID, Office, Case Type, Status, Address.		
34	APSAS Requirement: Ability to search for a Person by search criteria, including; Name, ID, SSN and Person Role.	ADSA User Manual	2	The existing FamLink functionality includes the ability to search for a Person by specific criteria. The criteria include searching by Name, Person ID, and SSN. During design, the CGI team will work with the State to incorporate the ability to search by a person's role.	Partially Exists	Low to Moderate Included in Base Cost
35	APSAS Requirement: Ability to search for a case by Name, ID, Region, Worker, Data Range and Case Status.	ADSA User Manual	2	The existing FamLink functionality includes the ability to search for a Case by specific criteria. The criteria include searching by Name, Case ID, Region, Worker, Date Range and Status.	Exists	None
36	APSAS Requirement: Ability to create and update an intake. The intake shall include: System derived ID, Intake Date and Time, Report Made Date and Time, Method, Worker and County.	ADSA User Manual	2	The existing FamLink functionality includes the ability to create and update an intake. The intake header includes the system derived ID, Intake Date and Time. Additional functionality includes the ability to capture the data and time the report was made, the method, worker and county. Upon the completion (decision) and supervisor approval, the intake freezes and can not be modified.	Exists	None
37	APSAS Requirement: Ability to capture intake Allegations, Allegation Narrative, Multiple Incident Allegations, Incident Dates and Incident addresses.	ADSA User Manual	2	The existing FamLink functionality includes the ability to capture allegations and associate them to a victim and perpetrator. Additionally, within the intake the worker can document multiple allegations for an incident address. FamLink allows for the creation of a new intake when separate incident dates occur. In FamLink an intake is created to capture the incident allegations, date, time and incident address. If multiple incidents occur on separate date, then additional intakes would be created and linked to the existing case. This functionality will remain. If different functionality is	Exists	None



Requirement	Source	Phase	FamLink Modifications	Exists in FamLink	Modification Level
38 APAS Requirement: Ability to link an intake to a facility.	ADSA User Manual	2	Existing FamLink functionality includes the ability to link an intake to an existing Provider/facility or create and link to a new provider/facility.	Exists	None
39 APAS Requirement: Ability to capture if an Interpreter is Needed and what language.	ADSA User Manual	2	The existing FamLink functionality in the person module allows a worker to capture if an interpreter is needed and the primary language of the person.	Exists	None
40 APAS Requirement: The application will have the ability to place an "Administrative Lock" to restrict access.	ADSA User Manual	2	Existing FamLink functionality includes the ability to flag an intake and/or case as "Restricted". When flagged, the case and intake can only be accessed by someone directly assigned to the case, their supervisor or someone with special "restricted" case security.	Exists	None
41 APAS Requirement: Ability to capture one or more intake narratives.	ADSA User Manual	2	Existing FamLink functionality exists to capture multiple narratives. During design, the CGI team will work with the State using TRAC to update narrative labels to reflect ADSA language.	Exists	TRAC Changes Included in Base Cost
42 APAS Requirement: Ability to flag Referrals Made at Intake. These include: Law Enforcement Referral, Copies Sent to CRU, 911 Contacted, DMHP Contacted, Other Entities (via reference data), description (if needed) date, and Reference number from the other system or entity.	ADSA User Manual	2	During design, the CGI team will work with the State to include flags for "Referrals Made at Intake". These include: Law Enforcement Referral (checkbox) Copies Sent to CRU (checkbox) 911 Contacted (checkbox) DMHP Contacted (checkbox) Entities (dropdown with reference values) Description (narrative box to be used for specific entity types) and a description box to document a "Reference Number from Other System or Entity".	Does not Exist	Low Included in Base Cost
43 APAS Requirement: Ability to continually update the intake until a screening	ADSA User Manual	2	Existing FamLink functionality includes the ability to update the intake until a screening decision is made and the intake has been approved. This functionality also pertains to the	Exists	None



#	Requirement	Source	Phase	FamLink Modifications	Exists in FamLink	Modification Level
	decision and approval is made.			investigation and case.		
44	<p>APSAS Requirement: Ability to capture various safety issues and narrative. (As depicted on page 24 and 63 of the APSAS Users Manual for both the Intake and Investigation) Safety issues include:</p> <ul style="list-style-type: none"> • None • Criminal Activity in and/or around the Home • Animals • Law Enforcement • Weapons • Unstable/Volatile Behavior • Biological/environment Hazards • Housing • Other Safety Concerns (narrative) • Safety Concerns Narrative 	ADSA User Manual	2	<p>During design, the CGI team will work with the State to include safety issues on a safety tab/pop-up or page within the intake and investigation module. (Data fields to be added as depicted on Page 24 of the APSAS User Manual) Sections to include:</p> <ul style="list-style-type: none"> • None • Criminal Activity in and/or around the Home • Animals • Law Enforcement • Weapons • Unstable/Volatile Behavior • Biological/environment Hazards • Housing • Other Safety Concerns (narrative) • Safety Concerns Narrative 	Partially Exists	Moderate Included in Base Cost
45	<p>APSAS Requirement: Ability to capture victim information including: First, Middle and Last Name Alias/AKA, Age-Date of Birth Gender, SSN, Ethnicity/Race, Tribe, Language, Other Languages,</p>	ADSA User Manual	2	<p>The existing FamLink functionality has the ability to create and update a person and their associated data. These include: First, Middle and Last Name, Alias/AKA, Age-Date of Birth, Gender, SSN, Ethnicity/Race, Tribe, Language, Other Languages, Interpreter/Translation Needed, Home Address, Mailing Address, Temporary Address, Home Phone, Cell Phone, Fax Phone, Other Phone, E-mail address, and Marital Status. During design, the CGI team will work with the State</p>	Partially Exists	Moderate Included in Base Cost



#	Requirement	Source	Phase	FamLink Modifications	Exists in FamLink	Modification Level
46	<p>Interpreter/Translation Needed, Home Address, Mailing Address, Temporary Address, Home Phone, Cell Phone, Fax Phone, Other Phone, E-mail address, Marital Status, Deceased Date and Timeframe, Decision Maker Status, case managed by, and driving directions, "Vulnerable Adult Definition" flags (Not Vulnerable Adult, Unable to Determine, Age 60 & inability to care for self, Has developmental disability, Has Agency services, Self-directs care, Has a Legal Guardian, Is admitted to a Facility, Has IP services), "Services Victim is Receiving" flags (CHORE, MPC, DDD, COPES) including a "Other Services" narrative box and a flag for "Victim is Medicaid Coverage Eligible"</p> <p>Ability to capture perpetrator</p>	ADSA User Manual	2	<p>to include: Deceased Date and Timeframe, Decision Maker Status, case managed by, and driving directions, "Vulnerable Adult Definition" flags (Not Vulnerable Adult, Unable to Determine, Age 60 & inability to care for self, Has developmental disability, Has Agency services, Self-directs care, Has a Legal Guardian, Is admitted to a Facility, Has IP services), "Services Victim is Receiving" flags (CHORE, MPC, DDD, COPES) including a "Other Services" narrative box and a flag for "Victim is Medicaid Coverage Eligible"</p> <p>And "Resources Checked at Intake" allowing the worker to denote if other systems were checked at intake. (As depicted on the Victim Tab from pages 26-27 in the APSAS Users Manual).</p>	Partially Exists	Moderate



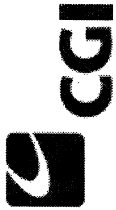
#	Requirement	Source	Phase	FamLink Modifications	Exists in FamLink	Modification Level
	<p>information including: First, Middle and Last Name Alias/AKA, Age-Date of Birth Gender, SSN, Ethnicity/Race, Tribe, Language, Other Languages, Interpreter/Translation Needed, Home Address, Mailing Address, Temporary Address, Home Phone, Cell Phone, Fax Phone, Other Phone, E-mail address, Marital Status, Decisions Maker Status, Case managed by</p> <p>Additional Information collected on a perpetrator to include: Relationship to victim, Agency Name, Perpetrator Relationships to Victim including the ability to flag if the perpetrator is also a IP Provider, Caregiver, Self Directed Personal Aide, DSHS Paid S.D.P.A., Landlord, Guardian, Power of Attorney and Other narrative field., and "Resources Checked at Intake" allowing the worker to denote if other systems were checked at intake. (As depicted on the Victim Tab from page 31 in the APSAS</p>			<p>person. Person information in FamLink includes First, Middle and Last Name, Alias/AKA, Age-Date of Birth, Gender, SSN, Ethnicity/Race, Tribe, Language, Other Languages, Interpreter/Translation Needed, Home Address, Mailing Address, Temporary Address, Home Phone, Cell Phone, Fax Phone, Other Phone, E-mail address, and Marital Status.</p> <p>During design, the CGI team will work with the State to include the following information and determine the appropriate location in FamLink. These include: Decisions Maker Status, Relationships to victim, Agency Name, Perpetrator Relationships to Victim including the ability to flag if the perpetrator is also a IP Provider, Caregiver, Self Directed Personal Aide, DSHS Paid S.D.P.A., Landlord, Guardian, Power of Attorney and Other narrative field, and "Resources Checked at Intake" allowing the worker to denote if other systems were checked at intake. (As depicted on the Victim Tab from page 31 in the APSAS Users Manual). It should be noted that some fields, like "Relationship to Victim" currently exists within the investigation pages. Existing fields will be utilized, when appropriate.</p>		<p>Included in Base Cost</p>



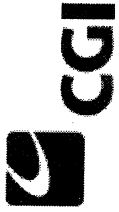
#	Requirement	Source	Phase	FamLink Modifications	Exists in FamLink	Modification Level
47	Users Manual). APAS Requirement: Ability to capture information on the reporter of an intake. The data collected shall include: First, Middle and Last Name, Alias, home address, mailing address, phone, fax and other phone number, relation to victim, Agency Name, Reporter Type, Reporter Confidentiality, Reporter Call-Back Required and Date of call. (As depicted on page 34 of the APSAS Users Manual)	ADSA User Manual	2	The existing FamLink functionality includes the ability to create a person and document data associated with the person. Person information in FamLink includes First, Middle and Last Name, Alias/AKA, Age-Date of Birth, Gender, SSN, Ethnicity/Race, Tribe, Language, Other Languages, Interpreter/Translation Needed, Home Address, Mailing Address, Temporary Address, Home Phone, Cell Phone, Fax Phone, Other Phone, E-mail address, and Marital Status. During design, the CGI team will work with the State to include additional Reporter information as depicted on page 34 of the APSAS Users Manual.	Partially Exists	Low Included in Base Cost
48	APAS Requirement: Ability to add Collaterals to an Intake, including: First, Middle and Last Name, home address, mailing address, 2 phone numbers, Relationship to Victim, Agency Name and If the Collateral is a Guardian/DPOA (As depicted on page 36 of the APSAS Users Manual)	ADSA User Manual	2	The existing FamLink application functionality includes the ability to create and maintain collaterals as part of the case. During design, the CGI Team will work with the State to add additional data fields to capture information that is current functionality in APSAS as part of TRAC Changes.	Exists	TRAC Changes Included in Base Cost
49	APAS Requirement: Ability to send e-mail notifications to assigned workers.	ADSA User Manual	2	The existing FamLink functionality includes the ability to send e-mail notifications to assigned workers. During design, the CGI team will work with the State to design when notifications are sent and to which assigned workers.	Exists	TRAC Changes Included in Base Cost
50	APAS Requirement: Ability to add an assignment,	ADSA User Manual	2	The existing FamLink functionality includes the ability to add, change and reassign a worker to a case, investigation and	Exists	TRAC Changes



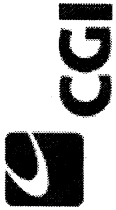
#	Requirement	Source	Phase	FamLink Modifications	Exists in FamLink	Modification Level
	change an assignment or reassign an assignment of a worker to a case, investigation and intake.			intake. During design, the CGI team will work with the State to add assignment types as part of TRAC Changes.		Included in Base Cost
51	APAS Requirement: Ability to Screen In and link an Intake to a new or existing case.	ADSA User Manual	2	The existing FamLink functionality includes the ability to screen-in or screen-out an intake and link the intake to a new or existing case in the application.	Exists	None
52	APAS Requirement: Ability to Screen Out an Intake including the date screened out, the reason and the worker who made the decision to screen out the intake.	ADSA User Manual	2	The existing FamLink functionality includes the ability to screen-out an Intake including the date the intake was screened out, the screen-out reason and who made the decision. During design, the CGI team will work with the State to include ADSA policy screen-out reasons.	Exists	TRAC Changes Included in Base Cost
53	APAS Requirement: Ability to create an investigation on one or more intakes. The Investigation shall include: Investigation dated, Status, APS Client Interview information, APS Alleged Perpetrator Interview information, and Investigation narrative (As depicted on pages 52 through 56 in the APSAS Users Manual)	ADSA User Manual	2	The existing FamLink functionality has the ability to create an investigation and link one or many intakes to be part of the investigation. The investigation functionality includes the investigation date, status, and narrative. During design, the CGI team will work with the State to include additional data fields to the investigation module as depicted on pages 52 through 56 in the APSAS Users Manual.	Partially Exists	Low - Moderate Included in Base Cost
54	APAS Requirement: The investigation shall have the ability to capture APS Services, Allegation Results, Allegation Incidents and findings. (As depicted on	ADSA User Manual	2	The existing FamLink functionality includes the ability to capture services offered as part of the intake and investigation, allegation results and findings. During design, the CGI team will work with the State to add services that are part of the investigation currently used in APSAS and include data fields as depicted on pages 58, 59 and 60 from the APSAS	Partially Exists	Low - Moderate Included in Base Cost



#	Requirement	Source	Phase	FamLink Modifications	Exists in FamLink	Modification Level
	Disposition Tab on pages 58, 59 and 60 in the APSAS Users Manual)			Users Manual.		
55	APSAS Requirement: The Investigation shall capture where the Outcomes of the Reports were sent to (i.e. Law Enforcement, CRU, DDD, AAA, etc.), AAG Involvement and Referrals Made To entities. (As depicted on the Referrals Tab on Pages 62 and 63 in the APSAS Users Manual).	ADSA User Manual	2	During design, the CGI team will work with the State to include where Outcomes of the Reports were sent as depicted on the Referrals tab on pages 62 and 63 in the APSAS Users Manual. This shall include referral dates and brief narrative to Law Enforcement, CRU, DDD, AAA, Ombudsman, Other 1 and Other 2, Other agency dropdown, AAG Involvement (Referral to AAG, Advice, Guardianship, Injunction and Protection referral dates and response dates. Additionally, the Law Enforcement Form will be one of the forms that must be updated to reflect both CA and ADSA Needed. Additionally, this form must be able to be sent out multiple times when information changes (i.e. notification).	Does Not Exist	Low - Moderate Included in Base Cost
56	APSAS Requirement: Ability to view linked reports to an investigation.	ADSA User Manual	2	The existing FamLink functionality includes the ability to link one or many intakes to the investigation. Once linked, the worker has the ability to access the intake from the investigation.	Exists	None
57	APSAS Requirement: Ability to view and add people to the investigation. Intake participants (Victim, Perp., collaterals, etc.) should automatically copy forward into the investigation.	ADSA User Manual	2	The existing FamLink functionality includes the ability to view and add people to the investigation. Additionally, when a user links an intake to an investigation the participants of the intake automatically copy forward into the investigation.	Exists	None
58	APSAS Requirement: Ability to add investigative case notes to document activity related to an APS Investigation and provision of protective services. (Currently Known as Service Episode Record (SER)).	ADSA User Manual	2	The existing FamLink functionality includes the ability to create case notes as part of the investigation. During design, the CGI team will work with the State to include case note types and activities to reflect ADSA policy as part of TRAC Changes. Additionally, case notes are locked: a.) Upon being marked completed by a worker	Exists	TRAC Changes Included in Base Cost



#	Requirement	Source	Phase	FamLink Modifications	Exists in FamLink	Modification Level
	Ability to lock case notes at appropriate time during the investigation.			b.) After 30 days from initial creation c.) Upon case closure.		
59	APSAS Requirement: Ability to capture different note and activity types, contact with, date and time of a case note.	ADSA User Manual	2	The existing FamLink functionality includes the ability to create case notes as part of the investigation including activity types, with whom the note or contact was about, date and time. During design, the CGI team will work with the State to include case note types and activities to reflect ADSA policy as part of TRAC Changes.	Exists	TRAC Changes Included in Base Cost
60	APSAS Requirement: Ability to edit or append a case note.	ADSA User Manual	2	The existing FamLink application functionality has the ability to edit and append a case note.	Exists	TRAC Changes Included in Base Cost
61	APSAS Requirement: Ability to create and print out the following types of forms: Intake Report Law Enforcement Referral Outcome Report Case Recording Outcome Case Notes	ADSA User Manual	2	During design, the CGI team will work with the State to update 8 existing FamLink forms or create 6 new forms as identified by the State.	Does/Does not exist	Updates to 8 existing or 6 new forms Included in Base Cost
62	APSAS Requirement: Ability to close an investigation once all activities are complete.	ADSA User Manual	2	The existing FamLink functionality includes the ability to close an investigation once all required information is completed. During design, the CGI team will work with the State to determine what information is required before an investigation can be closed.	Exists	TRAC Changes Included in Base Cost
63	Identify that the client involved in an intake or investigation is a waiver client and identify type of waiver.	ADSA/CMS	1	During design, the CGI team will work with the State to modify FamLink to incorporate client waiver functionality from the CARE interface. Client Waiver dates, name, and narrative. The determination of a waiver client will remain in the CARE application.	Does Not Exist	Moderate Included in Base Cost
64	Consistently notify case managers when a waiver	ADSA/CMS	1 and 2	During design, the CGI team will work with the State to include modifications to FamLink to notify case managers	Does Not Exist	Moderate



#	Requirement	Source	Phase	FamLink Modifications	Exists in FamLink	Modification Level
	client is involved in an alleged critical incident (intake) or investigation.			when a waiver client is involved in and alleged critical incident (intake) or investigation.		Included in Base Cost
65	Track and trend critical incidents by individual, by incident type, by provider, by waiver. Including investigation.	ADSA/CMS	1 and 2	During design, the CGI team will work with the State to modify FamLink to collect data needed to track critical incidents by individual, by incident type, by provider and by waiver and investigation. Actual trending will be the responsibility of ADSA via SSRS from required data extract in Phase 1.	Does Not Exist	Moderate Included in Base Cost
66	Consistently notify case managers of the final outcome of the investigation (both RCS and APS)	ADSA/CMS	1	During design, the CGI team will work with the State to include modifications to FamLink to notify case managers of the final outcome of the investigation (both RCS and APS).	Exists	TRAC Changes Included in Base Cost
67	Have a single CRU system that manages both intake and investigative information	ADSA/CMS	1	FamLink will be modified to incorporate CRU functionality for both intake and investigation information. See Requirements 2 through 22 for detailed information on meeting this requirement.	See Requirements 2 through 22	See Requirements 2 through 22
68	Generate multiple reports from the system to assist with trending and tracking critical incident data	ADSA/CMS	1 and 2	For Phase 1, a "snapshot" of the data will be developed to allow ADSA to report on critical incident data and trending. For Phase 2, CGI will design, code, test and implement 5 reports. ADSA will determine the data and types of reports that will be required as part of the 5 reports.	Does Not Exist	Moderate - High Included in Base Cost
69	Convert existing APSAS data into FamLink. ADSA will review and determine the date restriction of data to be converted.	ADSA	2	During design, the CGI team will work with the State to define the conversion design to convert the existing APSAS data into FamLink. It is understood that ADSA has chosen not to include all of APSAS history, but will decide on "how far back" data should be kept and converted into FamLink. The Adult Protective Services Automated System (APSAS) conversion was estimated by using ADSA provided APSAS Database Model (Attachment E). <ul style="list-style-type: none"> Estimated APSAS Rows to be Converted: 10 Years of Data. 	Does Not Exist	High Included in Base Cost



Requirement	Source	Phase	FamLink Modifications	Exists in FamLink	Modification Level
			<p>The following hours have been allocated for conversion of APSAS:</p> <ul style="list-style-type: none"> Initial Analysis: 120 Requirements Validation/Gap Analysis: 80 Detailed Design: 240 Development: 420 Testing and Implementation (Scripts/Execution/Support): 860 		
70	ADSA	2	<p>During design, the CGI team will work with the State to define 5 reports. CGI has categorized the 5 reports as follows:</p> <ul style="list-style-type: none"> 2 Simple (averaging 250 hours to design, develop and test) 2 Moderate (averaging 350 hours to design, develop and test) 1 Complex (450 hours to design, develop and test) <p>The data used for these reports will be from the "Read-Only" version of the FamLink Database. FamLink Data Warehouse will not be used for any ADSA reporting.</p>	Does Not Exist	High Included in Base Cost
71	ADSA 04/06/11 Meeting	1 and 2	Existing FamLink functionality uses spell check on all narrative text boxes. Specific ADSA verbiage can be added to each user's personal dictionary (comparable to MS Word Spell Check functionality).	Exists	None
72	ADSA 04/06/11 Meeting	1 and 2	Existing FamLink functionality for person search includes the ability to search by AKA.	Exists	None
73	ADSA 04/06/11 Meeting	1 and 2	Existing FamLink functionality to maintain reference values will be utilized. During design, the CGI team will work with the State to add the required fields and their values to Provider Actions.	Exists	None
74	ADSA 04/06/11 Meeting	1 and 2	The existing FamLink functionality includes the ability to upload/download file type formats are supported in FamLink: doc, docx, pdf, rtf, xls, msv (Sony audio recording format), jpeg, jpg, and bmp.	Exists	None
75	ADSA 04/06/11 Meeting	2	The existing FamLink functionality includes the ability to maintain hearing decision and dates in the legal module. During design, the CGI team will work with the State to update	Exists TRAC Changes	TRAC Changes Included in Base Cost



#	Requirement	Source	Phase	FamLink Modifications	Exists in FamLink	Modification Level
76	Ability to fax from FamLink, a Template/Form to an outside agency.	ADSA 04/06/11	1 and 2	language values needed for ADSA. Currently there is no functionality in FamLink for Fax capabilities. During Requirements validation and Gap Analysis, CGI will work with the State to determine the appropriate functionality needed. This Change Request includes the hours to complete the Requirements Validation and Gap Analysis. During the Gap Analysis, the team will work together to determine the full level of effort needed and will become part of the outcomes of the Gap Analysis.	Does Not Exist	Requirements Validation, Gap Analysis hours are only included. (100 hours)



Change Request Assumptions:

	Assumption Description
1	Traditional Project: Requirements/Gap Analysis, Detailed Design, Development, Testing (Unit, System and UAT), Implementation
2	Project will utilize existing approved project management processes, project phase processes (i.e. design, testing, etc.) and deliverable documentation.
3	CGI will provide existing process and procedure training to ADSA staff. (i.e. Project Management Processes, Requirements/Gap Analysis, Detailed Design, coding standards and Testing processes).
4	Design, Development and Testing will mainly be housed at the CATS location. This is required to minimize management cost and utilization of cross Team members. The State and CGI will work together on actual session locations. This is also to assist minimal impact to State team members and their existing duties.
5	Milestone and Deliverable focused financials. i.e. Completion of Requirements/Gap Sessions, Approval of Gap Analysis Deliverable Document, Detailed Design Sessions, Detailed Design, Code Completion, etc.
6	Once a deliverable is approved, requested changes that increase or decrease scope will follow the Change Request Process.
7	The ADSA Project will begin with Requirements/Gap Analysis to determine the gap between the existing FamLink Application and ADSA Requirements. The outcome could increase or decrease scope and the original project estimate for completion and if so, will require that the parties execute a change request.
8	Common functionality of FamLink (i.e. Person, Searches, etc.) will remain as is. If any common functionality is potentially updated, the requested updates must also be approved by CA.
9	Since Converted data will be added to the existing database, the final design must be reviewed and approved by CA.
10	ADSA to follow 5 Day State Review Cycle for all deliverables with the exception of Detailed Design. 10 Days will be allowed for Detailed Design State Review Cycle.
11	There are three identified two way interfaces: CARE, FMS and BCCU
12	Legacy CRU Application, RCPP Spreadsheets and APSAS application data to be converted into FamLink. ADSA Management has stated that not all records from CRU and APSAS applications will be converted, due to age. ADSA to determine record age for conversion during Requirements Validation process. Currently it is assumed that conversion will consist of converting records no greater than 10 years old.
13	Project to fully start June 6, 2011. CGI will begin ramp up team members in April and May 2011.
14	Reports will be developed from FamLink "Read Only" and not the FamLink Data Warehouse.



Assumption Description	
	The State has request 5 reports for this estimate in Phase 2.
15	The State and CGI will work together during the Analysis and Design Stage to keep scope impacts minimal.
16	The identified participants in the analysis and design stage will be able to make the final decisions, any action items must follow a quick 3 day turned-around. CGI and the State will work together to mitigate any risk to the timelines of this change request. Any State extended timeframes due to lack of decisions or postponed sessions that impact the schedule will follow the Change Request process.
17	Configuration Management activities will be the State's responsibility. CGI will provide a Database Administrator for ADSA FamLink database needs. This staff member will also lead the data conversion analysis effort.
18	Other than incident management, the State will be responsible for Implementation, Best/Business Practice Changes, Training and Change Management Activities and any associated materials.
19	Post Production support (for Incident Management) will be a 12 Week period after each Phase and will consist of the analysis and correction of application incidents only. This support will be in lieu of any warranty period. After initial production conversion, data cleanup is the responsibility of the State.
20	Additions and changes to FamLink are limited to the modifications noted in this Change Request. Additional modifications needed, not indicated in this amendment or exceeding the scope identified in the Requirement section, will follow the Change Request process.



Cost

As required in the original DSHS Contract #0752-12787, this Change Request and associated Amendment was prepared with a Fixed Price, where implementation services payments are based on approved project deliverables. The Fixed price is based upon the State's budget limitations as well as the analysis and modifications necessary to meet the Requirements set forth in this Change Request. Under this Change Request, the State will compensate CGI for value-carrying work product deliverables.

In addition to the services amount tied to the deliverables, we are also including a pool of 4,000 hours for unanticipated tasks within the scope of work described. Please see the last section of this Change Request for a detailed description of the "Hours Pool". These hours are part of the Fixed Price amount and are separate from any potential Change Orders for additional scope items.

The Fixed Price for the CGI services for the scope of work identified in this Change Request is **\$6,286,200.00**, including the Hours Pool for unanticipated tasks. The total amount is distributed among the deliverables associated with this Change Request (see Deliverables Table/Payment Schedule). Each Phase is broken down as follows:

Phase 1 Deliverables Cost: \$ 2,807,600.00

Phase 2 Deliverables Cost: \$ 3,478,600.00

The list of deliverables identified in the following table below does not encompass every work product that CGI will be delivering nor does it provide a logical placeholder for many of the ongoing tasks required for the scope of work presented. The deliverable and payment schedule below has the costs of these other elements distributed to the deliverables list items based on our dependency mapping or their scheduled delivery timing.

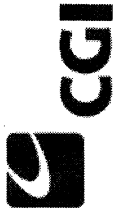


DELIVERABLES TABLE / PAYMENT SCHEDULE

WBS Reference	Deliverable ID	Deliverable Name	Review Period (Business Days)	Submission Date	Approval Date	Payment Event	Deliverable Purchase Price
Phase 1 Deliverables							
1.1.7	ADSA-P1-01	Baselined Work Plan	5	6/17/2011	7/5/2011	State Acceptance Memo	95,100.00
1.2.1.3	ADSA-P1-02	Process Orientation and Requirements Validation Sessions	0	6/27/2011	6/27/2011	Delivery of Completion Memo	150,000.00
1.2.1.4	ADSA-P1-03	Requirements, High Level Design and Gap Analysis Outcomes	5	7/18/2011	8/2/2011	Deliverable Acceptance Memo	300,500.00
1.2.2.2	ADSA-P1-04	Detailed Design Sessions	0	9/6/2011	9/6/2011	Delivery of Completion Memo	200,000.00
1.2.2.3	ADSA-P1-05	Online, Batch and Interfaces Detailed Design Document	10	10/10/2011	11/7/2011	Deliverable Acceptance Memo	325,500.00
1.2.2.4	ADSA-P1-06	Data "SnapShot"/Extract Design Document	10	10/10/2011	11/7/2011	Deliverable Acceptance Memo	45,500.00
1.2.2.5	ADSA-P1-07	Conversion Design Document	10	10/10/2011	11/7/2011	Deliverable Acceptance Memo	135,000.00
	ADSA-P1-08	Unanticipated Tasks Hours Pool (est. 50%)	TBD	TBD	TBD	TBD	300,000.00
1.2.4.5.1.2	ADSA-P1-09	System Test Scripts	5	1/9/2012	1/25/2012	Delivery of System Test Scripts, Deliverable Acceptance Memo	180,500.00
1.2.3.7.3	ADSA-P1-10	Online, batch, interface and Data Extract Code and Unit Test Complete	0	1/19/2012	2/3/2012	Delivery of Completed Unit Test Scripts and Completion Memo	390,500.00



WBS Reference	Deliverable ID	Deliverable Name	Review Period (Business Days)	Submission Date	Approval Date	Payment Event	Deliverable Purchase Price
1.2.3.8.3	ADSA-P1-11	Conversion Code and Successful Run Completion Report	5	1/19/2012	2/3/2012	Delivery of Completion Report, Deliverable Acceptance	135,000.00
1.2.4.5.2.5	ADSA-P1-12	System Test Completion Report	5	3/9/2012	3/23/2012	Memo of Completion	300,000.00
1.2.4.6.3.7	ADSA-P1-13	User Acceptance Completion Report	5	4/25/2012	5/9/2012	Deliverable Acceptance Memo	250,000.00
Phase 2 Deliverables							
1.1.8	ADSA-P2-01	Baselined Work Plan	5	5/3/2012	5/17/2012	State Acceptance Memo	95,100.00
1.3.4.3	ADSA-P2-02	Requirements Validation, High Level and Gap Sessions	0	5/29/2012	5/29/2012	Delivery of Completion Memo	150,000.00
1.3.4.4	ADSA-P2-03	Requirements, High Level Design and Gap Analysis Outcomes	5	6/18/2012	7/6/2012	Deliverable Acceptance Memo	325,500.00
1.3.5.2	ADSA-P2-04	Detailed Design Sessions	0	8/7/2012	8/7/2012	Delivery of Completion Memo	200,000.00
1.3.5.3	ADSA-P2-05	Online, Batch and Interfaces Detailed Design Document	10	8/10/2012	10/8/2012	Deliverable Acceptance Memo	375,500.00
1.3.5.4	ADSA-P2-06	Reports Design Document	10	8/10/2012	10/8/2012	Deliverable Acceptance Memo	105,000.00
1.3.5.5	ADSA-P2-07	Conversion Design Document	10	8/10/2012	10/8/2012	Deliverable Acceptance Memo	135,000.00
	ADSA-P2-08	Unanticipated Tasks Hours Pool (est. 50%)		TBD	TBD	TBD	300,000.00
1.3.7.5.1.2	ADSA-P2-09	System Test Scripts	5	12/18/2012	1/3/2012	Delivery of System Test Scripts, Deliverable Acceptance Memo	200,500.00



WBS Reference	Deliverable ID	Deliverable Name	Review Period (Business Days)	Submission Date	Approval Date	Payment Event	Deliverable Purchase Price
1.3.6.7.3	ADSA-P2-10	Online, batch, interface and Reports Code and Unit Test Complete	0	11/12/2012	11/12/2012	Delivery of Completed Unit Test Scripts and Completion Memo	425,500.00
1.3.6.8.3	ADSA-P2-11	Conversion Code and Successful Run Completion Report	5	11/30/2012	12/14/2012	Delivery of Completion Report, Deliverable Acceptance	135,000.00
1.3.7.5.2.5	ADSA-P2-12	System Test Completion Report	5	2/15/2013	3/4/2013	Deliverable Acceptance Memo	375,000.00
1.3.7.6.3.6	ADSA-P2-13	User Acceptance Completion Report	5	4/2/2013	4/16/2013	Deliverable Acceptance Memo	325,000.00
1.3.8.1	ADSA-P2-14	Reconciled Requirements	5	2/21/2013	3/7/2013	Deliverable Acceptance Memo	115,000.00
1.3.8.3	ADSA-P2-15	Warranty and Transition Services	5	5/22/2013	6/7/2013	Deliverable Acceptance Memo	216,500.00



The Hours Pool consisting of 4,000 hours for unanticipated tasks is reflected in two deliverable values above in the Deliverables Table. As these hours are allocated to new work within the existing project scope, mutually agreeable deliverables may be added and these two deliverables separated out to equate to the overall associated cost.

CGI will invoice Washington upon the acceptance of each deliverable. Each billing will consist of an invoice and documented deliverable approval.

Work Products

In addition to the deliverables, work products are included as part of each Phase's stage. These work products shall Included:

- Weekly Status Reports
 - Project Stage Status
 - Action Items, Issues and Risks
- Updates to the existing FamLink Processes and Procedures
 - Project Management Procedures
 - Requirements Validation and Gap Analysis Process
 - Detailed Design Approach
 - Conversion Plan
 - FamLink Development Standards and Procedures
 - System and User Acceptance Test Plans
- Requirements Baseline Reports for each Phase
- Lessons Learned and Recommendations

Change Request Approval:



Tim Lund, CGI FamLink Project Manager or
David Stamper, CGI CITS Project Lead

4/26/11

Date



Dawn Tatman, CA FamLink Project Director

4/26/11

Date



Daniel Knutson-Bradac, ADSA FamLink/CITS Project Director

4/26/11

Date



Exhibit B

Change Request 531

Modify FamLink Restricted Case Functionality and Audit Log Report



Change Request Statement	Modify FamLink Restricted Case Functionality and Audit Log Report			
	Change Request Number:		CR531	
	Date Identified:		04/11/2011	
Originator	Name		Dawn Tatman/Daniel Knutson-Bradac	
	Organization		DSHS CA & DSHS ADSA	
	Phone No.			
	Manager Name			
Baseline / Deliverable / Config. Item To Be Changed	Baseline			
Proposed Production Release	TBD			
Priority (1=Urgent, 2=High, 3=Medium, 4=Low)	1 <input checked="" type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>
Change Request Description				
Summary: Provide a brief summary of the change that you are requesting. Provide complete references to all applicable documents and processes that may be impacted.				

Modifications to FamLink Restricted Case Functionality

Modifications are needed to change the way Restricted Case security functions in FamLink. Currently functionality allows for a case to be flagged as Restricted per DSHS Policy. Once the case is flagged, only those FamLink users with Restricted Case security can access the case; however, any FamLink user with this type of security has access to any/all Restricted Cases through FamLink searches. This Change Request allows for the analysis, design, development and testing to change the functionality restricting case access to the actual assigned users/workers on the case and the ability for a small user group to access all Restricted Cases. All searches in FamLink will need to be analyzed and updated to reflect this modification.



New Audit Log Report

Analyze, design, develop and test a new audit log report using the existing trans-stats and audit logging within the FamLink Application. This report would be sorted by user, case and provider to view what was accessed, viewed and/or changed within each piece of work. The report will be designed using the existing structure and most of the existing functionality from the Audit Log report currently being used by Wisconsin from the transfer application eWisACWIS.

The State (CA and ADSA) will work with CGI to incorporate the analysis, design, development and testing to coincide with Change Request 525.



Change Request Assumptions:

	Assumption Description
1	Traditional Project: Requirements/Gap Analysis, Detailed Design, Development, Testing (Unit, System and UAT), Implementation
2	Project will utilize existing approved project management processes, project phase processes (i.e. design, testing, etc.) and deliverable documentation.
	<p>Milestone and Deliverable focused financials for each piece of work:</p> <ul style="list-style-type: none"> • Design Completion/Approval • Development and Unit Test Completion • System Test Completion
	Once a deliverable is approved, requested changes that increase or decrease scope will follow the Change Request Process.
	The Report will be developed from FamLink "Read Only" and not the FamLink Data Warehouse.
	The State and CGI will work together during the Analysis and Design Stage to keep scope impacts minimal.
	The identified participants in the analysis and design stage will be able to make the final decisions, any action items must follow a quick 3 day turned-around. CGI and the State will work together to mitigate any risk to the timelines of this change request. Any State extended timeframes due to lack of decisions or postponed sessions that impact the schedule will follow the Change Request process.
	Configuration Management activities will be the State's responsibility.
	Other than incident management, the State will be responsible for Implementation, Best/Business Practice Changes, Training and Change Management Activities and any associated materials.
	Additions and changes to FamLink are limited to the modifications noted in this Change Request. Additional modifications needed, not indicated in this amendment or exceeding the scope identified in the Requirement section, will follow the Change Request process.



Cost



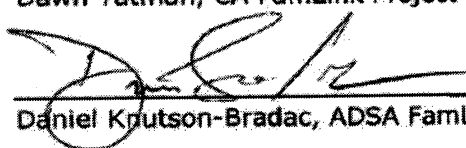
Area	Totals Hours
Restricted Case Modifications	2000
New Audit Log Report	200
Grand Total LOE	2200

The overall cost associated with the Change Request (CR531) \$ 334,092.00

DELIVERABLES TABLE / PAYMENT SCHEDULE

Deliverable ID	Deliverable Name	Review Period (Business Days)	Submission Date	Approval Date	Payment Event	Deliverable Payment Amount
R3-23	CR531 Restricted Case Modifications Design	5	TBD	TBD	State Acceptance Memo	101,240.00
R3-24	CR531 Audit Log Report Design	5	TBD	TBD	Delivery of Completion Memo	10,124.00
R3-25	CR531 Restricted Case Modifications Development and Unit Test Complete	5	TBD	TBD	Deliverable Acceptance Memo	101,240.00
R3-26	CR531 Audit Log Report Development and Unit Test Complete	5	TBD	TBD	Delivery of Completion Memo	10,124.00
R3-27	CR531 Restricted Case Modifications System Test Complete	5	TBD	TBD	Deliverable Acceptance Memo	101,240.00
R3-28	CR531 Audit Log Report System Test Complete	5	TBD	TBD	Deliverable Acceptance Memo	10,124.00

Change Request Approval:

 Tim Lund, CGI FamLink Project Manager or David Stamper, CGI CITS Project Lead	4/26/11 Date
 Dawn Tatman, CA FamLink Project Director	4/20/11 Date
 Daniel Knutson-Bradac, ADSA FamLink/CITS Project Director	4/26/11 Date

Department of Social and Health Services

DP Code/Title: M2-WW Technical Corrections
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests a reduction of (\$24,050,000) ((\$18,494,000) GF-State) and 0.6 FTEs in the 2012 Supplemental Budget to make technical corrections throughout the department.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050			
001-1 General Fund - Basic Account-State	(3,132,000)	(3,086,000)	(6,218,000)
001-C General Fund - Basic Account-Medicaid Federal	(3,200,000)	(1,022,000)	(4,222,000)
Total Cost	(6,332,000)	(4,108,000)	(10,440,000)

Staffing

Package Description:

Children's Administration (CA)

In the 2011-13 Biennial Budget, CA received \$22,000 GF-Local for Pension Rate Adjustments. CA is unable to earn these local dollars, and requests to shift the funds to GF-State.

Mental Health (MH)

Technical corrections for MH include carry forward corrections, adjustments between categories, and a split between fiscal year fund split. In total, MH technical correction request is \$590,000 (a reduction of (\$198,000) GF-State) and 0.6 FTEs.

Division of Developmental Disabilities (DDD)

- 1) RHC Stabilization - This request nets to zero over the course of the biennium. Currently, in base funding, the Residential Habilitation Centers (RHCs) are funded at different levels by fiscal year. This request stabilizes the funding in each year to enable the RHCs to provide a consistent level of service.
- 2) L&I rates are corrected in LTC and DDD based on actual experience. This represents a reduction of (\$4,200,000) (\$2,100,000) GF-State.
- 3) Carry Forward Level (CFL) Correction - DDD has a technical correction in professional services. Service levels will remain the same as the previous biennium, and no clients will lose service. This represents a reduction of (\$10,000,000) GF-State.

Long Term Care (LTC)

- 1) The Legislature's intent for the Family Caregiver Support Program (FCSP) was a single year expansion in the LTC 2011-13 Biennial Budget under Step EC. Partial funding was provided in Fiscal Year 2013 by mistake. This request is to remove the appropriated amount in Fiscal Year 2013 by adding \$2,178,000 GF-Federal in order to meet Legislative intent.
- 2) Adult Family Homes (AFH) - The 2011-13 Biennial Budget included a change in the AFH license fee. The budget assumed additional staffing resource for complaint investigations and quality assurance. However, the calculation for the AFH license fee did not include funding for these positions. This step will allow LTC to match the intent of the 2011-13 Biennial Budget item. This item represents a request for \$182,000 GF-State.
- 3) Department of Labor and Industries (L&I) rates are corrected in LTC and DDD based on actual experience. This represents a reduction of (\$12,800,000) ((\$6,400,000) GF-State).

Agency Contact: Bryce Andersen (360) 902-8284

Narrative Justification and Impact Statement

Department of Social and Health Services

DP Code/Title: M2-WW Technical Corrections
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

What specific performance outcomes does the agency expect?

DSHS accounts for the wise use of public dollars by maximizing federal funding sources.

Performance Measure Detail

Program: 050

Activity: E053 In-Home 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

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?

Yes. This request will improve the ability of state government to achieve results efficiently and effectively.

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

Not applicable

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

Not applicable

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?

DSHS will lack the appropriate mix of funds to meet expected 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

See attachment: AW M2 WW Technical Corrections.xlsx.

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

Department of Social and Health Services

DP Code/Title: M2-WW Technical Corrections

Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

All costs are ongoing.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050 Objects			
B Employee Benefits	(6,400,000)	(6,400,000)	(12,800,000)
N Grants, Benefits & Client Services	68,000	2,292,000	2,360,000
Total Objects	(6,332,000)	(4,108,000)	(10,440,000)

DSHS Source Code Detail

Program 050	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	(3,132,000)	(3,086,000)	(6,218,000)
<i>Total for Fund 001-1</i>	(3,132,000)	(3,086,000)	(6,218,000)
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources</u> <u>Title</u>			
19TA Title XIX Assistance (FMAP)	(3,200,000)	(1,022,000)	(4,222,000)
<i>Total for Fund 001-C</i>	(3,200,000)	(1,022,000)	(4,222,000)
Total Program 050	(6,332,000)	(4,108,000)	(10,440,000)

Department of Social and Health Services
M2 - WM Technical Corrections

What's in the 2011-13 Biennial Budget for Family Caregiver Support?

Combined Impact

		<u>FY12</u>		<u>FY13</u>
TOTAL	\$	(8,346,000)	\$	(4,173,000)
GF-State	\$	(4,173,000)	\$	-
Federal	\$	(4,173,000)	\$	(4,173,000)

Step EC2 - Family Caregiver_Reduce NH Caseload

		<u>FY12</u>		<u>FY13</u>
TOTAL	\$	(4,356,000)	\$	(2,178,000)
GF-State	\$	(2,178,000)	\$	-
Federal	\$	(2,178,000)	\$	(2,178,000)

Step EC3 - Family Caregiver_Reduce Comm Client

		<u>FY12</u>		<u>FY13</u>
TOTAL	\$	(3,990,000)	\$	(1,995,000)
GF-State	\$	(1,995,000)	\$	-
Federal	\$	(1,995,000)	\$	(1,995,000)

What should have been in the 2011-13 Biennial Budget?

Combined Impact

		<u>FY12</u>		<u>FY13</u>
TOTAL	\$	(8,346,000)	\$	-
GF-State	\$	(4,173,000)	\$	-
Federal	\$	(4,173,000)	\$	-

Step EC2 - Family Caregiver_Reduce NH Caseload

		<u>FY12</u>		<u>FY13</u>
TOTAL	\$	(4,356,000)	\$	-
GF-State	\$	(2,178,000)	\$	-
Federal	\$	(2,178,000)	\$	-

Step EC3 - Family Caregiver_Reduce Comm Client

		<u>FY12</u>		<u>FY13</u>
TOTAL	\$	(3,990,000)	\$	-
GF-State	\$	(1,995,000)	\$	-
Federal	\$	(1,995,000)	\$	-

So, what's the technical correction?

Combined Impact

		<u>FY12</u>		<u>FY13</u>
TOTAL	\$	-	\$	4,173,000
GF-State	\$	-	\$	-
Federal	\$	-	\$	4,173,000

Step EC2 - Family Caregiver_Reduce NH Caseload

		<u>FY12</u>		<u>FY13</u>
TOTAL	\$	-	\$	2,178,000
GF-State	\$	-	\$	-
Federal	\$	-	\$	2,178,000

Step EC3 - Family Caregiver_Reduce Comm Client

		<u>FY12</u>		<u>FY13</u>
TOTAL	\$	-	\$	1,995,000
GF-State	\$	-	\$	-
Federal	\$	-	\$	1,995,000

Department of Social and Health Services
M2 - WW Technical Corrections

SUMMARY for BDS Entry

Step 2 - Reimbursement Adjustment

	<u>FY12</u>	<u>FY13</u>	<u>2011-13</u>
H52			
TOTAL Funds Adjustment	\$ -	\$ -	\$ -
GF-State	\$ -	\$ -	\$ -
GF-Federal	\$ -	\$ -	\$ -
GF-Local	\$ -	\$ -	\$ -
X62			
TOTAL Funds Adjustment	\$ -	\$ -	\$ -
GF-State	\$ -	\$ -	\$ -
GF-Federal	\$ -	\$ -	\$ -
GF-Local	\$ -	\$ -	\$ -

Step 3 - RCS Adjustment

	<u>FY12</u>	<u>FY13</u>	<u>2011-13</u>
FTE - need to add one FTE in FY12-13 for Ombuds panel	-	-	-
TOTAL Funds Adjustment	\$ 68,000	\$ 114,000	\$ 182,000
GF-State	\$ 68,000	\$ 114,000	\$ 182,000
GF-Federal	\$ -	\$ -	\$ -
GF-Local	\$ -	\$ -	\$ -

Explanation:

The 2011-13 Biennial Budget included a change in the Adult Family Home (AFH) license fee. The budget assumed additional staffing resource for complaint investigations and quality assurance. However, the calculation for the AFH license fee did not include funding for these positions. This step in the 2012 Supplemental corrects the calculation to match the intent of the 2011-13 budget item.

Department of Social and Health Services

DP Code/Title: M2-ZZ Unemployment
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests \$2,893,000 (\$2,245,000 GF-State) in the 2012 Supplemental Budget to offset increased Unemployment Insurance reimbursement to the Employment Security Department (ESD).

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	9,000	(3,000)	6,000
001-C General Fund - Basic Account-Medicaid Federal	6,000	(2,000)	4,000
Total Cost	15,000	(5,000)	10,000

Staffing

Package Description:

Unemployment expenditures have increased significantly since 2008. DSHS has not been funded for this increase costs attributed to reductions to overall staffing levels. This decision package request funds related to the increase from 2008 which cannot be absorbed.

DSHS is self-insured for its unemployment insurance obligations, reimbursing the ESD for all unemployment benefits paid out to former employees. As DSHS has reduced its staffing level, its most current ESD quarterly bill, 2nd Quarter Calendar Year 2011, shows a 60 percent increase above its average quarterly ESD reimbursement from State Fiscal Year 2008. DSHS has reduced its FTEs by 2,400 or 13 percent since 2008 with no additional funding provided for its unemployment insurance obligations.

Agency contact: Edd Giger (360) 902-8067

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This request is necessary to ensure DSHS has adequate funds to reimburse the ESD for increased Unemployment Insurance billings due to mandated staff reduction.

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

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

This request contributes to the agency goal of strong management to increase public trust.

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

Yes. This request supports priority for economic security to promote practices and programs that protect workers.

Department of Social and Health Services

DP Code/Title: M2-ZZ Unemployment
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

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 makes key contributions to the following statewide results: Commitment to promote practices and programs that protect workers.

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

All DSHS programs are impacted by this request.

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

None. Given the large reductions undertaken by DSHS, the department is no longer able to absorb the increase costs associated with unemployment insurance compensation above funded levels.

What are the consequences of not funding this package?

If this decision package is not funded, then DSHS will have to divert funds for client services to offset this expense.

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 - ZZ Unemployment.xls

To develop the Unemployment model, the department looked at the Unemployment Rate Forecast completed by the state of Washington Revenue Forecast Council. The Unemployment Rate Forecast predicts unemployment will decline by an average of 0.6 percent each year. The department assumption is to dampened the trend by 75 percent given the current unemployment rate and the potential of additional reductions in Fiscal Year 2012 and Fiscal Year 2013.

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

These costs are ongoing.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
B Employee Benefits	15,000	(5,000)	10,000

Department of Social and Health Services

DP Code/Title: M2-ZZ Unemployment
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	9,000	(3,000)	6,000
<i>Total for Fund 001-1</i>		9,000	(3,000)	6,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u>	<u>Title</u>			
19UL	Title XIX Admin (50%)	6,000	(2,000)	4,000
<i>Total for Fund 001-C</i>		6,000	(2,000)	4,000
Total Overall Funding		15,000	(5,000)	10,000

2012 Supplemental Budget
M2-ZZ Unemployment

Program	2012			2013			BIENNIUM 2011-13		
	State	Federal	Total	State	Federal	Total	State	Federal	Total
010	\$ 254,000	\$ 85,000	\$ 339,000	\$ 174,000	\$ 58,000	\$ 232,000	\$ 428,000	\$ 143,000	\$ 571,000
020	\$ 337,000	\$ -	\$ 337,000	\$ 248,000	\$ -	\$ 248,000	\$ 585,000	\$ -	\$ 585,000
030	\$ 199,000	\$ 24,000	\$ 223,000	\$ 107,000	\$ 13,000	\$ 120,000	\$ 306,000	\$ 37,000	\$ 343,000
030 - 2000	\$ 197,000	\$ 24,000	\$ 221,000	\$ 106,000	\$ 13,000	\$ 119,000	\$ 303,000	\$ 37,000	\$ 340,000
030 - 9000	\$ 2,000	\$ -	\$ 2,000	\$ 1,000	\$ -	\$ 1,000	\$ 3,000	\$ -	\$ 3,000
040	\$ 258,000	\$ 233,000	\$ 491,000	\$ 180,000	\$ 162,000	\$ 342,000	\$ 438,000	\$ 395,000	\$ 833,000
040 - 1000	\$ 53,000	\$ 35,000	\$ 88,000	\$ 37,000	\$ 25,000	\$ 62,000	\$ 90,000	\$ 60,000	\$ 150,000
040 - 2000	\$ 203,000	\$ 195,000	\$ 398,000	\$ 141,000	\$ 136,000	\$ 277,000	\$ 344,000	\$ 331,000	\$ 675,000
040 - 9000	\$ 3,000	\$ 2,000	\$ 5,000	\$ 2,000	\$ 2,000	\$ 4,000	\$ 5,000	\$ 4,000	\$ 9,000
050	\$ 9,000	\$ 6,000	\$ 15,000	\$ (3,000)	\$ (2,000)	\$ (5,000)	\$ 6,000	\$ 4,000	\$ 10,000
060	\$ 28,000	\$ 23,000	\$ 51,000	\$ (18,000)	\$ (15,000)	\$ (33,000)	\$ 10,000	\$ 8,000	\$ 18,000
070	\$ 15,000	\$ 2,000	\$ 17,000	\$ 11,000	\$ 2,000	\$ 13,000	\$ 26,000	\$ 4,000	\$ 30,000
100	\$ 33,000	\$ -	\$ 33,000	\$ 22,000	\$ -	\$ 22,000	\$ 55,000	\$ -	\$ 55,000
110	\$ 139,000	\$ 33,000	\$ 172,000	\$ 104,000	\$ 24,000	\$ 128,000	\$ 243,000	\$ 57,000	\$ 300,000
135	\$ 91,000	\$ -	\$ 91,000	\$ 57,000	\$ -	\$ 57,000	\$ 148,000	\$ -	\$ 148,000
Total	\$ 1,363,000	\$ 406,000	\$ 1,769,000	\$ 882,000	\$ 242,000	\$ 1,124,000	\$ 2,245,000	\$ 648,000	\$ 2,893,000

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Information System Services Division (ISSD), requests \$512,000 (\$291,000 GF-State) in the 2012 Supplemental Budget for startup equipment required to migrate systems from the Office Building 2 (OB2) to the new State Data Center (SDC) located in the 1500 Jefferson Building.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050			
001-1 General Fund - Basic Account-State	6,000	11,000	17,000
001-C General Fund - Basic Account-Medicaid Federal	6,000	10,000	16,000
Total Cost	12,000	21,000	33,000

Staffing

Package Description:

The Washington State Legislature enacted Engrossed Substitute Senate Bill 5931, during the 2011 Legislative Session, to address the high costs of Information Technology (IT) services. This legislation requires certain IT equipment to be housed in the new SDC located in the 1500 Jefferson Building complex. This investment facilitates the migration and consolidation of IT assets into the SDC in support of this legislation and the Governor's directive to consolidate data centers.

DSHS has a large computer equipment presence in the OB2 Data Center (approximately 85 server racks with 600 devices). Migrating this equipment to the new SDC building located in the 1500 Jefferson Building complex is part of a statewide initiative in support of the legislation.

To enable the migration of some systems, startup equipment is necessary. This startup equipment supports network operations and provides a landing pad for systems in the SDC. Existing equipment supporting these systems cannot be shutdown and physically moved for various reasons:

1. Shutting down and moving the hardware has a high risk of long outages of critical systems.
2. Data storage shared across many systems cannot be shut down and moved without significant system outages. These systems are critical to business operations and impact service to citizens.
3. Virtual host platforms need a starting point (e.g., landing pad) in the State Data Center. This equipment would be supplemented with existing hardware as virtual systems are migrated off the hardware freeing up capacity. Initial servers are needed to start the process.
4. Network components are needed to maintain performance and operations. These network components are needed during the migration period of dual operations and will be used ongoing after the migration.

The funding provides servers, storage and network equipment. DSHS has evaluated existing equipment and is only requesting new equipment where existing equipment will not work or makes business/financial sense (too old, not enough capacity, incompatible, etc.). The vast majority of existing DSHS equipment will be used or replaced by virtual capacity without additional funding. This request represents the exceptions where existing equipment is either not available or impractical to use.

The implementation schedule is driven by the Consolidated Technology Services OB2 Move project. This equipment is targeted for procurement approximately June 2012.

If the funding request is not approved, then more of the computer systems and equipment will be dependent on a Physical Move approach, which will increase the duration and risk of outages. There will be a higher probability that application availability will be impacted by the migration.

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

Agency contact: Tula Habb (360) 902-8182
Program contact: Cheryl Adams (360) 902-7551

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Desired Results:

1. The computer servers and storage equipment will allow the agency to increase the number of systems using a virtual to virtual migration approach. This approach is significantly quicker and less risky than physically moving equipment, which can impact services to clients/citizens.
2. The network equipment supports optimization, monitoring and trouble shooting. The desired result of the optimization is to keep network traffic, for 35 DSHS field offices across the state, flowing with the same performance as completed currently. Without this equipment, the network lines will become saturated causing work slowdowns and stoppages.
3. The desired results of the equipment for monitoring and trouble shooting is to resolve system problems quickly. In many cases, problems can be resolved before they become major problems causing work stoppage. Without tools to monitor and trouble shoot production problems, work stoppages will increase in duration causing productivity loss and service impacts to clients/citizens.

Overall, this funding will minimize business disruption (unplanned outages) caused from moving systems and equipment from OB2 to the SDC.

Negative Consequences, if this request is not funded:

1. Without computer servers and storage, systems will require longer outages to move to the SDC causing impacts to worker productivity and service to clients/citizens.
2. Without optimization equipment, the network lines will become saturated causing work slowdowns and stoppages.
3. Without tools to monitor and trouble shoot production problems, work stoppages will increase in duration causing productivity loss and service impacts to clients/citizens.
4. Impact to clients and citizens.
5. Moving equipment into the SDC has positive impacts including:
 - a. Leveraging a state-of-the-art facility.
 - b. Leveraging new shared services.
 - c. Reducing the cost of IT.

Performance Measure Detail

Program: 050

Activity: E051 Program Support for Long Term Care

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 decision package supports the agency's strategic plan as follows:

Goal H: Reinforce strong management to increase public trust

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment

Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

Objective 1: Improve information technology capacity to support management needs

Strategy: Maintain and update existing or implement new core applications, systems, and infrastructure to meet changing needs and take advantage of changes in technology (DSHS).

The funding obtained by this decision package will allow the department to minimize impacts to existing systems performance and operations. Moving into the SDC will take advantage of a state-of-the-art facility and position the department to take advantage of future shared services.

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

This funding supports the new legislation and the consolidation of data centers into the SDC. This supports the statewide result to "improve state government efficiency" by reducing the overall cost of information technology.

The OB2 Move project is one of several phases in Washington State's IT Transformation Initiative. The other components of the IT initiative include implementation of shared services and data center consolidation.

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 supports the Priorities of Government (POG) critical value statement to improve state government efficiency. SDC has three mandated outcomes that align with this statewide result:

1. Improve security.
2. Reduce operational costs.
3. Improve service quality, availability, and performance.

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

This is related to new Legislation, ESSB 5931, requiring consolidation of data centers and moving all servers into the SDC building.

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

The department is using multiple options for migrating computer equipment and systems from OB2 to SDC. These are listed below and align with a study performed by INX Metagyre Inc. (INX) for DIS. The INX study included an analysis of alternatives for moving equipment out of OB2. One alternative looked at Physical Relocation of all systems. This alternative was dismissed due to the long system outage it would require and the risks of breaking systems. The other alternative looked at Individualize System Moves based on each system's requirements and interrelationships. This alternative was recommended as it has the least risk and allows better management of risks, resources, testing, problem resolution, and ability to fallback.

The three primary move scenarios that DSHS will use include:

1. Virtual to Virtual: Migrating virtual systems in OB2 to a virtual platform in the SDC. This requires seed equipment or some form of existing hardware platform (e.g., landing pad) in the SDC to work.
2. Physical Move: Unplugging existing equipment, moving, and installing it in the SDC. This is higher risk and requires a system outage.
3. Logical Move: Installing startup equipment in the SDC, loading systems on the equipment, and doing a cut-over. This is lower risk and can be done quicker than a physical move. This option requires startup equipment.

Each system is examined to determine which migration option best meets the business need and level of risk. The agency

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

also put stringent requirements around what could be requested in this decision package. Equipment at end-of-life was not allowed on the funding list as these should already have a funding source for them (required regardless of the move). Only items required to make the move happen without a funding source were put on the list.

What are the consequences of not funding this package?

If the funding request is not approved, then more of the computer systems and equipment will be dependent on a Physical Move approach, which will increase the duration and risk of system outages. These would cause work stoppages and impact service to clients/citizens.

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

Costs estimates are based on vendor budgetary quotes.

See attachments: ISSD PL-PF State Data Center equipment.xlsx and ISSD PL PF State Data Center Transition IT Addendum.doc

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

The costs are one-time costs. Once equipment reaches end-of-life, the agency intends to migrate to a statewide shared service to provide this function.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050 Objects			
T Intra-Agency Reimbursements	12,000	21,000	33,000

DSHS Source Code Detail

Program 050	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	6,000	11,000	17,000
<i>Total for Fund 001-1</i>	6,000	11,000	17,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources Title</u>			
19UL Title XIX Admin (50%)	6,000	10,000	16,000
<i>Total for Fund 001-C</i>	6,000	10,000	16,000
Total Program 050	12,000	21,000	33,000

2012 Supplemental Budget PL-PF State Data Center equipment

Department of Social & Health Services COST SUMMARY

	FY 2012	FY 2013	TOTAL
STORAGE		\$250,000	\$250,000
SERVERS		\$75,000	\$75,000
NETWORK	\$187,000		\$187,000
TOTAL	\$187,000	\$325,000	\$512,000

Total Funds	State	Federal
\$512,000	\$291,000	\$221,000

Biennial Total		All Objects			Object J			Object TZ		
DSHS Programs		State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA	30,000	41,000	71,000	-	-	-	30,000	41,000	71,000
020	JRA	13,000	-	13,000	-	-	-	13,000	-	13,000
030	MH	27,000	-	27,000	-	-	-	27,000	-	27,000
040	DD	21,000	6,000	27,000	-	-	-	21,000	6,000	27,000
050	LTC	17,000	16,000	33,000	-	-	-	17,000	16,000	33,000
060	ESA	119,000	107,000	226,000	-	-	-	119,000	107,000	226,000
070	ASA	2,000	1,000	3,000	-	-	-	2,000	1,000	3,000
100	VR	1,000	9,000	10,000	-	-	-	1,000	9,000	10,000
110	ADMIN	57,000	41,000	98,000	-	-	-	57,000	41,000	98,000
135	SCC	4,000	-	4,000	-	-	-	4,000	-	4,000
150	ISSD	-	-	-	-	-	-	-	-	-
		291,000	221,000	512,000	512,000	-	512,000	(512,000)	-	(512,000)
		57%	43%							

Total Funds	State	Federal
\$187,000	\$106,000	\$81,000

FY 2012		All Objects			Object J			Object TZ		
DSHS Programs		State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA	11,000	15,000	26,000	-	-	-	11,000	15,000	26,000
020	JRA	5,000	-	5,000	-	-	-	5,000	-	5,000
030	MH	10,000	-	10,000	-	-	-	10,000	-	10,000
040	DD	8,000	2,000	10,000	-	-	-	8,000	2,000	10,000
050	LTC	6,000	6,000	12,000	-	-	-	6,000	6,000	12,000
060	ESA	43,000	39,000	82,000	-	-	-	43,000	39,000	82,000
070	ASA	1,000	-	1,000	-	-	-	1,000	-	1,000
100	VR	-	4,000	4,000	-	-	-	-	4,000	4,000
110	ADMIN	21,000	15,000	36,000	-	-	-	21,000	15,000	36,000
135	SCC	1,000	-	1,000	-	-	-	1,000	-	1,000
150	ISSD	-	-	-	-	-	-	-	-	-
		106,000	81,000	187,000	187,000	-	187,000	(187,000)	-	(187,000)
		57%	43%							

Total Funds	State	Federal
\$325,000	\$185,000	\$140,000

FY 2013		All Objects			Object J			Object TZ		
DSHS Programs		State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA	19,000	26,000	45,000	-	-	-	19,000	26,000	45,000
020	JRA	8,000	-	8,000	-	-	-	8,000	-	8,000
030	MH	17,000	-	17,000	-	-	-	17,000	-	17,000
040	DD	13,000	4,000	17,000	-	-	-	13,000	4,000	17,000
050	LTC	11,000	10,000	21,000	-	-	-	11,000	10,000	21,000
060	ESA	76,000	68,000	144,000	-	-	-	76,000	68,000	144,000
070	ASA	1,000	1,000	2,000	-	-	-	1,000	1,000	2,000
100	VR	1,000	5,000	6,000	-	-	-	1,000	5,000	6,000
110	ADMIN	36,000	26,000	62,000	-	-	-	36,000	26,000	62,000
135	SCC	3,000	-	3,000	-	-	-	3,000	-	3,000
150	ISSD	-	-	-	-	-	-	-	-	-
		185,000	140,000	325,000	325,000	-	325,000	(325,000)	-	(325,000)
		57%	43%							

2012 Supplemental Budget
PL-PF State Data Center equipment
 Department of Social & Health Services
 Estimated Costs Breakout

Item	Area	Description	Total
1	ISSD Storage	This device will replicate the Storage Area Network (SAN) used by the Information Systems Services Division (ISSD). The existing Net App storage device cannot be moved to the State Data Center (SDC) until all the systems data is migrated off the device. Once all the systems data is migrated, the existing equipment can be repurposed by another group to avoid another purchase.	\$250,000
2	ISSD Servers	Three physical servers are needed to support the initial virtual platform at the SDC. Once virtual servers in the A-la-Carte 2 computer room are migrated to the SDC, the existing compute infrastructure (physical servers) can be used (i.e. repurposed) for the next round of system migrations.	\$45,000
3	ISSD Shared SQL database	Two servers are needed to support the ISSD Shared SQL environment. One for Production and one for the Quality Assurance (QA) environment.	\$30,000
4	ISSD Network	One Steelhead device to support Wide Area Network (WAN) optimization. This is a second device that will support the migration to the SDC reducing risk to local office disruption. This will also provide some redundancy in the architecture.	\$127,000
5	ISSD Network	Devices that tap into networks in support of network traffic monitoring (also known as TAPs), are needed to support DSHS network operations during the migration. Some of the existing TAPs equipment needs to remain attached to the DSHS Core network in OB2 during the migration. DSHS needs additional TAP equipment to monitor components on the SDC side of the network.	\$60,000
	TOTAL		\$512,000

Department of Social and Health Services

DP Code/Title: PL-Q7 AFH Oversight-Full Costs
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Aging and Disability Services Administration (ADSA), requests \$2,845,000 (a reduction of (\$1,310,000) GF-State) for the Adult Family Home (AFH) license fee adjustment in order to fully cover the costs of AFH oversight, thereby, eliminating the GF-State subsidy for licensing activities.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050			
001-1 General Fund - Basic Account-State	0	(1,310,000)	(1,310,000)
001-7 General Fund - Basic Account-Private/Local	0	3,211,000	3,211,000
001-C General Fund - Basic Account-Medicaid Federal	0	628,000	628,000
Total Cost	0	2,529,000	2,529,000

Staffing

Package Description:

This decision package requests an increase to AFH license fees from \$175/bed to \$375/bed in Fiscal Year 2013 (along with a Medicaid rate adjustment to cover the increased fee costs for those providers who serve Medicaid). In total, it saves (\$1,310,000) GF-State in the 2011-13 Biennium, by eliminating or reducing the GF-State subsidy for critical oversight of privately owned business. As a result of fee increases, providers may pass on a small increase in their rates to their private pay residents; however, this is not anticipated to have a material impact on the ability of people to access services. Additionally, impacts to providers serving low income clients (Medicaid) will be addressed by the state by increasing the Medicaid payment to these providers in recognition of their additional fee costs. The increase in fees will fully cover the department's 2011-13 biennial costs at the current level of oversight for AFHs.

In the case of AFHs, the impact is primarily due to requiring the fee to cover existing oversight costs, and eliminating the GF State subsidy for oversight of private pay residents. From 1989 to 2009, the fees for AHFs were only \$50 per licensed home. The 2009 Legislature increased the fee to \$100 per licensed home, but this fee still generates less than \$300,000 in revenue per year for all 2,900 AFHs, leaving about \$4,200,000 in costs to be subsidized by GF State (covering only six percent of GF State costs). For comparison, BH fees generate annual revenue of about \$3,000,000 and NH fees about \$7,000,000 (covering 100 percent of their state costs). [Note that in all settings, providers are reimbursed for the fee costs for Medicaid clients.] Furthermore, fees in Department of Health for oversight of other long term care related businesses such as Home Health Care and Hospice also cover 100 percent of their oversight costs.

Program Contact: Ken Callaghan (360) 725-2499
Agency Contact: Edd Giger (360) 902-8067

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To achieve savings to meet the 10 percent reduction targets set by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

Performance Measure Detail

Program: 050

Department of Social and Health Services

DP Code/Title: PL-Q7 AFH Oversight-Full Costs
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

Activity: E050 Adult Family Home Community 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?

No

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

Yes, this decision package helps the agency meet the 10 percent reduction targets set by OFM for the 2012 Supplemental Budget.

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

No

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?

The alternative is for state funds to continue to subsidize the cost of licensure and certification.

Other fee mechanisms exist, but were rejected as problematic due to a high administrative burden, their lack of ability to support ongoing oversight costs, or for their potential to reduce compliance with mandatory reporting.

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

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. The fee level is set in the operating budget.

Expenditure and revenue calculations and assumptions

See attachment: ADSA PL-Q7 AFH Oversight-Full Costs.xlsx.

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

All savings will continue into future biennia.

Department of Social and Health Services

DP Code/Title: PL-Q7 AFH Oversight-Full Costs

Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050 Objects			
N Grants, Benefits & Client Services	0	2,529,000	2,529,000

DSHS Source Code Detail

Program 050	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	0	(1,310,000)	(1,310,000)
<i>Total for Fund 001-1</i>	<u>0</u>	<u>(1,310,000)</u>	<u>(1,310,000)</u>
Fund 001-7, General Fund - Basic Account-Private/Local			
<u>Sources Title</u>			
5417 Contributions & Grants	0	3,211,000	3,211,000
<i>Total for Fund 001-7</i>	<u>0</u>	<u>3,211,000</u>	<u>3,211,000</u>
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources Title</u>			
19TA Title XIX Assistance (FMAP)	0	628,000	628,000
<i>Total for Fund 001-C</i>	<u>0</u>	<u>628,000</u>	<u>628,000</u>
Total Program 050	<u>0</u>	<u>2,529,000</u>	<u>2,529,000</u>

2012 Supplemental Budget PL-Q7 AFH Oversight-Full Costs

SUMMARY for BDS Entry

Reimbursement Adjustment

H52	<u>FY12</u>	<u>FY13</u>	<u>2011-13</u>
TOTAL Funds Adjustment	\$ -	\$ 315,000	\$ 315,000
GF-State	\$ -	\$ -	\$ -
GF-Federal	\$ -	\$ 158,000	\$ 158,000
GF-Local	\$ -	\$ 157,000	\$ 157,000

X62	<u>FY12</u>	<u>FY13</u>	<u>2011-13</u>
TOTAL Funds Adjustment	\$ -	\$ 1,258,000	\$ 1,258,000
GF-State	\$ -	\$ -	\$ -
GF-Federal	\$ -	\$ 628,000	\$ 628,000
GF-Local	\$ -	\$ 629,000	\$ 629,000

RCS Adjustment

	<u>FY12</u>	<u>FY13</u>	<u>2011-13</u>
FTE - need to add one FTE in FY12-13 for Ombuds panel	-	-	-
TOTAL Funds Adjustment	\$ -	\$ 1,272,000	\$ 1,272,000
GF-State	\$ -	\$ (1,310,000)	\$ (1,310,000)
GF-Federal	\$ -	\$ -	\$ -
GF-Local	\$ -	\$ 2,582,000	\$ 2,582,000

	<u>FY12</u>	<u>FY13</u>	<u>2011-13</u>
TOTAL Funds Adjustment	\$ -	\$ 2,845,000	\$ 2,845,000
GF-State	\$ -	\$ (1,310,000)	\$ (1,310,000)
GF-Federal	\$ -	\$ 786,000	\$ 786,000
GF-Local	\$ -	\$ 3,368,000	\$ 3,368,000

Explanation:

The 2011-13 Biennial Budget included a change in the Adult Family Home (AFH) license fee. The budget assumed a per bed fee of \$100 in FY12 and \$175 in FY13. This decision package increases the per bed fee to \$375 in FY13, which covers 100% of the cost of licensure for DSHS.

Department of Social and Health Services

**DP Code/Title: PL-Q8 Eliminate Adult Day Health
Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Long Term Care (LTC), reduces (\$8,052,000), (\$4,120,000) GF-State, to eliminate Adult Day Health (ADH).

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050			
001-1 General Fund - Basic Account-State	(559,000)	(3,561,000)	(4,120,000)
001-C General Fund - Basic Account-Medicaid Federal	(442,000)	(3,490,000)	(3,932,000)
Total Cost	(1,001,000)	(7,051,000)	(8,052,000)

Staffing

Package Description:

ADH is an optional Medicaid program that provides day programming, skilled nursing, and rehabilitative services to approximately 1,000 clients. Clients will be assessed individually. Some clients will qualify and receive an alternative service such as physical therapy through their primary care or Medicaid waiver.

Agency contact: Edd Giger (360) 902-8067
Program contact: Chris Imhoff (360) 725-2272

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Achieve savings to help the agency meet the 10 percent reduction target set by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

Performance Measure Detail

Program: 050

Activity: E049 Adult Day Health Community 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?

No

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

Yes, this decision package helps the agency meet the 10 percent reduction target set by OFM for the 2012 Supplemental Budget.

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

No

Department of Social and Health Services

**DP Code/Title: PL-Q8 Eliminate Adult Day Health
Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

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

ADH clients typically receive one or more additional paid services such as in-home personal care, or residential personal care. These clients will likely continue to receive these other paid services after ADH is eliminated.

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

None

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

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?

1. Rescind eligibility and program WAC in chapter 388 106.
2. Amend the COPES waiver.
3. Terminate provider contracts.

Expenditure and revenue calculations and assumptions

See attachment: LTC PL-Q8 Eliminate Adult Day Health.xls

This decision package assumes that ADSA will receive specific direction to eliminate ADH by April 2012.

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

All savings will continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050 Objects			
N Grants, Benefits & Client Services	(1,001,000)	(7,051,000)	(8,052,000)
<u>DSHS Source Code Detail</u>			
Program 050	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	(559,000)	(3,561,000)	(4,120,000)
<i>Total for Fund 001-1</i>	<u>(559,000)</u>	<u>(3,561,000)</u>	<u>(4,120,000)</u>
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources Title</u>			
19TA Title XIX Assistance (FMAP)	(442,000)	(3,490,000)	(3,932,000)
<i>Total for Fund 001-C</i>	<u>(442,000)</u>	<u>(3,490,000)</u>	<u>(3,932,000)</u>
Total Program 050	<u>(1,001,000)</u>	<u>(7,051,000)</u>	<u>(8,052,000)</u>

2012 Supplemental Budget PL-Q8 Eliminate Adult Day Health

2012 Supplemental Budget - Agency Request - Cost Estimates for Phased Elimination of Adult Day Health

Option #1 - Eliminate the ADH program over the course of one year.

Assumptions

ADH Intake (New Clients Only)	\$108.14
1/10 - 6/11 Weighted ADH Rate	\$68.33
% of caseload leaving population per month (FY07 & FY08 avg)	2.68%
FTE Cost (to assist phase-out) in FY12	\$110,000
FMAP Rates (FY12)	50%
FMAP Rates (FY13)	50%
DDD clients who do not choose COPES in FY12	600
Clients will remain on service until ADH removed from COPES	
ADSA received specific direction to eliminate ADH by October 2011	

Calculation

	Total Clients	New Clients	Attrition	Total	Avg Days Paid	Total Paid Days	ADH Intake (New Clients Only)	ADH Rate per Day	Total Cost
Jul-11	1,682	0	(45)	1,637	10.5	17,661	\$108.14	\$68.33	\$1,207,000
Aug-11	1,637	0	(44)	1,593	10.5	17,189	\$108.14	\$68.33	\$1,175,000
Sep-11	1,593	0	(43)	1,550	10.5	16,727	\$108.14	\$68.33	\$1,143,000
Oct-11	950	0	(25)	925	10.5	9,975	\$108.14	\$68.33	\$682,000
Nov-11	925	0	(25)	900	10.5	9,713	\$108.14	\$68.33	\$664,000
Dec-11	900	0	(24)	876	10.5	9,450	\$108.14	\$68.33	\$646,000
Jan-12	876	0	(23)	853	10.5	9,198	\$108.14	\$68.33	\$628,000
Feb-12	853	0	(23)	830	10.5	8,957	\$108.14	\$68.33	\$612,000
Mar-12	830	0	(22)	808	10.5	8,715	\$108.14	\$68.33	\$595,000
Apr-12	808	0	(22)	786	10.5	8,484	\$108.14	\$68.33	\$580,000
May-12	0	0	0	0	10.5	0	\$108.14	\$68.33	\$0
Jun-12	0	0	0	0	10.5	0	\$108.14	\$68.33	\$0
Total									\$7,932,000

SFY13

	Total Clients	New Clients	Attrition	Total	Avg Days Paid	Total Paid Days	ADH Intake (New Clients Only)	ADH Rate per Day	Total Cost
Jul-12	0	0	0	0	10.5	0	\$108.14	\$68.33	\$0
Aug-12	0	0	0	0	10.5	0	\$108.14	\$68.33	\$0
Sep-12	0	0	0	0	10.5	0	\$108.14	\$68.33	\$0
Oct-12	0	0	0	0	10.5	0	\$108.14	\$68.33	\$0
Nov-12	0	0	0	0	10.5	0	\$108.14	\$68.33	\$0
Dec-12	0	0	0	0	10.5	0	\$108.14	\$68.33	\$0
Jan-13	0	0	0	0	10.5	0	\$108.14	\$68.33	\$0
Feb-13	0	0	0	0	10.5	0	\$108.14	\$68.33	\$0
Mar-13	0	0	0	0	10.5	0	\$108.14	\$68.33	\$0
Apr-13	0	0	0	0	10.5	0	\$108.14	\$68.33	\$0
May-13	0	0	0	0	10.5	0	\$108.14	\$68.33	\$0
Jun-13	0	0	0	0	10.5	0	\$108.14	\$68.33	\$0
Total									\$0

SUMMARY

Reduction Option

	FY12	FY13	2011-13
TOTAL	\$ 8,042,000	\$ -	\$ 8,042,000
GF-State	\$ 4,021,000	\$ -	\$ 4,021,000
Federal	\$ 4,021,000	\$ -	\$ 4,021,000

Funding Available (through June 2011 forecast)

	FY12	FY13	2011-13
TOTAL	\$ 9,043,000	\$ 7,051,000	\$ 16,094,000
GF-State	\$ 4,580,000	\$ 3,561,000	\$ 8,141,000
Federal	\$ 4,463,000	\$ 3,490,000	\$ 7,953,000

Net Impact

	FY12	FY13	2011-13
TOTAL	\$ (1,001,000)	\$ (7,051,000)	\$ (8,052,000)
GF-State	\$ (559,000)	\$ (3,561,000)	\$ (4,120,000)
Federal	\$ (442,000)	\$ (3,490,000)	\$ (3,932,000)

Department of Social and Health Services

DP Code/Title: PL-Q9 Eliminate Nursing Homes Add-ons
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

Recommendation Summary Text:

This Department of Social and Health Services (DSHS), Long Term Care (LTC) proposes a reduction of (\$16,043,000), (\$8,021,000) GF-State, in the 2012 Supplemental Budget from the elimination of the nursing home add-ons.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050			
001-1 General Fund - Basic Account-State	0	(8,021,000)	(8,021,000)
001-C General Fund - Basic Account-Medicaid Federal	0	(8,022,000)	(8,022,000)
Total Cost	0	(16,043,000)	(16,043,000)

Staffing

Package Description:

Nursing home rates are reduced through statutory changes to encourage efficiencies in the rate methodology:

- The add-on used to increase wages, benefits, and/or staffing levels for certified nurse aides; or to increase wages and/or benefits for dietary aides, housekeepers, laundry aides, or any other category of worker whose statewide average dollars-per-hour wage was less than \$15 in calendar year 2008 (according to cost report data) is eliminated.
- The ten percent direct care rate add-on to compensate a nursing facility for taking more acute clients than they have in the past is eliminated.

Nursing facilities will need to implement operational changes to make up for lost Medicaid revenue.

The two methodology changes above require approval by the legislature prior to implementation.

Additionally, the nursing facility safety net assessment and trust fund was established by the 2011 Legislature (ESSB 5581, Chapter 7, Laws of 2011). Funds generated by the assessments shall only be used on nursing facility reimbursement. Modification of legislative intent would be required if the add-on savings aren't spent on nursing facility reimbursement.

Medicaid clients will experience reductions to their benefit level. With reduced revenues, nursing home providers may have to choose which tasks their employees spend their time on and may not have enough time to complete all tasks previously provided. The reduction in revenues may cause some employees to lose benefits, so providers may have difficulty retaining employees if employees need to find other employment or lose healthcare. This could be passed onto private pay clients through higher costs of care.

Agency Contact: Edd Giger (360) 902-8067
Program Contact: Ken Callaghan (360) 725-2499

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This proposal is intended to develop a reduction based on savings from the elimination of an incentive plan for nursing homes to increase wages, benefits, and/or staffing levels for certified nurse aides; or to increase wages and/or benefits for dietary

Department of Social and Health Services

DP Code/Title: PL-Q9 Eliminate Nursing Homes Add-ons
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

aides, housekeepers, laundry aides, or any other category of worker whose statewide average dollars-per-hour wage was less than \$15 in calendar year 2008 (according to cost report data) is eliminated.

Performance Measure Detail

Program: 050

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?

Not applicable

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

Yes. This meets the goal to "Challenge every program" by ensuring we are paying for only the most essential functions.

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

Not applicable

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

Not applicable

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

Not applicable

What are the consequences of not funding this package?

Not applicable

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

Not applicable

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

The nursing home add-on is authorized in 388-96 WAC and Chapter 74.46 RCW.

Expenditure and revenue calculations and assumptions

See attachment: LTC PL - Q9 Eliminate Nursing Home Add-ons.xlsx

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

Savings would continue forward into future biennia.

Department of Social and Health Services

DP Code/Title: PL-Q9 Eliminate Nursing Homes Add-ons

Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050 Objects			
N Grants, Benefits & Client Services	0	(16,043,000)	(16,043,000)
<u>DSHS Source Code Detail</u>			
Program 050	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	0	(8,021,000)	(8,021,000)
<i>Total for Fund 001-1</i>	<u>0</u>	<u>(8,021,000)</u>	<u>(8,021,000)</u>
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources Title</u>			
19TA Title XIX Assistance (FMAP)	0	(8,022,000)	(8,022,000)
<i>Total for Fund 001-C</i>	<u>0</u>	<u>(8,022,000)</u>	<u>(8,022,000)</u>
Total Program 050	<u>0</u>	<u>(16,043,000)</u>	<u>(16,043,000)</u>

**2012 Supplemental Budget
PL-Q9 Eliminate Nursing Home Add-ons**

Current Proposed		DC	TC	SS	OP	PR	FA	WE	PP	HT	CA	TL	AA	SN	TOTAL
FY 13	94.51	1.42	1.42	22.5	32.29	5.98	2.86	1.51	0.21	-0.21	10.4	171.47	3.09	8.5	183.06
Reduction Scenario															
-1.51															
-3.09															

No Low Wage Earner Add-on	
FY 13 Caseload	9555
FY 13 Days	365
State/Federal	\$ (5,266,238)
0.5	
State	<u>\$ (2,633,119)</u>

No Acuity Add-On	
FY 13 Caseload	9555
FY 13 Days	365
State/Federal	\$ (10,776,607)
0.5	
State	<u>\$ (5,388,303)</u>

Total State Savings for both reductions \$ (8,021,423)

New Proposed		DC	TC	SS	OP	PR	FA	WE	PP	HT	CA	TL	AA	SN	TOTAL
FY 13	94.51	1.42	1.42	22.5	32.29	5.98	2.86	0	0.21	-0.21	10.4	169.96	0	8.5	178.46

FY 13 (LTC Allotment)

	Total	GF State	Federal
X01 - Nursing Home	\$638,435,480		
TOTAL	\$638,435,480		
Low wage and acuity add-on	\$ (16,043,000)	\$ (8,021,000)	\$ (8,022,000)

Department of Social and Health Services

DP Code/Title: PL-WD Major Eligibility/ Prgm Reductions
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Aging and Disability Services Administration (ADSA) eliminates and reduces services for more than 80,000 people, (\$532,524,000) ((\$273,886,000) GF-State) in the 2012 Supplemental by a) increases in the eligibility thresholds for core Medicaid programs that support people with needs related to developmental disabilities and/or long-term care, and b) limits on the type and scope of Medicaid-funded community supports for people with needs related to mental health. These changes will eliminate or reduce core services for people with less needs, while continuing service to person with greater needs, and are necessary to reduce ADSA's 2011-13 Biennial Appropriation by (\$273,886,000) GF-State.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050			
001-1 General Fund - Basic Account-State	(5,320,000)	(119,537,000)	(124,857,000)
001-C General Fund - Basic Account-Medicaid Federal	(5,320,000)	(119,577,000)	(124,897,000)
Total Cost	(10,640,000)	(239,114,000)	(249,754,000)

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Program 050 FTEs	0.0	(18.9)	(9.5)

Package Description:

Core Medicaid programs will be changed so that only people with higher levels of physical and/or developmental disabilities will be served. Those currently receiving services who do not meet those higher thresholds will lose them and only persons with higher level of need will enter remaining services. Mental health services will be modified to establish statewide service levels that limits entry level of treatment and limits services for lower need consumers to three months in duration.

These cuts constitute a 7.8 percent reduction in ADSA's overall state funding. These changes remove or limit services for more than 80,000 people. These changes result in a reduction of (\$273,886,000) GF-State and (\$532,524,000) Total Funds for 2011-13. Most reductions would not begin until April 2012 at the earliest, and many require phase-in, so the cuts must be deeper to reach a 10 percent target for the current biennium than if implementation occurred over a full biennium. In the 2013-15 Biennium, after the changes are fully phased in, they will reduce ADSA's budget by 17 percent from the current level, a total of (\$595,748,000) GF-State, (\$1,177,550,000) Total Funds.

The changes will be achieved as follows:

1. Long-Term Care (LTC): The eligibility standard for Medicaid personal care, home and community-based long-term care waivers, and nursing facilities will all be changed to a single, higher level, so that only people who need extensive or total assistance to perform daily activities such as bathing, mobility, personal hygiene, and eating, qualify for services. Approximately 17,000 people (29 percent of current levels) who need intermittent assistance, or who need supervision rather than hands-on assistance in performing daily tasks will no longer be eligible, including 11,700 in homecare, 1,000 in adult family homes, 2,700 in assisted living, 1,000 in other boarding homes, and about 450 in nursing homes.

After the changes, 41,000 people (71 percent of current levels) in long-term care will retain services including: 24,000 in homecare, 4,500 in adult family homes, 1,700 in assisted living, 1,800 in other boarding homes or managed care and 9,400 in nursing homes. Those who retain services are those who require extensive assistance with most daily activities, are medically complex, and are likely to have major cognitive issues.

Changes will be implemented provided early action is granted and federal permission is provided. Fiscal estimates assume that an

Department of Social and Health Services

DP Code/Title: PL-WD Major Eligibility/ Prgm Reductions

Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

aggressive implementation begins April, 2012 and takes 9 months. Each client will first be assessed by a case manager to determine eligibility under the new standards.

These changes will reduce long-term care expenditures in the 2011-13 biennium by (\$124,857,000) GF-State, (\$249,754,000) Total Funds, (9.5) FTEs by the end of Fiscal Year 2013. This includes service expenditures, some caseload avoidance, and state staffing and Area Agency on Aging (AAA) impacts due to reduced workload. In the 2013-15 biennium, once the changes are fully implemented, the impact will be (\$261,000,000) GF-State and (\$523,000,000) Total Funds, with a reduction of (144.1) FTEs by the end of the biennium. DDD fiscal impacts related to this eligibility change are outlined below.

2. Developmental Disabilities: There are currently about 21,000 people with developmental disabilities receiving paid services from DDD. Two changes in eligibility thresholds, described below, will mean approximately 8,600 people (41 percent) of the paid services caseload will lose services, and a total reduction of (\$80,000,000) GF-State (\$159,000,000 Total Funds). 12,500 people (59 percent of paid services caseload) will continue to receive services, either Medicaid-based or State Supplemental Payments (SSP). Those changes are:

a) The higher functional eligibility standards described above for long-term care also means 3,000 people with developmental disabilities will no longer be eligible for Medicaid personal care (48 percent of current Medicaid personal care clients) : 2,800 living at home, 250 in adult family homes, and 50 in adult residential care boarding homes.

About 3,200 people with developmental disabilities (52 percent of current Medicaid personal care clients) will retain Medicaid personal care services: 2,800 in-home, 350 in adult family homes, and fewer than 20 in adult residential care boarding homes.

Changes will be implemented provided early action is granted and federal permission is provided. Fiscal estimates assume that aggressive implementation begins April, 2012 and takes twelve months due to larger caseloads per caseworker and the need for other eligibility changes to meet reductions (see below). Each client will be assessed by a case manager to determine if they are eligible under the new standards.

These changes will reduce DDD expenditures in the 2011-13 biennium by (\$17,000,000) GF-State, (\$33,000,000) Total Funds, and (9) FTEs by the end of FY13. This includes service expenditures and staffing impacts due to reduced workload. In the 2013-15 biennium, once the changes are fully implemented, the impact will be (\$45,000,000) GF-State and (\$89,000,000) Total Funds.

b) Changes will be made in the eligibility standard for the DDD waivers and Intermediate Care Facilities(ICF/ID). Only individuals who have been assessed as having a "high need" with medical or behavior supports or who have need for around the clock, seven day-per week support will retain services. 5,600 people currently receiving DDD home and community-based waiver services (48 percent of waiver clients) will be ineligible. 36 percent of those losing services live at home with family members, 28 percent in supported living or group homes, 24 percent live on their own, with a spouse, or with Alternative Living supports, 10 percent live in an adult family homes or boarding home, and fewer than 2 percent live in other settings.

The DDD waivers are currently up for federal renewal with applications due this fall. Changes could be implemented in April with early action and if federal permission is provided. Fiscal estimates assume that implementation will take 12 months. Each client will first be reassessed by a case manager in order to determine if they are eligible under the new standards and assessments and some transition for clients will take time.

These changes will reduce DDD expenditures in the 2011-13 biennium by (\$63,000,000) GF-State and (\$126,000,000) Total Funds, and (4) FTEs by the end of Fiscal Year 2013. This includes service expenditures and staffing impacts due to reduced workload. In the 2013-15 biennium, once the changes are fully implemented, the impact will be (\$165,000,000) GF-State and (\$329,000,000) Total Funds.

3. Mental Health: Mental health changes include a combination of Medicaid and non-Medicaid service reductions and eligibility changes that affect over 59,000 people, as follows:

Department of Social and Health Services

DP Code/Title: PL-WD Major Eligibility/ Prgm Reductions
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

a) Regional Support Network (RSN) non-Medicaid funding (\$6,500,000) GF-State. RSNs receive state funding for community mental health for persons and services not eligible for federal Medicaid matching funds. Funding would be reduced by 3 percent per year in the 2011-13 Biennium. RSNs have already received Non-Medicaid reductions equaling 14.5 percent from the level of funding initially budgeted for such services in Fiscal Year 2009. More than 26,000 clients, most of whom would be eligible for Medicaid with 2014 expansion under the Affordable Care Act, could receive a reduced service or services could be eliminated. RSNs are expected to prioritize the use of the remaining funds for crisis response, involuntary commitment, emergency hospitalization, and residential support services.

b) Investing in community-based mental health services as an alternative to hospitalization. (\$8,399,000) GF-State. Capacity at the Mental Health state hospitals would be reduced by closing four civil wards and moving patients into community settings. Western State Hospital (WSH) would close three civil wards and one civil ward would close at Eastern State Hospital (ESH).

In order to close the four civil wards at the state mental hospitals, mental health community capacity must be available before patients are moved and wards permanently closed. Money to fund capacity would come from the current Non-Medicaid allocations to the RSNs and be directed through contract to build the appropriate community supports for the populations leaving the wards during the ward closure process. Capacity for these supports is phased in and correlates with the phased in ward closure. Additional necessary supports include Evaluation and Treatment facilities, Adult Residential beds, Program for Assertive Community Treatment (PACT) teams and shelter/hotel beds and would need to be developed through the RSN system or through direct contracts for services. Community capacity would be developed through a request for proposal successful bidder process coordinated by ADSA.

Additional community capacity cost estimates rely on changing the process in which RSNs are allocated beds at the state hospitals. Currently, RSNs are directed by RCW 71.24.310 to use a certain number of beds for which they pay a daily rate if they go over their allocation. That money is collected and split - 50 percent to the state hospital and 50 percent is divided between the RSNs who did not over-utilize their bed allocation. Under a new process created through budget proviso, the approximately \$2,000,000 collected in Fiscal Year 2011 for over capacity payments would be taken out of the RSN funding and provided to RSNs through a bid proposal process aimed to build community bed capacity.

Community supports would be funded in part with Spokane RSN dollars used to implement services to reduce utilization and the census at ESH. Funding of \$1,125,000 GF-State is appropriated each fiscal year and would be redirected to offset the cost of building additional community capacity. Elimination of provisos for PACT, PALS, Jail Services, are necessary in order to allow the RSNs maximum flexibility in administering their remaining Non-Medicaid funding.

c) Standardization and utilization management of community-based mental health services. (\$5,461,000) GF-State. A statewide assessment tool for Level of Care would be adopted, along with rigorous statewide continued stay and discharge criteria. RSNs will review all current long-term low-need cases to determine if eligibility and appropriateness for discharge.

d) Change in RSN eligibility standards and benefits package. (\$49,144,000) GF-State. The overall number of adult admissions to RSN services would be reduced by changing the functional impairment criteria necessary for those with less severe diagnosis ("B-level" diagnoses). Currently 7,100 of the 33,000 adults served through the RSN system enter with a B level diagnosis per year. This change would affect approximately 50 percent of these individuals or 3,550 people who would no longer receive services through the RSN system. Those not receiving services will likely show up at some point in other systems such as Healthy Options, emergency rooms, jails, and the community crisis system, or become hospitalized.

The community mental health services provided to approximately 29,000 individuals would be changed through a benefit package redesign. Package details will be developed with stakeholders to meet reduction targets. Possible approaches include: 1) statewide service levels at lower frequency 2) service levels that correspond to diagnosis (A or B) and to level of need as established by a standardized tool with the lowest level of treatment providing for six sessions including a prescriber visit. Some consumers would be discharged from continuing services. Others would be expected to adjust to a less frequent visit schedule. As a result, these consumers would be at risk of entering the crisis system, ending up in emergency departments, increasing rates of psychiatric hospitalizations, and/or possible attempt of self harm.

Department of Social and Health Services

DP Code/Title: PL-WD Major Eligibility/ Prgm Reductions
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

Agency Contact: Edd Giger (360) 902-8067

Program Contacts:

- LTC - Bill Moss, Director, Home and Community Services (360) 725-2311
- DDD - Linda Rolfe, Director, Division of Developmental Disabilities (360) 725-3461
- Behavioral Health - David Dickinson, Director, Division of Behavioral Health (360) 725-3770

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Achieve savings to help the agency meet the 10 percent reduction targets set by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

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

Activity: E053 In-Home Services

No measures linked to package

Incremental Changes

FY 1 FY 2

0.00 0.00

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?

No.

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

Yes, this decision package helps the agency meet the 10 percent reduction targets set by OFM for the 2012 Supplemental Budget.

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

No

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

See discussion of alternatives below.

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

Four specific alternatives, outlined below, were considered. However, the alternatives did not meet the 10 percent reduction target or were in conflict with other measures necessary to meet the 10 percent reduction. In total, all of the alternative options below generate approximately (\$120,000,000) GF-State in savings, equivalent to a 3.3 percent reduction to ADSA's budget (compared to the 7.8 percent described in this package necessary to reach the target).

Department of Social and Health Services

DP Code/Title: PL-WD Major Eligibility/ Prgm Reductions
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

Two alternatives involved methods to generate additional revenues:

1. Refinancing personal care under the Community-First Choice Option (CFCO) and smaller eligibility changes for LTC and DDD: The Affordable Care Act passed by Congress created a new home and community-based option for long-term care and developmental disabilities known as the CFCO. Washington State has the opportunity to make changes to its existing personal care programs and refinance them under the CFCO at a higher federal match (56 percent rather than the current 50 percent). Refinancing personal care under CFCO beginning in April 2012 is estimated to yield a net increase of \$31,000,000 GF-Federal Medicaid revenue that would reduce an equal amount of state funds currently spend on those programs.

Eligibility for CFCO includes a maintenance of effort (MOE) requirement that requires spending the same or greater state expenditure personal care in the year after implementation of CFCO as before. It is estimated the greatest eligibility change that could be made without endangering MOE would be increasing the eligibility threshold for the Medicaid personal care program to match the current level nursing facility level of care (NFLOC) used for Home and Community-Based LTC waivers and nursing homes. Approximately 1,100 people (1.4 percent of 78,000 total LTC and DDD clients) would lose eligibility. If implemented in April, 2012, the NFLOC eligibility change would reduce GF-State in DDD and LTC by approximately (\$5,500,000) and total funds by (\$11,000,000).

Together, the CFCO savings and NFLOC eligibility change would yield a 2.1 percent reduction to the LTC and DDD programs, and a 1.0 percent reduction to all ADSA programs combined. These options were not chosen because they are not high enough in themselves, and they are mutually exclusive with other cuts needed to meet the 10 percent reduction target.

2. Implementation of a public utility assessment on community residential providers in DDD, boarding home providers, adult family homes, and home care agencies. Nursing homes and hospitals currently pay assessments. A similar type of assessment could be extended to home and community-based providers, Adult family home (AFH), boarding home (BH), home care agencies, and DD community residential providers would be assessed approximately 5 percent on their gross receipts, as allowed under the current statute for public utilities. Medicaid rates paid to providers would be increased to reimburse them for the cost of the assessment, using new federal matching funds drawn down by the assessment. The net increase in revenues would then offset current GF-State expenditures on these programs by \$65,000,000, assuming implementation in April, 2012 (requiring early enactment of legislation). This revenue is equivalent to "buying back" the cuts for LTC and DDD outlined in this package for 7,800 clients.

Two alternatives involve additional investments in community-based care and yield a net savings. These alternatives were not chosen because the level of reductions in this proposal required to reach the 10 percent threshold would weaken the community-based infrastructure too severely for those approaches to be viable:

1. Additional investments in the home and community system of care for people with developmental disabilities that build new community supports and allow continued consolidation of state-run Residential Habilitation Centers (RHCs). (See Decision Package Q0 - DD System of Care - SERA). New community supports would include additional planned respite based in communities throughout the state, state-operated short term crisis stabilization, treatment consulting teams, and other supports. Remaining RHCs - Fircrest on the west side of the state and Lakeland Village on the east side - would be strengthened to become regional centers offering professional services more broadly to the community such as consultation and access to specialized medical/health services. RHC capacity would be gradually downsized over four years, with residents transitioned to other RHCs, community-based State Operated Living Alternatives (SOLAs), or Supported Living.

In order to finance the investments needed to build community supports the Department proposes utilizing the State Efficiency and Restructuring Account (SERA) to replace GF-State. In the last three years, the SERA financing mechanism has been used by the Legislature with facility closures for Juvenile Rehabilitation and the Department of Corrections. The estimated biennial savings for 2011-13 would be \$4,000,000 GF-State (net of investments), with continuing savings in subsequent biennia.

This option was not chosen because the need to reach a 10 percent reduction would require fundamentally changing the

Department of Social and Health Services

DP Code/Title: PL-WD Major Eligibility/ Prgm Reductions
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

eligibility for DDD home and community-based waivers, which are the basis for the underlying system of community-based supports.

2. Additional investment in the LTC Family Caregiver Support program to divert people from more costly Medicaid Services. With an additional investment in support for unpaid family caregivers, it is estimated a net of (\$700,000) GF State would be saved in by providing evidence based interventions to caregivers that avoids placement of care recipients in costly Medicaid services by preventing burnout and improving caregiving outcomes (for both the caregiver and the individual receiving care). This option was rejected because reductions in LTC HCBS waiver eligibility beyond about 30 percent of what is proposed in this package leaves mostly heavier care people who may be later in their disability process and who are the most difficult to divert from paid care.

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

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?

Multiple revisions will be required to WAC and contracts for each program. Federal permission will be required to change Medicaid State Plans and waiver services.

Expenditure and revenue calculations and assumptions

See attachments: ADSA PL - WD Major Eligibility/Program Reductions.xls

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

All decreases are ongoing. In nearly all cases the decreases will be even greater in the 2013-15 Biennium, after full phase-in is completed. See above and attached for detail.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050 Objects			
A Salaries And Wages	0	(1,004,000)	(1,004,000)
B Employee Benefits	0	(363,000)	(363,000)
E Goods And Services	0	(271,000)	(271,000)
G Travel	0	(79,000)	(79,000)
J Capital Outlays	0	(180,000)	(180,000)
N Grants, Benefits & Client Services	(10,640,000)	(237,198,000)	(247,838,000)
T Intra-Agency Reimbursements	0	(19,000)	(19,000)
Total Objects	(10,640,000)	(239,114,000)	(249,754,000)

Department of Social and Health Services

DP Code/Title: PL-WD Major Eligibility/ Prgm Reductions
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 050		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	(5,320,000)	(119,537,000)	(124,857,000)
<i>Total for Fund 001-1</i>		(5,320,000)	(119,537,000)	(124,857,000)
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u>	<u>Title</u>			
19TA	Title XIX Assistance (FMAP)	(5,320,000)	(118,619,000)	(123,939,000)
19UL	Title XIX Admin (50%)	0	(958,000)	(958,000)
<i>Total for Fund 001-C</i>		(5,320,000)	(119,577,000)	(124,897,000)
Total Program 050		(10,640,000)	(239,114,000)	(249,754,000)

2012 Supplemental Budget
ADSA PL - WD Major Eligibility and Program Reductions

DDD Total (all in Category 1000)

	FY12	FY13	11-13 Biennium	13-15 Biennium
FTEs	-	(5.6)	(2.8)	(102.3)
GF-State	(4,173,000)	(75,352,000)	(79,525,000)	(209,603,000)
GF-Federal	(4,173,000)	(75,352,000)	(79,525,000)	(208,603,000)
Total	(8,346,000)	(150,704,000)	(159,050,000)	(418,206,000)

LTC Total

	FY12	FY13	11-13 Biennium	13-15 Biennium
FTEs	-	(18.9)	(9.5)	(144.1)
GF-State	(5,320,000)	(119,537,000)	(124,857,000)	(261,359,000)
GF-Federal	(5,320,000)	(119,577,000)	(124,897,000)	(262,012,000)
Total	(10,640,000)	(239,114,000)	(249,754,000)	(523,371,000)

Mental Health Total

	FY12	FY13	11-13 Biennium	13-15 Biennium
FTEs	-	(139.9)	(70.0)	(320.2)
GF-State	(7,238,000)	(62,266,000)	(69,504,000)	(124,786,000)
GF-Local	-	(1,876,000)	(1,876,000)	(4,164,000)
GF-Federal	1,037,000	(53,377,000)	(52,340,000)	(107,023,000)
Total	(6,201,000)	(117,519,000)	(123,720,000)	(235,973,000)

Total Aging and Disabilities Services Administration

Total ADSA	FY12	FY13	11-13 Biennium	13-15 Biennium
FTEs	-	(164.4)	(82.2)	(566.6)
GF-State	(16,731,000)	(257,155,000)	(273,886,000)	(595,748,000)
GF-Local	-	(1,876,000)	(1,876,000)	(4,164,000)
GF-Federal	(8,456,000)	(248,306,000)	(256,762,000)	(577,638,000)
Total	(25,187,000)	(507,337,000)	(532,524,000)	(1,177,550,000)

2012 Supplemental Budget PL-WD ADSA - Eligibility Changes

	DDD Total Objects		11-13 Biennium	13-15 Biennium
	FY12	FY13		
A - Salaries	-	(266,000)	(266,000)	(9,886,000)
B - Benefits	-	(104,000)	(104,000)	(3,864,000)
E - Goods & Services	-	(72,000)	(72,000)	(2,637,000)
G - Travel	-	(19,000)	(19,000)	(738,000)
J - Equipment	-	(9,000)	(9,000)	(336,000)
N - Client Services	(8,346,000)	(150,228,000)	(158,574,000)	(400,534,000)
TZ - ISSD	-	(6,000)	(6,000)	(211,000)
Total	(8,346,000)	(150,704,000)	(159,050,000)	(418,206,000)

	LTC Total Objects		11-13 Biennium	13-15 Biennium
	FY12	FY13		
A - Salaries	-	(1,004,000)	(1,004,000)	(13,206,000)
B - Benefits	-	(363,000)	(363,000)	(4,780,000)
E - Goods & Services	-	(271,000)	(271,000)	(3,546,000)
G - Travel	-	(79,000)	(79,000)	(1,038,000)
J - Equipment	-	(180,000)	(180,000)	(2,364,000)
N - Client Services	(10,640,000)	(237,198,000)	(247,838,000)	(498,141,000)
TZ - ISSD	-	(19,000)	(19,000)	(296,000)
Total	(10,640,000)	(239,114,000)	(249,754,000)	(523,371,000)

	MH Total Objects		11-13 Biennium	13-15 Biennium
	FY12	FY13		
A - Salaries	-	(7,339,000)	(7,339,000)	(15,702,000)
B - Benefits	-	(3,039,000)	(3,039,000)	(6,503,000)
E - Goods & Services	-	(1,089,000)	(1,089,000)	(2,330,000)
G - Travel	-	-	-	-
J - Equipment	-	-	-	-
N - Client Services	(6,201,000)	(106,052,000)	(112,253,000)	(241,712,000)
TZ - ISSD	-	-	-	-
Total	(6,201,000)	(117,519,000)	(123,720,000)	(266,247,000)

	ADSA Total Objects		11-13 Biennium	13-15 Biennium
	FY12	FY13		
A - Salaries	-	(8,609,000)	(8,609,000)	(38,794,000)
B - Benefits	-	(3,506,000)	(3,506,000)	(15,147,000)
E - Goods & Services	-	(1,432,000)	(1,432,000)	(8,513,000)
G - Travel	-	(98,000)	(98,000)	(1,776,000)
J - Equipment	-	(189,000)	(189,000)	(2,700,000)
N - Client Services	(25,187,000)	(493,478,000)	(518,665,000)	(1,140,387,000)
TZ - ISSD	-	(25,000)	(25,000)	(507,000)
Total	(25,187,000)	(507,337,000)	(532,524,000)	(1,207,824,000)

Department of Social and Health Services

DP Code/Title: PL-WH Hospital Re-sizing
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Aging and Disability Services Administration (ADSA), reduces (46.6) FTEs and (\$2,622,000) ((\$5,119,000) GF-State) by closing two decertified wards at Western State Hospital (WSH) and increasing services in community Long Term Care (LTC) settings in the 2012 Supplemental Budget.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050			
001-1 General Fund - Basic Account-State	164,000	2,333,000	2,497,000
001-C General Fund - Basic Account-Medicaid Federal	164,000	2,333,000	2,497,000
Total Cost	328,000	4,666,000	4,994,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Program 050 FTEs	1.3	4.0	2.7

Package Description:

Two decertified wards at Western State Hospital (WSH) funded solely with General-Fund State dollars would be permanently closed, moving 52 patients to Skilled Nursing Facilities and Adult Family Homes within the Long Term Care system. Long-term care providers would be paid enhanced rates consistent with past use of "expanded community services." Beginning in January 2012, patients will be transitioned to the community; followed by implementation of revisions to the Involuntary Treatment Act (ITA) for civil commitment of individuals who do not have a primary psychiatric diagnosis. Regional staff will coordinate with evaluation and treatment (E&T's) facilities to divert up to thirty additional individuals to long-term care settings instead of WSH. LTC settings will provide appropriate care for these individuals and prevent new admissions of this type to the state hospitals.

Many patients in the state hospitals suffer from traumatic brain injury or have a primary diagnosis of dementia. The broad application of Washington's Involuntary Treatment Act leads to the civil commitment of people who are not best served in a psychiatric inpatient setting. The state hospitals and, to some degree, community psychiatric inpatient settings become providers of last resort. This approach is neither effective nor efficient.

Once hospitalized, the ability to discharge persons with "non-psychiatric illnesses" to another setting is compromised by the inability of the facility to actively treat or otherwise affect the course of the disorder. By reworking the definition of RCW 71.05.24.020 to exclude individuals with dementia and traumatic brain injuries, patients will be cared for in more appropriate settings and remaining state hospital beds will be available for those that can benefit from active treatment.

Agency Contact:
Debbie Schaub (360) 902-8177
Edd Giger (360) 902-8067

Program Contact:
Kelly Sawka (360) 725-2055
Eric Mandt (360) 725-2579

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Department of Social and Health Services

DP Code/Title: PL-WH Hospital Re-sizing
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

To achieve savings to meet the 10 percent reduction targets set by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

The agency expects to begin a change in the process of how mental health treatment is delivered in the state of Washington. The first step is lowering the census at the state hospitals by placing patients in community settings suited to meet their needs.

Performance Measure Detail

Program: 050

Activity: E050 Adult Family Home Community Services

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: 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?

No

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

Yes, this decision package helps the agency meet the 10 percent reduction targets set by OFM for the 2012 Supplemental Budget.

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

No

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

This proposal makes changes to the current ITA laws and redirects clients to community settings when appropriate and reduces the bed capacity at WSH.

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

None

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

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?

This decision package requires changes in RCW 71.05.

Department of Social and Health Services

DP Code/Title: PL-WH Hospital Re-sizing
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

Expenditure and revenue calculations and assumptions

See attachment: ADSA PL - WH Hospital Re-sizing.xlsx

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

This reduced funding level would continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050 Objects			
A Salaries And Wages	108,000	323,000	431,000
B Employee Benefits	31,000	92,000	123,000
E Goods And Services	16,000	48,000	64,000
G Travel	5,000	16,000	21,000
J Capital Outlays	3,000	8,000	11,000
N Grants, Benefits & Client Services	164,000	4,175,000	4,339,000
T Intra-Agency Reimbursements	1,000	4,000	5,000
Total Objects	328,000	4,666,000	4,994,000

DSHS Source Code Detail

<u>Program 050</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	164,000	2,333,000	2,497,000
<i>Total for Fund 001-1</i>	164,000	2,333,000	2,497,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources Title</u>			
19TA Title XIX Assistance (FMAP)	82,000	2,088,000	2,170,000
19UL Title XIX Admin (50%)	82,000	245,000	327,000
<i>Total for Fund 001-C</i>	164,000	2,333,000	2,497,000
Total Program 050	328,000	4,666,000	4,994,000

**2012 Supplemental Budget
PL - WH Hospital Re-sizing**

Summary - ADSA

	FY12	FY13	2011-13 Bien.
*FTE	(9.4)	(81.2)	(46.6)
A	\$ (433,000)	\$ (4,010,000)	\$ (4,443,000)
B	\$ (194,000)	\$ (1,702,000)	\$ (1,896,000)
E	\$ (71,000)	\$ (615,000)	\$ (686,000)
ED	\$ 7,000	\$ 20,000	\$ 27,000
G	\$ 5,000	\$ 16,000	\$ 21,000
J	\$ 3,000	\$ 8,000	\$ 11,000
N	\$ 164,000	\$ 4,175,000	\$ 4,339,000
TZ	\$ 1,000	\$ 4,000	\$ 5,000
TOTAL	\$ (518,000)	\$ (2,104,000)	\$ (2,622,000)
GF-State	\$ (682,000)	\$ (4,437,000)	\$ (5,119,000)
Federal	\$ 164,000	\$ 2,333,000	\$ 2,497,000

Department of Social and Health Services

DP Code/Title: PL-WL Transfer Fostering Well-Being
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Long Term Care (LTC), requests 10.5 FTEs and \$2,104,000 (\$1,052,000 GF-State) for the 2012 Supplemental Budget to reflect the transfer from the Health Care Authority's (HCA) Fostering Well Being Program (FWB) to LTC.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050			
001-1 General Fund - Basic Account-State	526,000	526,000	1,052,000
001-C General Fund - Basic Account-Medicaid Federal	526,000	526,000	1,052,000
Total Cost	1,052,000	1,052,000	2,104,000

Staffing

Package Description:

FWB is DSHS organizational framework for delivering person-centered health care services to children in out-of-home placement. HCA and DSHS are in agreement that consistent leadership is essential for the continued development of this program. Both programs agree that DSHS provides the best place for continuity of the program's development.

This transfer moves medical staff from HCA to DSHS. The FWB eligibility staff will remain at HCA.

FWB program goals include:

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

Agency Contact: Edd Giger (360) 902-8067

Program Contact: James Kettel (360) 725-2586

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

FWB 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: E051 Program Support for Long Term Care

Incremental Changes
FY 1 FY 2

Department of Social and Health Services

DP Code/Title: PL-WL Transfer Fostering Well-Being
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

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?

Yes. This request falls within ADSA's 2009-13 Strategic Plan by offering a variety of home and community options to improve the balance between home and community and institutional care.

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

Yes, by providing community services to vulnerable children in Washington in need of positive behavioral health and health care outcomes.

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

Yes, by improving the health outcomes of children in out-of-home placements in a high priority of Washington State Government.

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?

Funding this decision package will transfer the FWB to LTC from HCA where these children will be better served in the community.

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 WL Transfer from HCA-Foster Well Being.xlsx

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

All costs are on going and will carry forward into future biennia.

Department of Social and Health Services

DP Code/Title: PL-WL Transfer Fostering Well-Being
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050 Objects			
A Salaries And Wages	720,000	720,000	1,440,000
B Employee Benefits	214,000	214,000	428,000
E Goods And Services	92,000	92,000	184,000
G Travel	4,000	4,000	8,000
J Capital Outlays	14,000	14,000	28,000
T Intra-Agency Reimbursements	8,000	8,000	16,000
Total Objects	1,052,000	1,052,000	2,104,000

DSHS Source Code Detail

Program 050	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	526,000	526,000	1,052,000
<i>Total for Fund 001-1</i>	526,000	526,000	1,052,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources Title</u>			
19TA Title XIX Assistance (FMAP)	526,000	526,000	1,052,000
<i>Total for Fund 001-C</i>	526,000	526,000	1,052,000
Total Program 050	1,052,000	1,052,000	2,104,000

**2012 Supplemental Budget
 PL - WL Transfer from HCA - Foster Well Being**
 DSHS Staffing Model - Calculation Results Report
 claim 50% FFP

		Section Manager(WT06)	Clinical Nurse Advisor (Average salary level -- WT27, WT28)	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	
		FY11	FY11	FY11	FY11	FY11	FY11	FY12	FY13	Total
FTEs		1.0	2.0	4.0	0.5	3.0	10.5	10.5	10.5	10.5
Objects Summary										
A	Salaries	79,000	152,000	221,000	40,000	250,000	742,000	720,000	720,000	1,440,000
B	Benefits	23,000	45,000	76,000	12,000	58,000	214,000	214,000	214,000	428,000
E	Goods & Services	12,000	25,000	49,000	6,000		92,000	92,000	92,000	184,000
J	Equipment	2,000	3,000	7,000	2,000		14,000	14,000	14,000	28,000
G	Travel	-	-	-	-	4,000	4,000	4,000	4,000	8,000
T	ISSD:TZ	1,000	2,000	4,000	1,000		8,000	8,000	8,000	16,000
Total Objects		117,000	227,000	357,000	61,000	312,000	1,074,000	1,052,000	1,052,000	2,104,000
Funds Summary										
001-1	0011	58,000	113,000	179,000	31,000	156,000	537,000	526,000	526,000	1,052,000
001-C	19TA	59,000	114,000	178,000	30,000	156,000	537,000	526,000	526,000	1,052,000
Total Funds		117,000	227,000	357,000	61,000	312,000	1,074,000	1,052,000	1,052,000	2,104,000

Department of Social and Health Services

**DP Code/Title: PL-WR Eliminate Capital Add on
Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Long Term Care (LTC), reduces (\$3,849,000), (\$1,924,000) GF-State, in the 2012 Supplemental Budget through the elimination of the facility incentive add-on effective March 1, 2012.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	(482,000)	(1,442,000)	(1,924,000)
001-C General Fund - Basic Account-Medicaid Federal	(482,000)	(1,443,000)	(1,925,000)
Total Cost	(964,000)	(2,885,000)	(3,849,000)

Staffing

Package Description:

DSHS pays an add-on to the rate for those Assisted Living (AL) facilities contracting with the department that have a Medicaid occupancy percentage of 60 percent or greater. The add-on is intended to serve as an incentive for facilities to take Medicaid clients. To be eligible for the Capital Add-on, a AL facility must be 60 percent Medicaid clients. Medicaid occupancy for each AL is calculated at the beginning of each fiscal year and the add-on is paid throughout that year. The estimated savings assume elimination of the capital add-on would begin effective March 1, 2012. This reduction will only impact 16 percent of the AL facilities statewide.

Agency Contact: Edd Giger (360) 902-8067
Program Contact: Ken Callaghan (360) 725-2499

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Achieve Savings to help the agency meet the 10 percent reduction targets set by the Office of Financial Management (OFM) in the 2012 Supplemental Budget.

Performance Measure Detail

Agency Level

Activity: **E055 Residential Community 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?

No

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

Yes, this decision package helps the agency meet the 10 percent reduction targets set by OFM in the 2012 Supplemental Budget.

Department of Social and Health Services

**DP Code/Title: PL-WR Eliminate Capital Add on
Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

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

No

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

In Fiscal Year 2012, 37 separate facilities statewide receive an add-on rate of \$4.92-\$5.42 per Medicaid bed day. These facilities would continue to receive the Medicaid rates paid to all contracted AL facilities serving Medicaid clients.

Individual clients would not be directly impacted.

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

None

What are the consequences of not funding this package?

The department will not be able to meet its budget reduction targets.

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

Not applicable

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

The capital add-on is authorized in 74.39A.320 RCW. The statute is written so that payment is made only to the extent funds are appropriated for this purpose so it would not be necessary to rescind.

Expenditure and revenue calculations and assumptions

See attachment: LTC PL - WR Eliminate Capital Add-on.xls

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

Savings would continue forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050 Objects			
N Grants, Benefits & Client Services	(964,000)	(2,885,000)	(3,849,000)

State of Washington
Decision Package
Department of Social and Health Services

**DP Code/Title: PL-WR Eliminate Capital Add on
Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 050	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	(482,000)	(1,442,000)	(1,924,000)
<i>Total for Fund 001-1</i>	(482,000)	(1,442,000)	(1,924,000)
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources</u> <u>Title</u>			
19TA Title XIX Assistance (FMAP)	(482,000)	(1,443,000)	(1,925,000)
<i>Total for Fund 001-C</i>	(482,000)	(1,443,000)	(1,925,000)
Total Program 050	(964,000)	(2,885,000)	(3,849,000)

**2012 Supplemental Budget
PL-WR Eliminate Capital Add-on**

Estimated Capital Add-On Costs		
	Days	Cost
FY12	122	\$964,463.68
FY13	365	\$2,885,485.60

	FY12	FY13	2011-13
TOTAL	\$ (964,000)	\$ (2,885,000)	\$ (3,849,000)
GF-State	\$ (482,000)	\$ (1,442,000)	\$ (1,924,000)
Federal	\$ (482,000)	\$ (1,443,000)	\$ (1,925,000)

Department of Social and Health Services

**DP Code/Title: PL-WU Supp Living Investigators and Fee
Program Level - 050 Long Term Care Services**

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Aging and Disability Services Administration (ADSA), requests 5.0 FTEs and \$1,398,000 in the 2012 Supplemental Budget to allow Residential Care Services (RCS) to do additional investigations of abuse and neglect complaints in Certified Community Residential Supports and Services (CCRSS) settings for clients with developmental disabilities.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050			
001-7 General Fund - Basic Account-Private/Local	0	343,000	343,000
001-C General Fund - Basic Account-Medicaid Federal	0	343,000	343,000
Total Cost	0	686,000	686,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Program 050 FTEs	0.0	5.0	2.5

Package Description:

This request is for additional investigations of abuse and neglect complaints in CCRSS settings for clients with developmental disabilities. This would allow DSHS to meet growing investigation volumes, and current statutory requirements and timelines to intervene for clients in a timely manner when there is possible abuse or neglect. In conjunction with agency request legislation, this decision package also requests that the CCRSS program be charged an annual certification fee in order to provide revenue to cover the new FTEs needed for the increasing complaint workload of the service provider's oversight process. The Long-Term Care Program requests \$686,000 (\$343,000 General Fund-Federal and \$343,000 GF-Private/Local). The Developmental Disabilities Division (DDD) requests \$722,000 (\$361,000 GF-Federal and \$361,000 GF-Private/Local).

Background - Investigations:

CCRSS is a service provided to persons with developmental disabilities by certified providers, in the clients' own home (vs. living with their parents or siblings), and is more commonly known by the term "Supported Living". RCS oversight includes both initial and periodic inspections and certifications to ensure services comply with requirements, and response to complaints of abuse and neglect called in by the public. Complaints investigations are essential to preventing and detecting abuse and neglect of vulnerable adults.

There are two types of complaint investigations called in by the public. One investigation type determines if the provider handled the situation in accordance with the program requirements, called "provider practice". Follow up is done to ensure that clients needs are being met and that providers comply with program requirements. The other investigation type is to determine if a specific individual abused or neglected a client, called a Resident and Client Protection Program (RCPP) investigation. RCPP protects clients and prevent perpetrators from moving to other settings.

In Fiscal Year 2007, the first full year of RCS doing the CCRSS complaint investigations, 903 complaints were assigned to the five investigators. Complaints assigned increased each year, and over 1,900 complaints were assigned in Fiscal Year 2011, more than doubling from 2007. With no increase in staff investigators, LTC expects complaints to continue to grow at the historical rate. Similar to the increase in complaints for Adult Protective Services (APS) and for Nursing Homes (NH), Adult Family Homes (AFH), and Boarding Homes (BH), DSHS believes that complaints have increased due to better community awareness of abuse and neglect through education efforts, and better compliance with mandatory reporting.

With only five assigned FTEs, DSHS is unable to investigate the total number of complaints assigned. Due to this, LTC prioritize

Department of Social and Health Services

DP Code/Title: PL-WU Supp Living Investigators and Fee
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

complaints so those that appear to involve higher risks for clients are done before those that appear to involve less risk. This prioritization method is inconsistent with best practice used for complaints in other settings (AFHs, BHs, NHs and in-home through APS).

DSHS proposes to add an additional five investigators (nursing consultants) to CCRSS complaints investigation, to keep up with the increase (over twice as many) in workload since the program first began in RCS.

RCS has pursued efficiency measures for all of its oversight programs, including Supported Living, prior to requesting additional funding for new FTEs. Overall administration for RCS is centralized and delayed. Initial and renewal certification of Supported Living agencies is already done by a contractor. All investigatory work for Supported Living abuse/neglect complaints is already prioritized, and handled by only five nursing care consultants statewide. Investigations of abuse and neglect require on-site visits and interviews with clients and others. Best practice requires assigning a maximum number of new complaints per investigator per month. Resources cannot be shifted from other programs such as AFHs, BHs, or NHs, as these industries pay for oversight through their own dedicated fees under statute and cannot be charged more than their actual oversight costs.

In addition, DSHS is currently operating under a settlement agreement in a client-related lawsuit (Boyle). Part of the settlement relates to client safety in CCRSS. The client advocates are preparing to ask the court to impose an enforcement action against DSHS, which could include an order of contempt, partly because of the challenge in investigating all complaints received, as the volume increases.

New Certification Fee:

Under current statute, CCRSS providers must be certified by RCS prior to serving clients. Unlike other providers, CCRSS providers currently do not pay any fees to be certified or to offset the cost of their oversight, as other providers do. Also, unlike other long-term care settings and supports, NH, AFH, and BH, CCRSS programs are based "in the client's home" and the providers generally do not have "private pay" residents. All CCRSS clients are Medicaid and clients of the DDD.

DSHS proposes covering a portion of CCRSS oversight costs with a new annual certification fee of \$185 per client per year. Revenue from this fee would cover the enhanced investigatory resources needed as described above (five FTEs) to insure that complaints can be addressed promptly and thoroughly as workload grows. This does not change the investigation process or criteria, just increases the resources to address the increasing demand for investigations. There would be no long-term impact to CCRSS providers. All CCRSS providers would receive new funding in their Medicaid payment rates to offset the cost of the fee over the course of the year. Federal funds assist in paying the providers, and local funds (from the fee) are used as state matching funds. This is consistent with approaches currently used to pay providers to reimburse for fees for Medicaid clients in NH, AFHs, and BHs.

To implement this decision package, DSHS is proposing legislation to create a new certification fee to allow the level of the fee to be set in the budget.

Agency Contact: Edd Giger (360) 902-8067
Program Contact: Irene Owens (360) 725-2489

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Funding from this request would allow RCS to provide timely intervention related to the health and safety of clients in this program. It would also give RCS the ability to address the quality of and complaint workload standards for the CCRSS program. Multiple performance measures, including conducting assigned complaint investigations in a timely manner, should improve if funding is provided.

Department of Social and Health Services

DP Code/Title: PL-WU Supp Living Investigators and Fee
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

Further, one of ADSA's key performance measures for Government Management Accountability and Performance (GMAP) is to increase the proportion of clients served in home and community-based settings rather than institutional settings. ADSA's ability to meet CMS requirements related to waiver management, and the ability to address vulnerable adult safety are key components of improving this performance measure.

Performance Measure Detail

Program: 050

Activity: E054 Investigations/Quality Assurance

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 relates to the ADSA Strategic Plan Goal Number 3 to maintain timely access to programs and responsiveness to changing needs, and manage risk through appropriate staffing. It also supports Goal 2 of the ADSA plan to continue efforts to enhance quality of services. Failing to provide funding would essentially eliminate the chances of accomplishing either of the above goals outlined in ADSA's 2009-13 Strategic Plan.

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

Yes. This request meets the goal to "improve the health of Washingtonians, and support and keep safe our children and adults who are unable to 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?

Yes. Improving the health and security of Washington's vulnerable adults is one of the Priorities of Government (POG). One of the key indicators under this priority is to "Increase the percentage of vulnerable adults living in permanent families and safe home or community settings."

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

DSHS is proposing legislation to implement this request.

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

The alternative is for state funds to continue to subsidize the cost of all FTEs necessary for oversight. Shifting resources from nursing homes, adult family homes, or boarding homes investigations is not allowable, as each of these industries pay fees to cover only their own oversight costs under current statute.

Other fee mechanisms exist, but were rejected as problematic due to a high administrative burden, their lack of ability to support ongoing oversight costs, or for their potential to reduce mandatory reporting (i.e. refunding fees for service providers with no complaints, or charging service providers extra only when they have complaints would create a contrary incentive to not report potential abuse and neglect). Fee revenue needs to be predictable and independent of reporting, in order to ensure stable, quality oversight; the department recommends to structure fee mechanisms that are similar between settings, and similar fee levels for initial licensing and renewals.

What are the consequences of not funding this package?

If this package is not funded, DSHS will be less able to meet the CCRSS need. DSHS will have to continue to prioritize complaint intakes since it will not be able to meet the increasing workload demand. Vulnerable adults will continue to be at an increased risk of harm. This will put at risk the priorities for a robust home and community based system.

Department of Social and Health Services

DP Code/Title: PL-WU Supp Living Investigators and Fee
Program Level - 050 Long Term Care Services

Budget Period: 2011-13 Version: E2 050 - 2012 Sup Agency Request

If no fee is created, the cost of all FTEs necessary for oversight will remain on the state taxpayer and additional federal revenues will be foregone.

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?

DSHS request legislation has been submitted to allow an annual certification fee to be set in the state budget.

Expenditure and revenue calculations and assumptions

See attachment: ADSA PL - WU Strengthen & Expand HCBS Services.xlsx

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

These costs are ongoing and will carry forward into future biennia. Future biennial appropriations acts will need to adjust the CCRSS fee periodically if workload significantly increases or decreases, to reflect the level of investigators needed.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 050 Objects			
A Salaries And Wages	0	430,000	430,000
B Employee Benefits	0	127,000	127,000
E Goods And Services	0	65,000	65,000
G Travel	0	18,000	18,000
J Capital Outlays	0	41,000	41,000
T Intra-Agency Reimbursements	0	5,000	5,000
Total Objects	0	686,000	686,000

DSHS Source Code Detail

Program 050	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-7, General Fund - Basic Account-Private/Local			
<u>Sources Title</u>			
5417 Contributions & Grants	0	343,000	343,000
<i>Total for Fund 001-7</i>	0	343,000	343,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources Title</u>			
19TA Title XIX Assistance (FMAP)	0	343,000	343,000
<i>Total for Fund 001-C</i>	0	343,000	343,000
Total Program 050	0	686,000	686,000

2012 Supplemental Budget PL - WU Supp Living Investigators and Fee

CCRSS/Supported Living Certification Fee To Cover Portion of Oversight Cost
Asks for fee to cover new Investigations staffing only, not underlying costs

FTEs (linked to tab "FTEs-RCS Costs")		5.0	
Step 1 - Determine the Fee			
months	FY12	FY13	
	0	12	
DSHS Estimated FTE Costs - State Portion Only	\$ -	\$ 343,000	
Reimbursement	\$ -	\$ 361,000	
Medicaid Clients	3,900	3,900	
New Fee	-	185	
Reimbursement Adjustment Cost	\$ -	\$ 722,000	
GF-Local (part of fee)	\$ -	\$ 361,000	
GF-Federal	\$ -	\$ 361,000	
FMAP Rate	50.00%	50.00%	
TOTAL - State Portion for FTEs and Reimbursement	\$ -	\$ 704,000	
Revenue from Fee (Local funds can pay for State Costs)	\$ -	\$ 712,000	
Variance - revenue surplus/(revenue deficit)	\$ -	\$ 8,000	
Renewal Fee Revenues	\$ -	\$ 712,000	
Total Clients	3,800	3,850	
Annual Fee / Client / Year	\$ -	\$ 185	
Initial Fee - not using at this time	\$ -	\$ -	
Average New Clients / Year	-	-	
Initial Fee / per ????	\$ -	\$ -	
Step 2 - Rates: Reimbursement Adjustment			
	FY12	FY13	
Add on PPD	\$ -	\$ 0.51	
TOTAL Funds Adjustment	\$ -	\$ 722,000	
GF-State	\$ -	\$ -	
GF-Federal	\$ -	\$ 361,000	
GF-Local (part of fee)	\$ -	\$ 361,000	
DDD - Winsum Entry/FN System			
H51 (rates impact)			
TOTAL Funds Adjustment	\$ -	\$ 722,000	
GF-State	\$ -	\$ -	
GF-Federal	\$ -	\$ 361,000	
GF-Local	\$ -	\$ 361,000	
Step 3 - RCS & DDD Adjustment			
	FY12	FY13	
Revenue	\$ -	\$ 712,000	
Current Local appropriation	\$ -	\$ -	
Additional local appropriation = local revenue less current local appropriation	\$ -	\$ 712,000	
local need from rate impact	\$ -	\$ 361,000	
local need for RCS	\$ -	\$ 351,000	
GF-State appropriation	\$ -	\$ -	
GF-State (rounded) Change in Appropriation: add/(reduction)	\$ -	\$ -	
LTC - Winsum Entry/FN System			
J73 - RCS Field Services			
FTE	-	5.0	
TOTAL Funds Adjustment	\$ -	\$ 686,000	
GF-State	\$ -	\$ -	
GF-Federal	\$ -	\$ 343,000	
GF-Local	\$ -	\$ 343,000	
Cash Receipts, for Fiscal Note System			
	FY12	FY13	
Local Funds (fees revenue)	\$ -	\$ 712,000	
Federal Funds (to match rates reimbursement)	\$ -	\$ 361,000	
Federal Funds (to match FTE expenditures)	\$ -	\$ 343,000	
Total Federal	\$ -	\$ 704,000	
Total Cash Receipts	\$ -	\$ 1,416,000	
	\$ -	\$ 1,408,000	
	\$ -	\$ -	
	\$ -	\$ 704,000	
	\$ -	\$ 704,000	

Recommendation Summary

Version: F2 - 060 - 2012 Sup Agency Request

Budget Period: 2011-13
Budget Level Criteria: ALL

Dollars in Thousands		Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
Program 060 - Economic Services Admin						
CB - Current Biennium						
00	Current Biennium Base	0	4,568.0	1,006,614	1,146,391	2,153,005
	SubTotal CB		4,568.0	1,006,614	1,146,391	2,153,005
	Cumulative Total Thru CB		4,568.0	1,006,614	1,146,391	2,153,005
M1 - Mandatory Caseload and Enrollment Changes						
93	Mandatory Caseload Adjustments	0	0.0	(2,007)	1,618	(389)
	SubTotal M1		0.0	(2,007)	1,618	(389)
	Cumulative Total Thru M1		4,568.0	1,004,607	1,148,009	2,152,616
M2 - Inflation and Other Rate Changes						
24	ACES Mainframe	0	0.0	888	396	1,284
25	EBT Caseload Growth	0	0.0	2,472	2,022	4,494
9T	Transfers	0	(19.4)	(1,052)	(648)	(1,700)
UN	Increase Federal Fund Authority	0	0.0	0	3,612	3,612
WB	Federal Funds Technical Adjustment	0	0.0	0	0	0
WX	Funding for CSD Staff - FQHC	0	0.0	5,208	5,210	10,418
ZZ	Unemployment	0	0.0	10	8	18
	SubTotal M2		(19.4)	7,526	10,600	18,126
	Cumulative Total Thru M2		4,548.6	1,012,133	1,158,609	2,170,742
PL - Performance Level						
26	Refugee/LEP Assistance Reduction	0	0.0	(1,775)	0	(1,775)
27	Elimination Naturalization	0	0.0	(2,624)	0	(2,624)
28	Mail EBT Cards	0	(14.0)	(752)	(621)	(1,373)
29	TANF/WorkFirst Reductions	0	(1.3)	(32,068)	0	(32,068)
2C	Increase Retained Child Support	0	8.0	0	405	405
FU	Elimin ABD and PWA Cash Progs	0	(25.3)	(29,697)	0	(29,697)
FV	Elimin State Food Assistance Prog	0	(13.8)	(17,825)	0	(17,825)
PF	State Data Center Equipment	0	0.0	119	107	226
	SubTotal PL		(46.3)	(84,622)	(109)	(84,731)
	Cumulative Total Thru PL		4,502.3	927,511	1,158,500	2,086,011
Total Proposed Budget for Program 060 - Economic Services Admin			4,502.3	927,511	1,158,500	2,086,011

Recommendation Summary Text

24 - ACES Mainframe

(M2) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), requests \$1,284,000 (\$888,000 GF-State) in the 2012 Supplemental Budget to replace the mainframe complex central processing unit (CPU), disk array, and tape server for the Automated Client Eligibility System (ACES).

25 - EBT Caseload Growth

(M2) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA) requests \$4,494,000 (\$2,472,000 GF-State) in the 2012 Supplemental Budget for increased costs associated with Electronic Benefits Transfer

Recommendation Summary

Budget Period: 2011-13
Budget Level Criteria: ALL

Version: F2 - 060 - 2012 Sup Agency Request

Dollars in Thousands	Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
----------------------	------------------	-----------------	--------------------	-------------	-------------

25 - EBT Caseload Growth
(EBT).

26 - Refugee/LEP Assistance Reduction

(PL) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$1,775,000) GF-State in the 2012 Supplemental Budget associated with a reduction in the state-funded Refugee Assistance/Limited English Proficiency (LEP) Pathway Program effective January 1, 2012.

27 - Elimination Naturalization

(PL) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$2,624,000) GF-State in the 2012 Supplemental Budget associated with the elimination of naturalization services contracts effective January 1, 2012.

28 - Mail EBT Cards

(PL) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$1,373,000), (\$752,000) GF-State, and (28.0) FTEs in the 2012 Supplemental Budget by contracting to mail replacement Electronic Benefit Transfer (EBT) Cards rather than issuing them from the Community Service Offices (CSO).

29 - TANF/WorkFirst Reductions

(PL) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$32,068,000) GF-State and (1.3) FTEs in the 2012 Supplemental Budget associated with reductions in the Temporary Assistance for Needy Families (TANF)/WorkFirst program.

2C - Increase Retained Child Support

(PL) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), requests \$405,000 GF-Federal and 16.0 FTEs in the 2012 Supplemental Budget to increase the amount of child support collected and retained by the state. The additional child support recoveries projected in the 2011-13 Biennium will offset the GF-State cost of the additional resources and will result in savings in the 2013-15 Biennium.

93 - Mandatory Caseload Adjustments

(M1) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$389,000), (\$2,007,000) GF-State, in the 2012 Supplemental Budget for costs associated with caseload changes projected in the June 2011 forecast.

9T - Transfers

(M2) The Department of Social and Health Services (DSHS) requests to shift FTEs and funding among programs in the 2012 Supplemental Budget. This transfer will align FTEs and funds within the programs where the costs are incurred. The net impact is zero.

FU - Eliminate ABD and PWA Cash Progs

(PL) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$29,697,000) GF-State and (25.3) FTEs in the 2012 Supplemental Budget associated with elimination of the Aged, Blind, or Disabled and Pregnant Women Assistance programs effective April 1, 2012.

FV - Eliminate State Food Assistance Prog

Recommendation Summary

Budget Period: 2011-13
Budget Level Criteria: ALL

Version: F2 - 060 - 2012 Sup Agency Request

Dollars in Thousands	Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
----------------------	---------------------	--------------------	-----------------------	-------------	-------------

(PL) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$17,825,000) GF-State and (13.8) FTEs in the 2012 Supplemental Budget associated with the elimination of the State Food Assistance Program (FAP) effective April 1, 2012.

PF - State Data Center Equipment

(PL) The Department of Social and Health Services (DSHS), Information System Services Division (ISSD), requests \$512,000 (\$291,000 GF-State) in the 2012 Supplemental Budget for startup equipment required to migrate systems from the Office Building 2 (OB2) to the new State Data Center (SDC) located in the 1500 Jefferson Building.

UN - Increase Federal Fund Authority

(M2) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA) requests \$3,612,000 GF-Federal in the 2012 Supplemental Budget to account for the increases in federal grants.

WB - Federal Funds Technical Adjustment

(M2) The Department of Social and Health Services (DSHS) requests adjustments between types of federal funds, within the current GF-Federal spending authority, to accurately reflect expected types of federal earnings in the 2012 Supplemental Budget.

WX - Funding for CSD Staff - FQHC

(M2) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), requests \$10,418,000 (\$5,208,000 GF-State) in the 2012 Supplemental Budget for continued support of outstationed staff in Federally Qualified Health Centers (FQHC), Disproportionate Share Hospitals (DSH) and Indian Health Clinics located across the state.

ZZ - Unemployment

(M2) The Department of Social and Health Services (DSHS) requests \$2,893,000 (\$2,245,000 GF-State) in the 2012 Supplemental Budget to offset increased Unemployment Insurance reimbursement to the Employment Security Department (ESD).

Department of Social and Health Services

DP Code/Title: M1-93 Mandatory Caseload Adjustments

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$389,000), (\$2,007,000) GF-State, in the 2012 Supplemental Budget for costs associated with caseload changes projected in the June 2011 forecast.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060			
001-1 General Fund - Basic Account-State	1,181,000	(3,188,000)	(2,007,000)
001-2 General Fund - Basic Account-Federal	(239,000)	(141,000)	(380,000)
001-A General Fund - Basic Account-DSHS Fam Support/Chi	813,000	1,185,000	1,998,000
Total Cost	1,755,000	(2,144,000)	(389,000)

Staffing

Package Description:

DSHS, ESA, reduces (\$389,000), (\$2,007,000) GF-State, in the 2012 Supplemental Budget for costs associated with caseload changes projected in the June 2011 forecast. In June 2011, the DSHS Central Budget Office and the Caseload Forecast Council prepared updated forecasts of the caseloads anticipated in certain ESA programs. These updated forecasts include the Division of Child Support (DCS) Recoveries, Disability Lifeline (DL), Food Assistance Program for Legal Immigrants (FAP), Refugee Cash Assistance (RCA), and the Aged, Blind, or Disabled (ABD) and Pregnant Women Assistance (PWA) programs.

RCA provides cash grants to needy refugees who have settled in Washington State. The population served by this benefit are refugees authorized by the United States State Department to immigrate to the country. Refugees are granted permanent residence authorization. The goal of this program is to help refugees attain self-sufficiency. The funding needed to support this program is decreased by (\$239,000) in Fiscal Year 2012 and (\$141,000) in Fiscal Year 2013 due to a forecasted decrease in caseload.

Through October 31, 2011, the DL program will provide cash assistance for low-income adults who are unemployable based on a medical impairment and/or who are applying for and appear to be eligible for federal Supplemental Security Income (SSI) benefits. Decreased funding of (\$2.8) million in Fiscal Year 2012 is needed to support forecasted changes in the DL caseload. Additionally, increased funding in the amount of \$2.2 million in Fiscal Year 2012 is needed for forecasted changes in the amount of DL expenditures that will be recovered from the Social Security Administration as DL clients are determined to be eligible for SSI benefits.

Child Support Recoveries - DCS provides support collection services to custodial parents. Collections for families on public assistance are retained by the state and shared with the federal government. An increase in funding in the amount of \$1.6 million in Fiscal Year 2012 and \$2.4 million in Fiscal Year 2013 is requested due to changes in forecasted collections.

FAP provides state Basic Food benefits for legal immigrants who are not eligible for federal food benefits due to their immigration status. Increased funding in the amount of \$744,000 in Fiscal Year 2012 and decreased funding of (\$4.1 million) in Fiscal Year 2013 is needed for forecasted changes in the both the caseload and the monthly cost per case.

Beginning November 1, 2011, the ABD program will provide financial grants to adults in need who are not receiving federal aid assistance other than medical or basic food assistance and who are 65 or older, blind based on the SSI standard, or are likely to meet the SSI disability criteria. Beginning November 1, 2011 the PWA program will provide financial grants to persons who are not eligible to receive federal aid assistance, other than basic food or medical assistance and are pregnant and in financial need based upon the current income and resource standards of the federal Temporary Assistance to Needy Families (TANF) program, but are

Department of Social and Health Services

DP Code/Title: M1-93 Mandatory Caseload Adjustments

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

ineligible for that federal program for a reason other than failure to cooperate. Decreased funding of (\$4.3) million in Fiscal Year 2012 and (\$6.6) million in Fiscal Year 2013 is needed as a result of decreases in the forecasted caseload for these programs. Additionally, increased funding of \$4.6 million in Fiscal Year 2012 and \$6.3 million in Fiscal Year 2013 is needed for forecasted changes in the amount of ABD expenditures that will be recovered from the Social Security Administration for ABD clients determined eligible for SSI benefits.

Agency Contact: Mickie Coates (360) 902-8077

Program Contact: Babs Roberts (360) 725-4888

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

These vital assistance programs will be funded at the anticipated level of need.

Performance Measure Detail

Program: 060

Activity: F011 Child Support Recoveries

No measures linked to package

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

Activity: F039 General Assistance - Interim SSI (GA-U/X)

No measures linked to package

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

Activity: F042 Immigrant State Food Assistance

No measures linked to package

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

Activity: F083 Refugee Assistance Income

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 funding will support DSHS in providing services to improve the safety and health of individuals, families, and communities.

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

This request supports the Governor's priority to improve the health of Washingtonians and to improve the security of Washington's vulnerable children and adults.

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

This package should rate high in the Priorities of Government (POG) process as it maintains existing, proven programs that assist needy families and individuals.

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?

Department of Social and Health Services

DP Code/Title: M1-93 Mandatory Caseload Adjustments
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

None

What are the consequences of not funding this package?

If no funding is received for these forecasted caseload changes, ESA may be forced to reduce other vital services to fund these programs.

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: ESA M1-93 Mandatory Caseload Adjustments.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 be carried forward into future biennia, based on future caseload forecasts.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060 Objects			
N Grants, Benefits & Client Services	1,755,000	(2,144,000)	(389,000)

DSHS Source Code Detail

Program 060		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources Title</u>				
0011	General Fund State	1,181,000	(3,188,000)	(2,007,000)
<i>Total for Fund 001-1</i>		1,181,000	(3,188,000)	(2,007,000)
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources Title</u>				
566B	Refugee & Entrant Assist-St Admin'd Prog(D)(100%)	(239,000)	(141,000)	(380,000)
<i>Total for Fund 001-2</i>		(239,000)	(141,000)	(380,000)
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi				
<u>Sources Title</u>				
563A	Title IV-D Child Support Enforcement (A) (FMAP)	813,000	1,185,000	1,998,000
<i>Total for Fund 001-A</i>		813,000	1,185,000	1,998,000
Total Program 060		1,755,000	(2,144,000)	(389,000)

2012 Supplemental Budget M1-93 Mandatory Caseload Adjustments

	SFY 2012	SFY 2013
REFUGEE CASH ASSISTANCE		
Current Allotment	1,992,000	2,018,000
June 2011 Forecast	1,753,000	1,877,000
001-2 (566B)	<u>(239,000)</u>	<u>(141,000)</u>
DISABILITY LIFELINE		
Current Allotment	28,011,000	
June 2011 Forecast - Disability Lifeline	25,214,000	
001-1	<u>(2,797,000)</u>	
AGED, BLIND, DISABLED/PREGNANT		
Current Allotment	27,202,000	41,723,000
June 2011 Forecast - Aged, Blind, Disabled	22,857,000	35,106,000
June 2011 Forecast - Pregnant	(4,345,000)	(6,617,000)
001-1	<u>(4,345,000)</u>	<u>(6,617,000)</u>
DISABILITY LIFELINE-EXPEDITED RECOVERIES		
Current Allotment	(7,741,000)	
June 2011 Forecast	(5,570,000)	
001-1	<u>2,171,000</u>	-
AGED, BLIND, DISABLED/PREGNANT RECOVERIES		
Current Allotment	(15,512,000)	(20,229,000)
June 2011 Forecast	(10,916,000)	(13,922,000)
001-1	<u>4,596,000</u>	<u>6,307,000</u>
CHILD SUPPORT RECOVERIES		
Current Allotment	(76,969,000)	(76,969,000)
June 2011 Forecast	(75,344,000)	(74,600,000)
	<u>1,625,000</u>	<u>2,369,000</u>
001-1	812,000	1,184,000
001-A (563A)	813,000	1,185,000
FOOD ASSISTANCE PROGRAM		
Current Allotment	13,482,000	16,801,000
June 2011 Forecast	14,226,000	12,739,000
001-1	<u>744,000</u>	<u>(4,062,000)</u>
TOTAL ML ADJUSTMENT		
	<u>1,755,000</u>	<u>(2,144,000)</u>
General Fund - State 001-1	1,181,000	(3,188,000)
001-2 (566B) Refugee (100%)	(239,000)	(141,000)
001-A (563A) Title IV-D Child Support Enforcement	813,000	1,185,000
TOTAL ML ADJUSTMENT		
	<u>1,755,000</u>	<u>(2,144,000)</u>

Department of Social and Health Services

DP Code/Title: M2-24 ACES Mainframe
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), requests \$1,284,000 (\$888,000 GF-State) in the 2012 Supplemental Budget to replace the mainframe complex central processing unit (CPU), disk array, and tape server for the Automated Client Eligibility System (ACES).

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	327,000	561,000	888,000
001-2 General Fund - Basic Account-Federal	54,000	93,000	147,000
001-C General Fund - Basic Account-Medicaid Federal	92,000	157,000	249,000
Total Cost	473,000	811,000	1,284,000

Staffing

Package Description:

ACES is a mission critical system in the DSHS Information Technology (IT) Portfolio and is one of the largest and most comprehensive systems in Washington State government. The system automates the eligibility determination and case maintenance process for the Temporary Assistance for Needy Family (TANF), Supplement Nutrition Assistance Program (SNAP), and Medicaid programs. The system supports federal and state policies and procedures for delivering these benefits to clients statewide. Supporting up to 8,000 users in over 90 locations throughout the state, the system controls over \$160,000,000 in monthly client benefits and processes benefits for over two million people in Washington State. In addition ACES supports the Washington Connections web site with Client Benefit Account access.

In order to provide processing capacity for the current caseload and projected caseload increases, increased complexity of business rules, and strategic modernization of system architecture, it is necessary to replace the ACES mainframe complex CPU, disk array, and tape server.

The current processor has been in place since 2007 and upgrades are no longer available. The machine is 18 months beyond its planned lifecycle and operating with loaned memory in order to meet critical needs. The existing processors experience 100 percent utilization for extended periods several days every month and routinely run at 98 percent utilization. During these high utilization periods, testing and development staff are impacted by slow response times and an inability to run batch jobs. This limits coding and testing work necessary to complete thorough and high quality releases for ACES and Washington Connections within the defined schedules. As workload increases, these slowdowns will begin to impact the field's ability to process cases. Additionally, the overall size of the ACES databases along with the number of active cases makes it difficult to complete special processing, such as Mass Modifications (applying new business rules against an entire population). For example, the average monthly basic food caseload has increased from 288,000 in Fiscal Year 2008 to 537,000 in Fiscal Year 2011, an increase of 86 percent over the last three years. To run the yearly standard change against the current food caseload would require over 36 hours of processing time, which greatly restricts when these sorts of changes could be implemented without reducing the online availability to field staff working directly with clients. The strain on the current mainframe has also increased the risk that ACES will not be available to field staff after overnight batch processing. With an estimated 1,500 to 1,800 concurrent users on the system at any time, it has been estimated that for each hour that ACES is not available the equivalent of 2080 staff hours in productivity is lost.

For all of the reasons stated above, the safe operating capacity of the current machine has been exceeded and there is a real risk of negatively impacting system access and job performance for field and headquarters staff. ESA is therefore requesting funding to ensure the mainframe complex central processing unit (CPU), disk array, and tape server for the Automated Client Eligibility System (ACES).

Department of Social and Health Services

DP Code/Title: M2-24 ACES Mainframe
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

The Department of Information (DIS) will acquire the needed hardware. ESA will then purchase the mainframe computing services from DIS. Estimated costs are \$473,000 for Fiscal Year 2012 and \$811,000 for Fiscal Year 2013.

Agency Contact: Mickie Coates (360) 902-8077
Program Contact: Ira Feuer (360) 664-4866

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The ability to quickly connect individuals and families with the benefits and services they need.

Performance Measure Detail

Agency Level

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

This package directly relates to the following goals:

Connect people to benefits and services that reduce poverty and help them become more self-sufficient.

Provide responsive, accurate, and timely services to families and individuals who apply for benefits.

Support staff and managers by providing tools, technology, data, resources, and work environment they need to do their jobs.

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

This request supports the Governor's priority to improve the health of Washingtonians and to improve the security of Washington's vulnerable children and adults.

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

This package makes key contributions to the following results and will rate high in the Priorities of Government (POG) process.

Improve the health of Washingtonians by providing access to healthcare.

Improve the security of Washington's vulnerable children and adults by providing supports and services to those in need.

Support the ability of state government to achieve results efficiently and effectively by providing the needed resources.

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

Funding this package will enable ESA to provide timely and accurate services to clients served in ESA and the Health Care Authority (HCA).

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

Three mainframe options were considered. The selected hardware was chosen based on anticipated lifecycle, scalability, and

Department of Social and Health Services

DP Code/Title: M2-24 ACES Mainframe
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request
software maintenance costs.

What are the consequences of not funding this package?

As ACES is a mission critical system, ESA will need to reduce staff to fund the equipment replacement. Increasing caseloads and decreasing workforce puts at risk the ability to issue public assistance benefits within federal requirements related to timeliness. Failure to meet these requirements could result in a loss of federal funding.

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

Expenditure calculations are based on the estimated cost of the needed equipment spread over five years. Total hardware costs are estimated at \$4,054,000.

See attachment: ESA M2-F5 ACES Mainframe IT Addendum.doc

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

Costs to support ACES mainframe computing services are ongoing and will continue into the future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods And Services	473,000	811,000	1,284,000

Department of Social and Health Services

DP Code/Title: M2-24 ACES Mainframe
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	216,000	371,000	587,000
GFS2	General Fund State TANF Moe	111,000	190,000	301,000
<i>Total for Fund 001-1</i>		327,000	561,000	888,000
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources</u>	<u>Title</u>			
566B	Refugee & Entrant Assist-St Admin'd Prog(D)(100%)	5,000	9,000	14,000
E61L	Food Stamp Program (50%)	49,000	84,000	133,000
<i>Total for Fund 001-2</i>		54,000	93,000	147,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u>	<u>Title</u>			
19UL	Title XIX Admin (50%)	92,000	157,000	249,000
<i>Total for Fund 001-C</i>		92,000	157,000	249,000
Total Overall Funding		473,000	811,000	1,284,000

Information Technology (IT) Addendum

Complete one IT Addendum for each decision package. See Section 12.3 of the 2011-13 Operating Budget Instructions for more guidance. This form is located at <http://www.ofm.wa.gov/budget/forms.asp>

I. Complete questions 1 through 9 for every IT-related Decision Package:

- 1. Provide a brief description of the Information Technology (IT) components of this decision package (e.g., the project or commodity investment):**

This is a request for funding to replace the existing ACES Mainframe Complex.

Funding will be used to upgrade the current ACES Host Processor Complex from model 2096-Y02 (z9) Business Class to model 2817-M15-502 (z196) Enterprise Class processor including a 2458-002 Bladecenter eXtension (zBX) with IBM Smart Analytics Optimizer (ISAO) appliance and DS5020 Storage for ISOA.

The current disk data storage will also be upgraded from a model DS8100 to a DS8700 Storage System and the current tape server from a model 3494-L12 to a model TS7720 VTL Tape Server with TS3500 Tape Library.

The ACES Maintenance and Operation contract will change to provide software and hardware maintenance at the increased capacity levels, and new software being purchased to support performance needs.

- 2. Is the project or commodity investment in the agency's IT Portfolio: Yes No**
- 3. What is the oversight level for this project or commodity investment? Attach a copy of the completed severity risk matrix (Appendix A - Severity & Risk Level Criteria and Oversight). Severity and risk level assessments should be completed with your DIS Senior Technology Management Consultant.**

PROJECT: DSHS ACES Mainframe Complex Upgrade, DATE: 9/1/2011 SEVERITY RATING = MEDIUM

	Impact on Clients	Visibility	Impact on State Operations	Failure or Nil Consequences
High	<input type="checkbox"/> Direct contact with citizens, political subdivisions, and service providers – including benefits payments and transactions.	<input checked="" type="checkbox"/> Highly visible to public, trading partners, political subdivisions and Legislature. <input type="checkbox"/> Likely subject to hearings. <input checked="" type="checkbox"/> System processes sensitive / confidential data (e.g. medical, SSN, credit card #'s).	<input type="checkbox"/> Statewide or multiple agency involvement / impact. <input type="checkbox"/> Initial mainframe acquisitions or network acquisitions.	<input type="checkbox"/> Inability to meet legislative mandate or DSHS mission. <input type="checkbox"/> Loss of significant federal funding.
Medium	<input type="checkbox"/> Indirect impacts on citizens through management systems that support decisions that are viewed as important by the public. <input type="checkbox"/> Access by citizens for information and research purposes.	<input checked="" type="checkbox"/> Some visibility to the Legislature, trading partners, or public the system / program supports. <input type="checkbox"/> May be subject to legislative hearing.	<input checked="" type="checkbox"/> Multiple administrations, within DSHS.	<input checked="" type="checkbox"/> Potential failure of aging systems.
Low	<input checked="" type="checkbox"/> Impact on DSHS systems that support service delivery.	<input type="checkbox"/> Internal DSHS only. <input type="checkbox"/> Visible to multiple administrations. <input type="checkbox"/> Visible to multiple divisions within the same administration.	<input type="checkbox"/> Single administration. <input checked="" type="checkbox"/> Improve or expand existing wide area networks or mainframes with similar technology.	<input type="checkbox"/> Loss of opportunity for improved service delivery efficiency. <input type="checkbox"/> Failure to resolve customer service complaints or requests.
Very Low	<input type="checkbox"/> Impact on systems that are operational or administrative only.	<input type="checkbox"/> Visible to single division only.	<input type="checkbox"/> Single division. <input type="checkbox"/> Improve or expand existing local area network.	<input type="checkbox"/> Loss of opportunity for improved operational or administrative efficiency.

PROJECT: DSHS ACES Mainframe Complex Upgrade, DATE: 9/1/2011

RISK RATING = LOW

	Functional Impact on Business Processes or Rules	Development Effort and Resources	Technology	Capability and Management
High	<input type="checkbox"/> Significant change to business rules. <input type="checkbox"/> Replacement of a mission critical system. <input type="checkbox"/> Multiple organizations involved. <input type="checkbox"/> Requires extensive and substantial job training for work groups.	<input checked="" type="checkbox"/> Over \$5 million. <input type="checkbox"/> Development and implementation exceeds 24 months.* <input type="checkbox"/> Requires a second decision package. * Clock starts after feasibility study or project approval and release of funding.	<input type="checkbox"/> Emerging. <input type="checkbox"/> Unproven. <input type="checkbox"/> Two or more of the following are new for agency technology staff or integrator, or are new to the agency architecture: <input type="checkbox"/> Programming language <input type="checkbox"/> Operating systems <input type="checkbox"/> Database products <input type="checkbox"/> Development tools <input type="checkbox"/> Data communications technology. <input checked="" type="checkbox"/> Requires PKI certificate. <input checked="" type="checkbox"/> Complex architecture – greater than 2 tier.	<input type="checkbox"/> Minimal executive sponsorship. <input type="checkbox"/> Organization uses ad-hoc processes. <input type="checkbox"/> Organization and/or vendor track record suggests inability to mitigate risk on project requiring a given level of development effort.
Medium	<input type="checkbox"/> Moderate change to business rules. <input type="checkbox"/> Major enhancement or moderate change of mission critical system. <input type="checkbox"/> Medium complexity business process(es). <input type="checkbox"/> Requires moderate job training.	<input type="checkbox"/> Under \$5 million but over agency delegated authority. <input type="checkbox"/> 12 to 24 months for development and implementation.*	<input type="checkbox"/> New in DSHS with 3rd party expertise and knowledge transfer. <input type="checkbox"/> One of the technologies listed above is new for agency development staff.	<input type="checkbox"/> Executive sponsor knowledgeable but not actively engaged. <input type="checkbox"/> System integrator under contract with organization technical participation. <input type="checkbox"/> Organization and/or vendor record indicates good level of success but without the structure for repeatability.
Low	<input type="checkbox"/> Insignificant change to business rules. <input type="checkbox"/> Low complexity business process(es). <input type="checkbox"/> Some job training could be required.	<input type="checkbox"/> Within agency delegated authority (\$1.73 million). <input type="checkbox"/> Under 12 months for development and implementation.*	<input type="checkbox"/> Standard, proven DSHS technology. <input type="checkbox"/> New in administration or division with 3rd party expertise and knowledge transfer. Third party may include another DSHS administration or division.	<input checked="" type="checkbox"/> Strong executive sponsorship. <input checked="" type="checkbox"/> Organization and vendor have strong ability to mitigate risk on a development project.
Very Low	<input checked="" type="checkbox"/> No training required, but may require brief orientation. <input type="checkbox"/> No change to business rules or processes.	<input type="checkbox"/> Under \$50,000 total and no single purchase greater than \$10,000. <input checked="" type="checkbox"/> Under three staff-months for development and implementation.*	<input checked="" type="checkbox"/> Standard, proven administration or division technology. <input checked="" type="checkbox"/> Development staff possesses high degree of expertise in chosen technology.	<input type="checkbox"/> Project staff uses documented and repeatable processes for tracking status, problems, and change. <input type="checkbox"/> Project management practices are appropriate for nature and scope of this effort.

Project Approval and Oversight Matrix				
High Severity	Level 1 <input type="checkbox"/>	Level 2 <input type="checkbox"/>	Level 2 <input type="checkbox"/>	Level 3 <input type="checkbox"/>
Medium Severity	Level 1 <input type="checkbox"/>	Level 1 <input checked="" type="checkbox"/>	Level 2 <input type="checkbox"/>	Level 2 <input type="checkbox"/>
Low Severity	Level 0 <input type="checkbox"/>	Level 1 <input type="checkbox"/>	Level 1 <input type="checkbox"/>	Level 1 <input type="checkbox"/>
Very Low Severity	Level 0 <input type="checkbox"/>	Level 0 <input type="checkbox"/>	Level 1 <input type="checkbox"/>	Level 1 <input type="checkbox"/>
	Very Low Risk	Low Risk	Medium Risk	High Risk

Oversight Requirements			
	Justification and Approval Decision	Feasibility Study and Project Management Approach/Execution	Oversight
Level 0 <input type="checkbox"/>	<ul style="list-style-type: none"> Administration or division approval with option of e-Center consultation 	<ul style="list-style-type: none"> Administration- or division-defined methods using industry best practices. 	<ul style="list-style-type: none"> Administration or division discretion.
Level 1 <input checked="" type="checkbox"/>	<ul style="list-style-type: none"> DSHS Executive* approval with option of DIS consultation. <p>*May be administration Assistant Secretary or CIO.</p>	<ul style="list-style-type: none"> DSHS-defined methods using industry best practices. 	<ul style="list-style-type: none"> Internal QA at DSHS determination. Reported as part of portfolio. DSHS determines internal oversight required.
Level 2 <input type="checkbox"/>	<ul style="list-style-type: none"> DSHS CIO approval. DIS Director review and approval. 	<ul style="list-style-type: none"> DSHS executive approval. DIS consultation. 	<ul style="list-style-type: none"> Internal or external QA at DSHS discretion. DIS and DSHS determine oversight required. ISB oversight optional. Reported as part of portfolio.
Level 3 <input type="checkbox"/>	<ul style="list-style-type: none"> DSHS Secretary approval. DIS executive review and comment. ISB approval. 	<ul style="list-style-type: none"> DSHS presents feasibility study to ISB. Prototype required at discretion of ISB. Private sector participation encouraged or required. 	<ul style="list-style-type: none"> ISB oversight required. External QA required. ISB audit as necessary. Other ISB discretionary actions as needed. Reported as part of portfolio.

4. What common services will be utilized for this project or commodity investment?

A list of common services is available at <http://techmail.dis.wa.gov/>.

The ACES complex is housed in the DIS Data Center and uses the State Governmental Network (SGN).

5. Is a 904 consultation e-mail confirmation for this project or commodity investment attached to the decision package? Yes No (This is required.)

6. Breakdown of Implementation Costs/FTEs of the IT Project or Commodity Investment:

Note: Do not include any on-going maintenance costs, since they will be asked for in Question # 7 below. Please provide this information using the InfoPath form at: <http://sharepoint.dis.wa.gov/ofm/dut/OFMSAF/IT%20Addendum/Forms/allitems.aspx>. Specific instructions for completing this form can be found at Appendix A-3 of the Budget Instructions. If you need access, please email a request to SharePointHelpDesk@ofm.wa.gov, with the Subject: Request for IT Addendum SharePoint Site Access.

7. Breakdown of Ongoing Maintenance and Support Costs for the Project or Commodity Investment: Provide the IT costs and IT FTE breakdown for *ongoing* maintenance and support of this project or commodity investment in the table (below). These costs should not duplicate implementation costs provided in Question # 6 (above).

Cost Breakdown (maintenance)						
	Year 1 FY13	Year 2 FY14	Year 3 FY15	Year 4 FY16	Year 5 FY17	Totals
IT FTEs – (For each job type, list the number of staff and the total salary and benefits)						
Purchased Services Contracts						
Personal Services Contracts						
Hardware Purchase or Upgrades						
Hardware Maintenance						
Software License Purchase or Upgrades						
Software Maintenance						
Hardware Lease or Finance (including servers)						
Maintenance & Operations (including DIS)						
Training						
Travel						
Other (specify)						
Annual Total						

8. Was a quote provided to you for this project or commodity investment? Yes No

If yes, who provided the quote and when? Please attach a copy of the quote.

9. Is this investment an e-commerce investment? Yes No

If yes, a copy of the approved Economic Feasibility Study must be attached to the decision package.

II. Continue completing questions 10 through 14 if the IT request pertains to a project (versus a commodity investment):

10. Is this a new project or a continuation of an existing project?

New Continuation

11. Describe how the Project Manager and Quality Assurance will be acquired (i.e., existing state employees , hire new staff, or contract with vendor):

No Project Manager or Quality Assurance is required.

12. Describe your project management approach.

Project Management is not required for this Level 1 project.

13. Provide the estimated project duration and estimated start date.

The project is expected to be completed by November 30, 2011.

14. Where will the system be hosted?

The ACES complex is hosted in the DIS Data Center in OB2.

Department of Social and Health Services

DP Code/Title: M2-25 EBT Caseload Growth
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA) requests \$4,494,000 (\$2,472,000 GF-State) in the 2012 Supplemental Budget for increased costs associated with Electronic Benefits Transfer (EBT).

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060			
001-1 General Fund - Basic Account-State	1,236,000	1,236,000	2,472,000
001-2 General Fund - Basic Account-Federal	1,011,000	1,011,000	2,022,000
Total Cost	<u>2,247,000</u>	<u>2,247,000</u>	<u>4,494,000</u>

Staffing

Package Description:

ESA issues all food benefits and most cash benefits via EBT cards through a contract with JPMorgan. The cash benefits include Temporary Assistance for Needy Families (TANF), Refugee Cash Assistance, Consolidated Emergency Assistance Program (CEAP), Disability Lifeline, and beginning November 1, 2011, the Aged, Blind, or Disabled and the Pregnant Women Assistance programs. The charges are billed to the state through a cost per case month process. These costs are divided into three specific categories:

- Food only cases (\$1.241 per case month)
- Cash only cases (\$0.674 per case month)
- Combined Food and cash cases (\$1.647 per case month)

The overall number of EBT issuances increased from 4,250,395 in Fiscal Year 2009 to 6,472,536 in Fiscal Year 2011. This represents a 52 percent increase over the 2009-11 Biennium. This growth, along with increased costs related to a growth in the number of Point of Sale (POS) devices leased, resulted in an increase in expenditures for the EBT contract from Fiscal Year 2009 to Fiscal Year 2011 in the amount of \$2,247,000. ESA requests this amount of funding to support the growth in costs related to issuing EBT benefits.

Agency Contact: Mickie Coates (360) 902-8077
Program Contact: Babs Roberts (360) 725-4888

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Outcome expected includes the ability to quickly connect individuals and families with the benefits and services they need.

Performance Measure Detail

Program: 060

Activity: F078 Program Support

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?

Department of Social and Health Services

DP Code/Title: M2-25 EBT Caseload Growth
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

This funding will support DSHS in providing services to improve the safety and health of individuals, families, and communities.

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

This request supports the Governor's priority to improve the health of Washingtonians and to improve the security of Washington's vulnerable children and adults.

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

This package directly supports the statewide result of improving the health of Washingtonians by ensuring access to food and cash benefits and would be a priority.

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?

The ESA Community Services Division will need to reduce the current year staffing plan to fund the increased costs in the EBT contract. An increasing caseload and a decreasing workforce put DSHS at risk in the ability to issue public assistance benefits within federal requirements related to timeliness. Failure to meet these requirements could result in a loss of federal funding.

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

The requested increase in funding is the increase in costs incurred in the EBT contract from Fiscal Year 2009 to Fiscal Year 2011.

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

All costs are ongoing and will be carried forward into future biennia, based on future caseload increases and/or decreases.

Object Detail	FY 1	FY 2	Total
Program 060 Objects			
E Goods And Services	2,247,000	2,247,000	4,494,000

Department of Social and Health Services

DP Code/Title: M2-25 EBT Caseload Growth
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 060		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	1,236,000	1,236,000	2,472,000
<i>Total for Fund 001-1</i>		1,236,000	1,236,000	2,472,000
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources</u>	<u>Title</u>			
E61L	Food Stamp Program (50%)	1,011,000	1,011,000	2,022,000
<i>Total for Fund 001-2</i>		1,011,000	1,011,000	2,022,000
Total Program 060		2,247,000	2,247,000	4,494,000

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests to shift FTEs and funding among programs in the 2012 Supplemental Budget. This transfer will align FTEs and funds within the programs where the costs are incurred. The net impact is zero.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060			
001-1 General Fund - Basic Account-State	(417,000)	(635,000)	(1,052,000)
001-2 General Fund - Basic Account-Federal	(70,000)	(91,000)	(161,000)
001-A General Fund - Basic Account-DSHS Fam Support/Chi	(109,000)	(133,000)	(242,000)
001-C General Fund - Basic Account-Medicaid Federal	(105,000)	(140,000)	(245,000)
Total Cost	(701,000)	(999,000)	(1,700,000)

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Program 060 FTEs	(11.5)	(27.2)	(19.4)

Package Description:

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

Information System Services Division (ISSD) Compensation Adjustment (110 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): Administration and Supporting Services (Administration) will transfer compensation costs for staff in ISSD to other DSHS programs. Compensation steps associated with staff in ISSD are routinely included within the budget steps for Administration. Administration will distribute \$383,000 (\$303,000 GF-State) of ISSD's costs to the programs. These steps include: 1) savings from ending automatic benefit increases from the Public Employees' Retirement System Plan 1; 2) health insurance decrease in Fiscal Year 2013 to reflect the expected decrease of state employees in 2011-13, (the decrease in the carry forward level has already been adjusted in Fiscal Year 2012); 3) 3 percent cost savings in employee salaries; and 4) employer contributions adjusted to levels adopted by the Pension Funding Council. ISSD's budget resides in programs' budgets at Sub-Object TZ.

Department of Information Services (DIS) Rate Reduction (145 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): Payments to Other Agencies (PTOA) will distribute \$2,130,000 (\$1,494,000 GF-State) of DIS rate adjustment costs to the various programs. DIS reduced their 2011-13 rates in technology leasing services, storage, and mainframe computing. Also, the Central Service Model reduced the department's funding for DIS services. PTOA does not pay these DIS costs for the entire department; rather, they are paid out of the programs' budgets at the Sub-Object EL levels.

Medicaid Purchasing Administration (MPA) Funding (110 to 010, 020, 030, 040, 050, 060, 070, 100, 135): Administration will distribute \$456,000 (\$296,000 GF-State) in costs to DSHS programs for the funding of positions that were transferred to the Health Care Authority (HCA). The negotiation for the DSHS and MPA transfer required DSHS to provide additional staff funding to HCA. Administration distributes this cost to the programs in this request. (Economic Services Administration (ESA) agreed to provide 3.0 FTEs, which were transferred out of the ESA 2011-13 Biennial Budget.) This distribution will give each program a share of the cost without Administration carrying the full cost as this was the original intent.

Department of Labor and Industries (L&I) Funding from PTOA to Programs (145 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): L&I funding for the various DSHS programs was provided in PTOA's budget and will need to transfer to the respective programs. PTOA will transfer \$9,341,000 (\$6,725,000 GF-State) to the programs.

Department of Social and Health Services

DP Code/Title: M2-9T Transfers

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

ISSD Transfer of Email and Blackberry services to DIS (All DSHS Programs):

ISSD will no longer provide email and blackberry services for the department and will transfer these services to DIS. Program's funding for these services are in Sub-Object TZ and will need to transfer to Sub-Object EL. The estimated transfer amount is \$624,000 total funds for Fiscal Year 2012 and \$1,208,000 total funds for Fiscal Year 2013. Amounts in the first year are estimates because the transfer timeline may change.

ISSD Staff Transfer to Administration (150 or 020, 030, 040, 050, 060, 070, 100, 135 to 110):

ISSD will transfer 1.0 FTE and \$216,000 (\$126,000 GF-State) to Administration, which fits with the current organizational reporting structure. As mentioned above, because of ISSD's budget residing in the programs' Sub-Object TZ costs, programs will transfer \$176,000 of their ISSD's costs to Administration, which will also reduce their share of ISSD's costs by \$40,000.

Mental Health Category Transfers (030 8000 to 030 9000):

DSHS, Mental Health (MH), is a categorically appropriated program. Thus, MH requests to move 8.6 FTEs and \$671,000 (\$74,000 GF-State) from Category 8000 to Category 9000 to align appropriations where costs are incurred.

Consolidated Field Services FTE Transfer (010, 020, 030, 040, 050, 060, 135 to 110 & 160):

Program 160 - Consolidated Field Services (CFS) will consolidate 343.1 FTEs in Fiscal Year 2012 and 540.2 FTEs in Fiscal Year 2013 from various DSHS Programs, which is designed to centralize services and maximize efficiencies in order to support business functions and maintenance for the regional centers and the institutions. CFS will operate as a chargeback to programs in order to maintain the maximum federal participation rate that DSHS Programs receive. Part of this consolidation is a transfer of 8.0 FTEs and \$704,000 (\$490,000 GF-State) in Fiscal Year 2012 and 13.0 FTEs and \$1,021,000 (\$714,000 GF-State) in Fiscal Year 2013 for payroll staff, Facility Planners and a Fiscal Coordinator from the various programs to Program 110. The consolidation will phase in from November 1, 2011, through March 1, 2012, and has been approved by the Legislative Evaluation and Accountability Program (LEAP) Committee.

These transfers will realign the 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?

DSHS accounts for the wise use of public dollars by maximizing federal funding sources.

Performance Measure Detail

Program: 060

Activity: **F006 Automated Client Eligibility Systems (ACES)**

No measures linked to package

Incremental Changes

FY 1 FY 2

0.00 0.00

Activity: **F010 Child Support Enforcement**

No measures linked to package

Incremental Changes

FY 1 FY 2

0.00 0.00

Activity: **F016 Office of Financial Recovery**

No measures linked to package

Incremental Changes

FY 1 FY 2

0.00 0.00

Activity: **F029 Employment Support Services: Refugees**

No measures linked to package

Incremental Changes

FY 1 FY 2

0.00 0.00

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Activity: F038 Food Stamp Administration	Incremental Changes
No measures linked to package	FY 1 FY 2
	0.00 0.00
Activity: F039 General Assistance - Interim SSI (GA-U/X)	Incremental Changes
No measures linked to package	FY 1 FY 2
	0.00 0.00
Activity: F042 Immigrant State Food Assistance	Incremental Changes
No measures linked to package	FY 1 FY 2
	0.00 0.00
Activity: F061 Medical Eligibility Determination Services	Incremental Changes
No measures linked to package	FY 1 FY 2
	0.00 0.00
Activity: F078 Program Support	Incremental Changes
No measures linked to package	FY 1 FY 2
	0.00 0.00
Activity: F083 Refugee Assistance Income	Incremental Changes
No measures linked to package	FY 1 FY 2
	0.00 0.00

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

Yes. This request supports our goal to improve health care quality and access and to improve internal and external partnerships.

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

Yes. This request supports the Governor's priority associated with efficient state government services for the people of Washington State.

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

Yes. This request makes key contributions to the Governor's statewide results to "strengthen government's ability to achieve results efficiently and effectively."

This package will rate high in the Priorities of Government (POG) process as it will assist us in ensuring that needed support and funds are in the correct programs. In addition, it will allow DSHS to monitor costs and services efficiently and effectively.

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, 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?

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

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 resulting in the funding being in the correct programs. Then, all costs associated with these transfers will be ongoing and will carry-forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060 Objects			
A Salaries And Wages	(140,000)	(179,000)	(319,000)
B Employee Benefits	368,000	119,000	487,000
E Goods And Services	(625,000)	(455,000)	(1,080,000)
T Intra-Agency Reimbursements	(304,000)	(484,000)	(788,000)
Total Objects	(701,000)	(999,000)	(1,700,000)

DSHS Source Code Detail

Program 060	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	(417,000)	(635,000)	(1,052,000)
Total for Fund 001-1	(417,000)	(635,000)	(1,052,000)
Fund 001-2, General Fund - Basic Account-Federal			
<u>Sources Title</u>			
566B Refugee & Entrant Assist-St Admin'd Prog(D)(100%)	(5,000)	(5,000)	(10,000)
E61L Food Stamp Program (50%)	(65,000)	(86,000)	(151,000)
Total for Fund 001-2	(70,000)	(91,000)	(161,000)
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi			
<u>Sources Title</u>			
563I Title IV-D Child Support Enforcement (A) (66%)	(109,000)	(133,000)	(242,000)
Total for Fund 001-A	(109,000)	(133,000)	(242,000)
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources Title</u>			
19UL Title XIX Admin (50%)	(105,000)	(140,000)	(245,000)
Total for Fund 001-C	(105,000)	(140,000)	(245,000)
Total Program 060	(701,000)	(999,000)	(1,700,000)

**2012 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
100 Division of Voc. Rehabilitation												
ISSD compensation adjustments from Admin			0.0	(2,000)	(2,000)	(4,000)	(2,000)	(3,000)	(5,000)	(4,000)	(5,000)	(9,000)
DIS reductions from PTOA			0.0	(2,000)	(5,000)	(7,000)	(2,000)	(5,000)	(7,000)	(4,000)	(10,000)	(14,000)
MPA costs from Admin			0.0	(1,000)	(4,000)	(5,000)	(1,000)	(4,000)	(5,000)	(2,000)	(8,000)	(10,000)
L&I Funding from PTOA			0.0	30,000		30,000	12,000		12,000	42,000	0	42,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	0	(2,000)	(2,000)	0	(2,000)	(2,000)	0	(4,000)	(4,000)
			0.0			0			0	0	0	0
100 Total	0.0	0.0	0.0	25,000	(13,000)	12,000	7,000	(14,000)	(7,000)	32,000	(27,000)	5,000
110 Administration & Supporting Services												
ISSD compensation adjustments from Admin			0.0	137,000	31,000	168,000	166,000	49,000	215,000	303,000	80,000	383,000
DIS reductions from PTOA			0.0	(21,000)		(21,000)	(21,000)		(21,000)	(42,000)	0	(42,000)
MPA costs from Admin			0.0	148,000	80,000	228,000	148,000	80,000	228,000	296,000	160,000	456,000
L&I Funding from PTOA			0.0	37,000	8,000	45,000	16,000	3,000	19,000	53,000	11,000	64,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin	1.0	1.0	1.0	51,000	37,000	88,000	51,000	37,000	88,000	102,000	74,000	176,000
FTE Consolidation Transfer	8.0	13.0	10.5	490,000	214,000	704,000	714,000	307,000	1,021,000	1,204,000	521,000	1,725,000
			0.0			0			0	0	0	0
110 Total	9.0	14.0	11.5	842,000	370,000	1,212,000	1,074,000	476,000	1,550,000	1,916,000	846,000	2,762,000
135 Special Commitment Center												
ISSD compensation adjustments from Admin			0.0	(2,000)		(2,000)	(3,000)		(3,000)	(5,000)	0	(5,000)
DIS reductions from PTOA			0.0	(1,000)		(1,000)	(1,000)		(1,000)	(2,000)	0	(2,000)
MPA costs from Admin			0.0	(6,000)		(6,000)	(6,000)		(6,000)	(12,000)	0	(12,000)
L&I Funding from PTOA			0.0	183,000		183,000	90,000		90,000	273,000	0	273,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	(1,000)	0	(1,000)	(1,000)	0	(1,000)	(2,000)	0	(2,000)
FTE Consolidation Transfer	(24.7)	(37.0)	(30.9)	(54,000)	0	(54,000)	(79,000)	0	(79,000)	(133,000)	0	(133,000)
			0.0			0			0	0	0	0
135 Total	(24.7)	(37.0)	(30.9)	119,000	0	119,000	0	0	0	119,000	0	119,000
145 Payments to Other Agencies												
DIS reductions from PTOA			0.0	755,000	322,000	1,077,000	739,000	314,000	1,053,000	1,494,000	636,000	2,130,000
L&I Funding from PTOA			0.0	(4,609,000)	(1,773,000)	(6,382,000)	(2,116,000)	(843,000)	(2,959,000)	(6,725,000)	(2,616,000)	(9,341,000)
			0.0			0			0	0	0	0
			0.0			0			0	0	0	0
			0.0			0			0	0	0	0
145 Total	0.0	0.0	0.0	(3,854,000)	(1,451,000)	(5,305,000)	(1,377,000)	(529,000)	(1,906,000)	(5,231,000)	(1,980,000)	(7,211,000)
150 Information System Services Division												
Email & BB to DIS from ISSD	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin	(1.0)	(1.0)	(1.0)	0	0	0	0	0	0	0	0	0
			0.0			0			0	0	0	0
			0.0			0			0	0	0	0
145 Total	(1.0)	(1.0)	(1.0)	0	0	0	0	0	0	0	0	0
160 Consolidated Field Services												
FTE Consolidation Transfer	343.1	540.2	441.7	0	0	0	0	0	0	0	0	0
			0.0			0			0	0	0	0
			0.0			0			0	0	0	0
150 Total	343.1	540.2	441.7	0	0	0	0	0	0	0	0	0
Agency-Wide:	0	0	0.0	0	0	0	0	0	0	0	0	0

notes:

- Information System Services Division (ISSD) compensation adjustments from Administration & Supporting Services (Admin).
- Department of Information Services (DIS) rate & central service reductions from Payments to Other Agencies (PTOA).
- Additional Medicaid Purchasing Administration (MPA) costs to transfer from Admin.
- L&I funding from PTOA to programs.
- Email and Blackberry (BB) services transfer from ISSD to DIS. Net impact to the programs is zero; however, ISSD's funding will decrease by the amount programs reduce/transfer their TZ costs.
- ISSD Staff Transfer to Admin.
- In Mental Health, move FTEs and funding from Category 8000 to 9000 to align appropriations where costs are incurred.
- FTE Transfer related to the Regional Business Centers, Institutional Business Offices, and Maintenance Operations are consolidated in Program 160.

Department of Social and Health Services

DP Code/Title: M2-UN Increase Federal Fund Authority
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA) requests \$3,612,000 GF-Federal in the 2012 Supplemental Budget to account for the increases in federal grants.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-2 General Fund - Basic Account-Federal	1,729,000	1,514,000	3,243,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	294,000	75,000	369,000
Total Cost	2,023,000	1,589,000	3,612,000

Staffing

Package Description:

ESA requests an increase of \$3,612,000 (\$2,023,000 in State Fiscal Year 2012 and \$1,589,000 in State Fiscal Year 2013) in federal appropriation for increases in the following grants:

- \$840,000 (\$729,000 in State Fiscal Year 2012 and \$111,000 in State Fiscal Year 2013) for on-going increases in the Supplemental Nutrition Assistance Program (SNAP) Operational (Operations, Employment and Training and Outreach), SNAP Nutrition Education, SNAP Reaching Underserved Elderly and Poor, and SNAP Medicaid Participant Grants.
- \$2,403,000 (\$1,000,000 in State Fiscal Year 2012 and \$1,403,000 in State Fiscal Year 2013) for a one-time increase for the Children's Health Insurance Program Reauthorization Act (CHIPRA) Outreach and Enrollment Grant. This grant will be used to develop methods to enroll and retain children in the Medicaid and Children's Health Insurance Program.
- \$369,000 (\$294,000 in State Fiscal Year 2012 and \$75,000 in State Fiscal Year 2013) for the University Partnership Grant. This grant will be used to build a partnership with the University of Washington and to capitalize on the University's research capabilities to inform child support efforts.

Agency Contact: Mickie Coates (360) 902-8077
Program Contact: Judy Fitzgerald (360) 725-4642

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Outcomes expected include the ability to:

Enhance economic security of children through child support enforcement efforts.
Quickly connect individuals and families to the benefits and services they need.

Performance Measure Detail

Agency Level

Activity: F010 Child Support Enforcement
No measures linked to package

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

Department of Social and Health Services

DP Code/Title: M2-UN Increase Federal Fund Authority
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Activity: F038 Food Stamp Administration

No measures linked to package

Incremental Changes

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

Activity: F061 Medical Eligibility Determination 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 funding will support DSHS in providing services to improve the safety and health of individuals, families, and communities and in the development of internal and external partnerships.

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

This request supports the Governor's priority to improve the health of Washingtonians and to improve the security of Washington's vulnerable children and adults.

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

The requested funding will make key contributions to statewide results and rates high in the Priorities of Government process as it will be used to improve the health of and supports available to Washingtonians.

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

The specified federal grants fund services provided through a number of entities external to DSHS. These entities are positively impacted by the availability of this federal funding.

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

None

What are the consequences of not funding this package?

The Department will have insufficient federal authority to spend available federal revenue. Additional federal authority will alternatively be requested through the Unanticipated Receipt process. If not approved, the Department will be unable to provide the services made available through the use of these federal grants.

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

This request for increased federal appropriations reflects the current estimate of federal funds that will be received in the specified programs.

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

Please see narrative under "Package Description" above for detail on which increases in federal funding are on-going and

Department of Social and Health Services

DP Code/Title: M2-UN Increase Federal Fund Authority
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

which are one-time awards.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods And Services	2,823,000	2,389,000	5,212,000
N Grants, Benefits & Client Services	(800,000)	(800,000)	(1,600,000)
Total Objects	2,023,000	1,589,000	3,612,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-2, General Fund - Basic Account-Federal			
<u>Sources Title</u>			
767H Children's Health Ins Prog (CHIP)	1,000,000	1,403,000	2,403,000
E61B Food Stamp Program (100%)	1,229,000	611,000	1,840,000
E61L Food Stamp Program (50%)	(500,000)	(500,000)	(1,000,000)
Total for Fund 001-2	1,729,000	1,514,000	3,243,000
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi			
<u>Sources Title</u>			
563I Title IV-D Child Support Enforcement (A) (66%)	294,000	75,000	369,000
Total for Fund 001-A	294,000	75,000	369,000
Total Overall Funding	2,023,000	1,589,000	3,612,000

Department of Social and Health Services

DP Code/Title: M2-WB Federal Funds Technical Adjustment

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests adjustments between types of federal funds, within the current GF-Federal spending authority, to accurately reflect expected types of federal earnings in the 2012 Supplemental Budget.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060			
001-2 General Fund - Basic Account-Federal	(1,264,000)	(1,958,000)	(3,222,000)
001-A General Fund - Basic Account-DSHS Fam Support/Chi	(489,000)	(303,000)	(792,000)
001-C General Fund - Basic Account-Medicaid Federal	1,753,000	2,261,000	4,014,000
Total Cost	0	0	0

Staffing

Package Description:

This adjustment realigns federal funds between fund types that DSHS will be able to earn in the 2012 Supplemental Budget. This decision package nets to zero and impacts programs 010, 030, 040, 050, and 060.

Agency Contact: Jialing Huang (360) 902-7831

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To align budgeted federal funding sources with projected federal earnings.

Performance Measure Detail

Program: 060

Activity: F016 Office of Financial Recovery

No measures linked to package

Incremental Changes

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

Activity: F068 Other Client Services

No measures linked to package

Incremental Changes

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

Activity: H001 Administrative Costs

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 proposal supports the department's strategic plan to maintain a safety net for people in need by delivering cash, food, medical benefits, child care, and other services to eligible people quickly and accurately.

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

Yes. This request supports the Governor's priority of holding government accountable.

Department of Social and Health Services

DP Code/Title: M2-WB Federal Funds Technical Adjustment
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

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

Yes.

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

This request aligns federal funding sources with projected federal earnings.

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

Not applicable

What are the consequences of not funding this package?

Not realigning federal funds will result in less accurate information on fund sources that will be earned.

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

Not applicable

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

Not applicable

Expenditure and revenue calculations and assumptions

See attachment: 'AW_M2-WB Federal Funds Technical Adjustment_2011.xls'.

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

The budget impacts will carry forward.

Object Detail

FY 1

FY 2

Total

Program Totals

Department of Social and Health Services

DP Code/Title: M2-WB Federal Funds Technical Adjustment

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 060		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources</u>	<u>Title</u>			
ZZ01	001-2 s/b 001-A 563i	489,000	303,000	792,000
ZZ06	001-2 s/b 001-C 19UL	(1,753,000)	(2,261,000)	(4,014,000)
<i>Total for Fund 001-2</i>		(1,264,000)	(1,958,000)	(3,222,000)
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi				
<u>Sources</u>	<u>Title</u>			
563I	Title IV-D Child Support Enforcement (A) (66%)	(489,000)	(303,000)	(792,000)
<i>Total for Fund 001-A</i>		(489,000)	(303,000)	(792,000)
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u>	<u>Title</u>			
19UL	Title XIX Admin (50%)	1,753,000	2,261,000	4,014,000
<i>Total for Fund 001-C</i>		1,753,000	2,261,000	4,014,000
Total Program 060		0	0	0

**2012 Supplemental Budget
AW M2-WB Federal Funds Technical Adjustment**

Program	Fund Given As	2012	2013
010	001-2	787,000	977,000
		-	-
	001-A	-	-
	001-C	-	-
	001-D	-	-
030	001-2	(547,000)	(525,000)
040	001-2	(976,000)	(1,064,000)
050	001-2	(902,000)	(968,000)
060	001-2	(1,264,000)	(1,958,000)
	001-A	-	-
	001-C	-	-
	001-D	-	-
Grand Total		(2,902,000)	(3,538,000)

Fund Should Be	2012	2013
001-0	-	-
001-A	(787,000)	(977,000)
001-D	-	-
001-C	-	-
001-A	-	-
001-A	-	-
001-C	547,000	525,000
001-C	976,000	1,064,000
001-C	902,000	968,000
001-A	(489,000)	(303,000)
001-C	1,753,000	2,261,000
001-2	-	-
001-C	-	-
001-A	-	-
001-8	-	-
Grand Total	2,902,000	3,538,000

	2012	2013
Net Impact of DP	-	-

Department of Social and Health Services

DP Code/Title: M2-WX Funding for CSD Staff - FQHC
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), requests \$10,418,000 (\$5,208,000 GF-State) in the 2012 Supplemental Budget for continued support of outstationed staff in Federally Qualified Health Centers (FQHC), Disproportionate Share Hospitals (DSH) and Indian Health Clinics located across the state.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060			
001-1 General Fund - Basic Account-State	2,604,000	2,604,000	5,208,000
001-C General Fund - Basic Account-Medicaid Federal	2,605,000	2,605,000	5,210,000
Total Cost	5,209,000	5,209,000	10,418,000

Staffing

Package Description:

Under federal law, states are required to ensure that staff are available to take Medicaid applications from low-income pregnant women, infants and children at locations other than Community Service Offices (CSOs). The law was enacted as part of the Omnibus Reconciliation Act of 1990 and went into effect on July 1, 1991. It specifies that these outstations include FQHC's, DSH's and Indian Health Clinic facilities.

Federal rules on outstationing went into effect in 1994. These rules require states to ensure that outstationed staff are available at FQHC's and DSH's to take applications during the hours that regular State Medicaid offices (CSO's) are normally open. Federal Financial Participation (FFP) is available at the standard 50 percent matching rate for administrative costs associated with the outstationing requirement. FFP is also available to match funds donated by facilities to share the cost of outstationed state agency personnel. In January 2001, the Centers for Medicare and Medicaid Services (CMS) issued a letter to state Medicaid directors reiterating the requirement to make each DSH and FQHC participating in the state's Medicaid program an outstation location and reminding states that FQHC and DSH facilities cannot be compelled to provide funding for these staff. The letter also stated that limited staff and resources are not an acceptable reason for a state's failure to comply with and pay for the outstationing requirements of the federal law and regulations.

The ESA Community Services Division (CSD) currently has staff assigned to FQHC's and DSH's in the state. In addition to the populations mandated by federal law, outstationed staff are able to process medical applications for other individuals and families, including the homeless, elderly and disabled persons who are eligible for both Medicare and Medicaid, and children who are eligible for the State Children's Health Insurance Program (SCHIP). The availability of DSHS eligibility workers outside the CSO's to process medical assistance applications increases the number of low-income families and individuals who have medical coverage and helps reduce the number and rate of uninsured people in our state. These are benefits that without the co-located staff could have resulted in uncompensated care costs for the providers and a financial burden for the affected families.

The funding for these staff has never been in the department's budget. Prior to Fiscal Year 2006, the staffing levels related to this program fluctuated between 5 and 25 FTEs per year but grew to a need for 90.5 FTEs by the 2009-11 Biennium. ESA received authority for these 90.5 FTEs in the 2009-11 Biennial Budget but was not appropriated the related funding. In order to continue this vital service, ESA is requesting \$10,418,000 in the 2012 Supplemental Budget.

Agency Contact: Mickie Coates (360) 902-8077
Program Contact: Babs Roberts (360) 725-4888

Department of Social and Health Services

DP Code/Title: M2-WX Funding for CSD Staff - FQHC

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

ESA anticipates this activity will allow us to increase the percentage of eligible families accessing medical benefits.

Performance Measure Detail

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

Goal: Provide Quality Services to Our Customers

Objective: Connect people to benefits and services that reduce poverty and help them become more self-sufficient.

Strategic Initiative: Out-station staff to support service delivery, as appropriate, and seek funding and FTEs to support current as well as expansion of the FQHC's and expedited medical staffing.

Performance Measure: Percent of children who are in families at or below 200 percent federal poverty level who are receiving medical coverage

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

This package supports the Governor's priority for Health Care: Keeping Patients Safe by contributing to the effort to ensure Washington's children have access to health care.

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

This package directly supports two statewide results and would be a high priority:

- 1) Improving the health of Washingtonians through the increased access to health care services; and
- 2) Improving the security of vulnerable adults and families by allowing families to access medical assistance and other public assistance programs in convenient locations.

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

Outstationing staff at FQHC's and DSH's ensures that low income women, infants and children have the opportunity to obtain medical coverage that provides a full scope of care for their ongoing medical needs. This significantly reduces uncompensated care costs for these facilities not only for services provided at the time of contact, but also by reducing the future need for costly services, such as emergency care, through the provision of child health screening, preventive care, and ongoing medical treatment. Outstationing is also consistent with the requirement in RCW 74.09.470 that the department make outreach efforts to help low income families apply for children's healthcare coverage.

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

No alternatives were explored because ESA cannot compel FQHC, DSH, or Indian Health Clinic facilities to share the cost of these workers. Out-stationing of eligibility workers is required under federal law and part of the agency's Medicaid state plan.

ESA sees no alternative to funding this activity.

Department of Social and Health Services

DP Code/Title: M2-WX Funding for CSD Staff - FQHC

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

What are the consequences of not funding this package?

The department will be out of compliance with federal Title XIX laws and regulations if it fails to place or withdraws staff from the FQHC and DSH facilities. If this package is not funded, primary service delivery staff in the CSOs will have to be reduced in order to fulfill this federal requirement and stay within budgeted resources.

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

Estimated costs are based on historical spending patterns.

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

All costs are ongoing staff related costs that will bow wave into future biennia. Additional costs will occur if more FQHC and DSH facilities request additional outstationed staff.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060 Objects			
A Salaries And Wages	3,637,000	3,637,000	7,274,000
B Employee Benefits	1,489,000	1,489,000	2,978,000
E Goods And Services	45,000	45,000	90,000
G Travel	35,000	35,000	70,000
J Capital Outlays	3,000	3,000	6,000
Total Objects	5,209,000	5,209,000	10,418,000

DSHS Source Code Detail

<u>Program 060</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	2,604,000	2,604,000	5,208,000
<i>Total for Fund 001-1</i>	2,604,000	2,604,000	5,208,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources Title</u>			
19UL Title XIX Admin (50%)	2,605,000	2,605,000	5,210,000
<i>Total for Fund 001-C</i>	2,605,000	2,605,000	5,210,000
Total Program 060	5,209,000	5,209,000	10,418,000

Department of Social and Health Services

DP Code/Title: M2-ZZ Unemployment
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests \$2,893,000 (\$2,245,000 GF-State) in the 2012 Supplemental Budget to offset increased Unemployment Insurance reimbursement to the Employment Security Department (ESD).

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	28,000	(18,000)	10,000
001-2 General Fund - Basic Account-Federal	8,000	(5,000)	3,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	9,000	(6,000)	3,000
001-C General Fund - Basic Account-Medicaid Federal	6,000	(4,000)	2,000
Total Cost	51,000	(33,000)	18,000

Staffing

Package Description:

Unemployment expenditures have increased significantly since 2008. DSHS has not been funded for this increase costs attributed to reductions to overall staffing levels. This decision package request funds related to the increase from 2008 which cannot be absorbed.

DSHS is self-insured for its unemployment insurance obligations, reimbursing the ESD for all unemployment benefits paid out to former employees. As DSHS has reduced its staffing level, its most current ESD quarterly bill, 2nd Quarter Calendar Year 2011, shows a 60 percent increase above its average quarterly ESD reimbursement from State Fiscal Year 2008. DSHS has reduced its FTEs by 2,400 or 13 percent since 2008 with no additional funding provided for its unemployment insurance obligations.

Agency contact: Edd Giger (360) 902-8067

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This request is necessary to ensure DSHS has adequate funds to reimburse the ESD for increased Unemployment Insurance billings due to mandated staff reduction.

Performance Measure Detail

Agency Level

Activity: F010 Child Support Enforcement
No measures linked to package

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

Activity: F078 Program Support
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 contributes to the agency goal of strong management to increase public trust.

Department of Social and Health Services

DP Code/Title: M2-ZZ Unemployment
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

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

Yes. This request supports priority for economic security to promote practices and programs that protect workers.

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 makes key contributions to the following statewide results: Commitment to promote practices and programs that protect workers.

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

All DSHS programs are impacted by this request.

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

None. Given the large reductions undertaken by DSHS, the department is no longer able to absorb the increase costs associated with unemployment insurance compensation above funded levels.

What are the consequences of not funding this package?

If this decision package is not funded, then DSHS will have to divert funds for client services to offset this expense.

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 - ZZ Unemployment.xls

To develop the Unemployment model, the department looked at the Unemployment Rate Forecast completed by the state of Washington Revenue Forecast Council. The Unemployment Rate Forecast predicts unemployment will decline by an average of 0.6 percent each year. The department assumption is to dampened the trend by 75 percent given the current unemployment rate and the potential of additional reductions in Fiscal Year 2012 and Fiscal Year 2013.

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

These costs are ongoing.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
B Employee Benefits	51,000	(33,000)	18,000

Department of Social and Health Services

DP Code/Title: M2-ZZ Unemployment
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	28,000	(18,000)	10,000
<i>Total for Fund 001-1</i>		28,000	(18,000)	10,000
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources</u>	<u>Title</u>			
E61L	Food Stamp Program (50%)	8,000	(5,000)	3,000
<i>Total for Fund 001-2</i>		8,000	(5,000)	3,000
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi				
<u>Sources</u>	<u>Title</u>			
563B	Title IV-D Child Support Enforcement (A) (100%)	9,000	(6,000)	3,000
<i>Total for Fund 001-A</i>		9,000	(6,000)	3,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u>	<u>Title</u>			
19UL	Title XIX Admin (50%)	6,000	(4,000)	2,000
<i>Total for Fund 001-C</i>		6,000	(4,000)	2,000
Total Overall Funding		51,000	(33,000)	18,000

**2012 Supplemental Budget
M2-ZZ Unemployment**

Program	2012			2013			BIENNIUM 2011-13		
	State	Federal	Total	State	Federal	Total	State	Federal	Total
	010	\$ 254,000	\$ 85,000	\$ 339,000	\$ 174,000	\$ 58,000	\$ 232,000	\$ 428,000	\$ 143,000
020	\$ 337,000	\$ -	\$ 337,000	\$ 248,000	\$ -	\$ 248,000	\$ 585,000	\$ -	\$ 585,000
030	\$ 199,000	\$ 24,000	\$ 223,000	\$ 107,000	\$ 13,000	\$ 120,000	\$ 306,000	\$ 37,000	\$ 343,000
030 - 2000	\$ 197,000	\$ 24,000	\$ 221,000	\$ 106,000	\$ 13,000	\$ 119,000	\$ 303,000	\$ 37,000	\$ 340,000
030 - 9000	\$ 2,000	\$ -	\$ 2,000	\$ 1,000	\$ -	\$ 1,000	\$ 3,000	\$ -	\$ 3,000
040	\$ 258,000	\$ 233,000	\$ 491,000	\$ 180,000	\$ 162,000	\$ 342,000	\$ 438,000	\$ 395,000	\$ 833,000
040 - 1000	\$ 53,000	\$ 35,000	\$ 88,000	\$ 37,000	\$ 25,000	\$ 62,000	\$ 90,000	\$ 60,000	\$ 150,000
040 - 2000	\$ 203,000	\$ 195,000	\$ 398,000	\$ 141,000	\$ 136,000	\$ 277,000	\$ 344,000	\$ 331,000	\$ 675,000
040 - 9000	\$ 3,000	\$ 2,000	\$ 5,000	\$ 2,000	\$ 2,000	\$ 4,000	\$ 5,000	\$ 4,000	\$ 9,000
050	\$ 9,000	\$ 6,000	\$ 15,000	\$ (3,000)	\$ (2,000)	\$ (5,000)	\$ 6,000	\$ 4,000	\$ 10,000
060	\$ 28,000	\$ 23,000	\$ 51,000	\$ (18,000)	\$ (15,000)	\$ (33,000)	\$ 10,000	\$ 8,000	\$ 18,000
070	\$ 15,000	\$ 2,000	\$ 17,000	\$ 11,000	\$ 2,000	\$ 13,000	\$ 26,000	\$ 4,000	\$ 30,000
100	\$ 33,000	\$ -	\$ 33,000	\$ 22,000	\$ -	\$ 22,000	\$ 55,000	\$ -	\$ 55,000
110	\$ 139,000	\$ 33,000	\$ 172,000	\$ 104,000	\$ 24,000	\$ 128,000	\$ 243,000	\$ 57,000	\$ 300,000
135	\$ 91,000	\$ -	\$ 91,000	\$ 57,000	\$ -	\$ 57,000	\$ 148,000	\$ -	\$ 148,000
Total	\$ 1,363,000	\$ 406,000	\$ 1,769,000	\$ 882,000	\$ 242,000	\$ 1,124,000	\$ 2,245,000	\$ 648,000	\$ 2,893,000

Department of Social and Health Services

DP Code/Title: PL-26 Refugee/LEP Assistance Reduction

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$1,775,000) GF-State in the 2012 Supplemental Budget associated with a reduction in the state-funded Refugee Assistance/Limited English Proficiency (LEP) Pathway Program effective January 1, 2012.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060			
001-1 General Fund - Basic Account-State	(592,000)	(1,183,000)	(1,775,000)
Total Cost	(592,000)	(1,183,000)	(1,775,000)

Staffing

Package Description:

DSHS, ESA, reduces (\$1,775,000) GF-State associated with a reduction in the state-funded Refugee Assistance/LEP Pathway Program effective January 1, 2012.

The Refugee Assistance/LEP Pathway program provides services to immigrants through contracts with local and private agencies. Services currently available include job search workshops, job skills training, work experience and community service placements, English as a Second Language (ESL) classes, employment placement assistance, and job retention services. In Fiscal Year 2011, approximately 4,900 clients received these services.

Under this proposal, services will be eliminated for those clients with the highest ESL proficiency levels. Clients at the higher ESL levels can be referred to services not available to lower level ESL proficient clients. These services include Integrated Basic Education and Skills Training (IBEST) through the State Board for Community and Technical Colleges, community jobs through the Department of Commerce, and the Basic Food Employment and Training Program. Services for State Family Assistance (SFA) clients will be limited to those who have their work authorization cards and who have been in the United States for three years or less. Clients who become ineligible for LEP Pathway services will be referred to free or low-cost ESL services available in the community.

Reducing the number of clients served instead of eliminating some types of services will preserve the number of employment services currently available in the LEP Pathway and help maintain the effectiveness of the program for clients who are served.

Agency Contact: Mickie Coates (360) 902-8077

Program Contact: Tom Medina (360) 725-4636

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To achieve savings to meet the 10 percent reduction targets set by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

Performance Measure Detail

Program: 060

Department of Social and Health Services

DP Code/Title: PL-26 Refugee/LEP Assistance Reduction

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Activity: F083 Refugee Assistance Income

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?

No

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

Yes, this decision package helps the agency meet the 10 percent reduction targets set by OFM for the 2012 Supplemental Budget.

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

No

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

Not applicable

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

Not applicable

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

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

The savings are 50 percent of the estimated amount of spending in the Refugee Assistance/LEP Pathway program for the period of January 2012 through June 2013.

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

Reductions are ongoing and will continue into future biennia.

Object Detail

FY 1

FY 2

Total

Program 060 Objects

N Grants, Benefits & Client Services

(592,000)

(1,183,000)

(1,775,000)

Department of Social and Health Services

DP Code/Title: PL-26 Refugee/LEP Assistance Reduction
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 060		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	(592,000)	(1,183,000)	(1,775,000)
	<i>Total for Fund 001-1</i>	<u>(592,000)</u>	<u>(1,183,000)</u>	<u>(1,775,000)</u>
	Total Program 060	<u>(592,000)</u>	<u>(1,183,000)</u>	<u>(1,775,000)</u>

Department of Social and Health Services

DP Code/Title: PL-27 Elimination Naturalization
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$2,624,000) GF-State in the 2012 Supplemental Budget associated with the elimination of naturalization services contracts effective January 1, 2012.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060			
001-1 General Fund - Basic Account-State	(967,000)	(1,657,000)	(2,624,000)
Total Cost	(967,000)	(1,657,000)	(2,624,000)

Staffing

Package Description:

DSHS, ESA, reduces (\$2,624,000) GF-State associated with the elimination of naturalization services contracts effective January 1, 2012.

DSHS provides naturalization services to help legal immigrants on public assistance become US citizens. Services include assistance with completing the Application for Citizenship, assistance with fee waiver requests, payment of application fees for those who do not qualify for a fee waiver, assistance with disability waiver requests, and classes on US civics and history to help pass the citizenship test.

Achieving citizenship is seen as an indicator of successful integration as it provides the opportunity for civic engagement, including the right to vote. However, the process for legal immigrants to become US citizens is a responsibility of the federal government and is not a critical function of state government. Eliminating naturalization services will allow DSHS, ESA, to focus diminishing state resources on basic needs like food and shelter for vulnerable individuals and families residing in our state.

In Fiscal Year 2011, the Naturalization Program was eliminated effective November 30, 2010 due to budget concerns. In the five months the program was available, 3,874 clients received naturalization services. Contractors reported 1,364 clients became US citizens through the Naturalization Program, although this may have been the result of services our clients received through the ESA program in Fiscal Year 2010. Contractors report it generally takes about four months to naturalize.

Most of the contractors providing naturalization services are non-profit organizations that receive funding from other sources like the United Way, church donations, and donations from private individuals. Most of these contractors continued to provide clients with naturalization services when the state program was eliminated in Fiscal Year 2011.

Agency Contact: Mickie Coates (360) 902-8077
Program Contact: Tom Medina (360) 725-4636

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To achieve savings to meet the 10 percent reduction targets set by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

Department of Social and Health Services

DP Code/Title: PL-27 Elimination Naturalization
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Performance Measure Detail

Program: 060

Activity: F068 Other Client 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?

No

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

Yes, this decision package helps the agency meet the 10 percent reduction targets set by OFM for the 2012 Supplemental Budget.

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

No

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?

Not applicable

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

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

The savings amount is based on the estimated level of spending in 2011-13 from January 1, 2012 through June 30, 2013.

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

Reductions are ongoing and will continue into future biennia.

Object Detail

Program 060 Objects

N Grants, Benefits & Client Services

<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
(967,000)	(1,657,000)	(2,624,000)

Department of Social and Health Services

DP Code/Title: PL-27 Elimination Naturalization

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 060

Fund 001-1, General Fund - Basic Account-State

Sources Title

0011 General Fund State

Total for Fund 001-1

Total Program 060

FY 1

FY 2

Total

(967,000)

(1,657,000)

(2,624,000)

(967,000)

(1,657,000)

(2,624,000)

(967,000)

(1,657,000)

(2,624,000)

Department of Social and Health Services

DP Code/Title: PL-28 Mail EBT Cards
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$1,373,000), (\$752,000) GF-State, and (28.0) FTEs in the 2012 Supplemental Budget by contracting to mail replacement Electronic Benefit Transfer (EBT) Cards rather than issuing them from the Community Service Offices (CSO).

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060			
001-1 General Fund - Basic Account-State	0	(752,000)	(752,000)
001-2 General Fund - Basic Account-Federal	0	(621,000)	(621,000)
Total Cost	0	(1,373,000)	(1,373,000)

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Program 060 FTEs	0.0	(28.0)	(14.0)

Package Description:

DSHS, ESA, would issue replacement EBT cards through the EBT vendor. Authorization of EBT cards would continue in the CSOs as would emergency replacement card issuance.

The costs and saving calculations assume that this change would take effect July 1, 2012.

ESA has calculated that the effort to issue replacement EBT cards in the CSOs is equivalent to 28.0 FTEs annually. Currently, staff such as social workers are diverted from their standard duties to issue cards. Eliminating this function and the funding for 28.0 FTEs would result in total savings of about \$1.6 million for a full year. This would be partially offset by an increase in the EBT vendor contract of \$229,000 annually.

Agency Contact: Mickie Coates (360) 902-8077
Program Contact: Judy Fitzgerald (360) 725-4642

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The department expects the following outcomes:

To achieve savings to meet the ten percent reduction targets set by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

Clients would continue to receive their benefits in a timely manner. Clients would receive their EBT cards within four to five days, which is keeping within the federal expedited timeframe of seven days.

Cards issued by the EBT vendor have the client's name embossed on them. This is an added fraud deterrent given that cards currently issued by the CSOs do not have client names.

Performance Measure Detail

Program: 060

Department of Social and Health Services

DP Code/Title: PL-28 Mail EBT Cards
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

<p>Activity: F038 Food Stamp Administration No measures linked to package</p> <p>Activity: F039 General Assistance - Interim SSI (GA-U/X) No measures linked to package</p> <p>Activity: F078 Program Support No measures linked to package</p> <p>Activity: F083 Refugee Assistance Income No measures linked to package</p>	<p>Incremental Changes <u>FY 1</u> <u>FY 2</u> 0.00 0.00</p> <p>Incremental Changes <u>FY 1</u> <u>FY 2</u> 0.00 0.00</p> <p>Incremental Changes <u>FY 1</u> <u>FY 2</u> 0.00 0.00</p> <p>Incremental Changes <u>FY 1</u> <u>FY 2</u> 0.00 0.00</p>
---	---

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

No

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

Yes. This decision package helps the agency meet the ten percent reduction target set by OFM for the 2012 Supplemental Budget.

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

No

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

This proposal assumes continuation of the current level of general delivery service provided by the United States Post Office.

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

None

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

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?

Washington Federation of State Employees (WFSE) contract language must be followed in the course of implementing this reduction option.

The contract with EBT vendor will have to be amended.

Expenditure and revenue calculations and assumptions

Expenditure and savings estimates are based on an effective date of July 1, 2012.

Department of Social and Health Services

DP Code/Title: PL-28 Mail EBT Cards
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

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

All costs and savings are on-going.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060 Objects			
A Salaries And Wages	0	(787,000)	(787,000)
B Employee Benefits	0	(410,000)	(410,000)
E Goods And Services	0	(148,000)	(148,000)
T Intra-Agency Reimbursements	0	(28,000)	(28,000)
Total Objects	0	(1,373,000)	(1,373,000)

DSHS Source Code Detail

<u>Program 060</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	0	(752,000)	(752,000)
<i>Total for Fund 001-1</i>	0	(752,000)	(752,000)
Fund 001-2, General Fund - Basic Account-Federal			
<u>Sources Title</u>			
566B Refugee & Entrant Assist-St Admin'd Prog(D)(100%)	0	(2,000)	(2,000)
E61L Food Stamp Program (50%)	0	(619,000)	(619,000)
<i>Total for Fund 001-2</i>	0	(621,000)	(621,000)
Total Program 060	0	(1,373,000)	(1,373,000)

Department of Social and Health Services

DP Code/Title: PL-29 TANF/WorkFirst Reductions
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$32,068,000) GF-State and (1.3) FTEs in the 2012 Supplemental Budget associated with reductions in the Temporary Assistance for Needy Families (TANF)/WorkFirst program.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	(5,435,000)	(26,633,000)	(32,068,000)
Total Cost	(5,435,000)	(26,633,000)	(32,068,000)

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	(0.4)	(2.1)	(1.3)

Package Description:

DSHS, ESA, reduces (\$32,068,000) GF-State and (1.3) FTEs in the 2012 Supplemental Budget associated with the following reductions in the Temporary Assistance for Needy Families (TANF)/WorkFirst program.

1. ESA reduces (\$18,329,000) GF-State through a decrease in the number of months families are eligible to receive a monthly TANF cash grant effective May 1, 2012. With some exceptions, families are currently eligible for 60 months of TANF cash assistance. This reduction will decrease the number of months these families are eligible to receive a cash grant to 48 months. Approximately 1,850 low income families will be impacted. Child only cases with non-parental caregivers are not impacted by time limits. However, approximately 530 child-only TANF cases with a parental caregiver will be impacted.
2. ESA reduces (\$5,972,000) GF-State and (1.3) FTEs through elimination of the State Family Assistance (SFA) monthly cash grant effective May 1, 2012. The savings includes staffing reductions (\$197,000) and the elimination of Limited English Proficiency (LEP) Pathway Program services to SFA clients (\$740,000). This cash grant is provided to legal immigrant families, students ages 19 to 20 and their caregiver relatives, and pregnant women who are ineligible to receive a monthly TANF grant. Currently, this program provides approximately 1,200 families a month with an average monthly grant of about \$240.
3. ESA reduces (\$7,767,000) GF-State through a 2 percent ratable reduction to the monthly TANF cash grant effective January 1, 2012. This monthly cash grant is provided to families with children whose monthly net income does not exceed the payment standard plus authorized additional requirements. Fifty percent of gross earnings are countable when determining eligibility and payment amount. This reduction will decrease the average monthly All-Family TANF grant from \$420 to \$411 and the monthly Child Only TANF grant from \$364 to \$357. Approximately 55,000 families will be impacted each month by this reduction.

Agency Contact: Mickie Coates (360) 402-8077
Program Contact: Babs Roberts (360) 725-4888

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To achieve savings to meet the 10 percent reduction targets set by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

Department of Social and Health Services

DP Code/Title: PL-29 TANF/WorkFirst Reductions

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Performance Measure Detail

Agency Level

Activity: F029 Employment Support Services: Refugees

No measures linked to package

Incremental Changes

FY 1

FY 2

0.00

0.00

Activity: F100 Temporary Assistance to Needy Families (TANF)

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?

No

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

Yes, this decision package helps the agency meet the 10 percent reduction targets set by OFM for the 2012 Supplemental Budget.

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

No

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?

The WorkFirst/TANF program is governed by DSHS, Employment Security Department, State Board for Community and Technical Colleges, Department of Early Learning, and the Department of Commerce. The executive management from these agencies considered the following alternatives for reduction in priority order:

- 1) Apply savings projected for Working Connections Child Care in Fiscal Year 2012 associated with the enrollment cap and waiting list.
- 2) Reduce the TANF time limit from 60 months to 48 months.
- 3) Eliminate funding for Additional Requirements for Emergency Needs (AREN).
- 4) Reset the Working Connections Child Care enrollment cap to the level commensurate with a zero waiting list.
- 5) Extend through Fiscal Year 2013 the temporary suspension of participation for parents with a child under age two or two or more children under age six.
- 6) Reduce the TANF grant by 3 percent (this should not be done in combination with a time limit reduction). Reserve Option/Placeholder: Ten percent holdback in partner agency funding.

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

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: PL-29 TANF/WorkFirst Reductions

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Amendments would have to be made to the following:

RCW 74.08A.010, WAC 388-484-0005, RCW 74.08A.120, WAC 388-400-0010, WAC 388-424-0001, WAC 388-424-0006, WAC 388-424-0001, WAC 388-478-0005

Expenditure and revenue calculations and assumptions

The savings are the estimated amount of spending in the areas of the program being reduced from the effective date of the reduction as noted in the Package Description through June 30, 2013. Savings estimates were prepared by OFM forecasting staff.

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

Reductions are ongoing and will continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	(16,000)	(96,000)	(112,000)
B Employee Benefits	(6,000)	(33,000)	(39,000)
E Goods And Services	(4,000)	(24,000)	(28,000)
J Capital Outlays	(2,000)	(14,000)	(16,000)
N Grants, Benefits & Client Services	(5,407,000)	(26,464,000)	(31,871,000)
T Intra-Agency Reimbursements	0	(2,000)	(2,000)
Total Objects	(5,435,000)	(26,633,000)	(32,068,000)

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
GFS2 General Fund State TANF Moe	(5,435,000)	(26,633,000)	(32,068,000)
<i>Total for Fund 001-1</i>	(5,435,000)	(26,633,000)	(32,068,000)
Total Overall Funding	(5,435,000)	(26,633,000)	(32,068,000)

Department of Social and Health Services

DP Code/Title: PL-2C Increase Retained Child Support

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), requests \$405,000 GF-Federal and 16.0 FTEs in the 2012 Supplemental Budget to increase the amount of child support collected and retained by the state. The additional child support recoveries projected in the 2011-13 Biennium will offset the GF-State cost of the the additional resources and will result in savings in the 2013-15 Biennium.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-A General Fund - Basic Account-DSHS Fam Support/Chi	0	405,000	405,000
Total Cost	0	405,000	405,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	0.0	16.0	8.0

Package Description:

ESA requests \$1,269,000 (\$432,000 GF-State) and 16.0 FTEs to increase child support recoveries. With these additional resources, it is estimated that the amount of child support collected and retained will increase \$864,000 (\$432,000 GF-State) in Fiscal Year 2013 and \$3,750,000 (\$1,875,000 GF-State) in the 2013-15 Biennium. The projected additional recoveries in the current biennium will be sufficient to offset the increased GF-State expenditures.

DSHS arrears only cases are cases where the debt is owed to the government (state and federal). Currently, there are approximately 21,000 of arrears only cases where no child support payment has been made in the last six months. Increasing collections on these cases will enable Washington State to retain more of the child support that is owed to the state. Data from a past project designed to improve collections showed that implementing intensive locate activities along with skilled negotiation tactics resulted in increased collections on 33 percent of cases, paying an average of \$31 per month. Based on the number of cases to be collected, it is estimated that 16.0 FTEs will be needed to achieve this higher level of collections. Assuming that 33 percent of the 21,000 arrears only cases with no payment in the last six months start paying \$31 per month, it is estimated that child support recoveries will increase by \$2,500,000 (\$1,250,000 GF-State) per year.

Agency Contact: Mickie Coates (360) 902-8077

Program Contact: Jan Hentze (360) 664-5569

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Increase in child support collected and retained by the state.

Performance Measure Detail

Agency Level

Activity: F010 Child Support Enforcement

No measures linked to package

Incremental Changes

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

Activity: F011 Child Support Recoveries

Incremental Changes

<u>FY 1</u>	<u>FY 2</u>
-------------	-------------

Department of Social and Health Services

DP Code/Title: PL-2C Increase Retained Child Support
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

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 proposal supports the goal of effective and efficient use of resources.

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

Yes. This request supports the goal of safeguarding and managing public funds.

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

Yes. This request supports the goal of safeguarding and managing public funds.

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?

Not applicable

What are the consequences of not funding this package?

The higher level of retained child support will not be achieved in this and future biennia.

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

Increased collections are assumed to be \$31 per month on 33 percent of the 21,000 arrears only cases with no payment in the last six months, a total of \$2,500,000 per year. It is assumed that collections will increase to this level by Fiscal Year 2015 as staff are hired, trained, and gain experience. It is assumed that 35 percent of these increased collections will be achieved in Fiscal Year 2013 (\$864,000) and 50 percent will be achieved in Fiscal Year 2014 (\$1,250,000).

Staff costs assume the 16 staff are hired on July 1, 2012.

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

The costs of 16.0 FTEs are ongoing beginning Fiscal Year 2013.

The savings from child support recoveries would start July 1, 2012: The savings are \$864,000 (\$432,000 GF-State) in the 2011-13 Biennium, \$1,250,000 (\$625,000 GF-State) in Fiscal Year 2014, and \$2,500,000 (\$1,250,000 GF-State) a year beginning with Fiscal Year 2015 and continuing into future biennia.

Department of Social and Health Services

DP Code/Title: PL-2C Increase Retained Child Support

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	0	655,000	655,000
B Employee Benefits	0	261,000	261,000
E Goods And Services	0	206,000	206,000
J Capital Outlays	0	131,000	131,000
N Grants, Benefits & Client Services	0	(864,000)	(864,000)
T Intra-Agency Reimbursements	0	16,000	16,000
Total Objects	0	405,000	405,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi			
<u>Sources Title</u>			
563A Title IV-D Child Support Enforcement (A) (FMAP)	0	(432,000)	(432,000)
563I Title IV-D Child Support Enforcement (A) (66%)	0	837,000	837,000
<i>Total for Fund 001-A</i>	0	405,000	405,000
Total Overall Funding	0	405,000	405,000

Department of Social and Health Services

DP Code/Title: PL-FU Elimin ABD and PWA Cash Progs

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$29,697,000) GF-State and (25.3) FTEs in the 2012 Supplemental Budget associated with elimination of the Aged, Blind, or Disabled and Pregnant Women Assistance programs effective April 1, 2012.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060			
001-1 General Fund - Basic Account-State	(5,325,000)	(24,372,000)	(29,697,000)
Total Cost	(5,325,000)	(24,372,000)	(29,697,000)

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Program 060 FTEs	(10.1)	(40.5)	(25.3)

Package Description:

DSHS, ESA, reduces (\$29,697,000) GF-State and (25.3) FTEs associated with elimination of the Aged, Blind, or Disabled (ABD) and Pregnant Women Assistance Programs (PWA) monthly cash grants effective April 1, 2012. The current forecast is that approximately 15,500 cases will receive an ABD or PWA cash grant each month.

The ABD program provides cash and medical assistance to adults without dependents who are aged, blind, or disabled and who are likely to meet the federal Supplemental Security Income (SSI) disability standard. The PWA program provides cash assistance to women who are pregnant and in need based on the eligibility standards of the Temporary Assistance for Needy Families (TANF) program but are ineligible for TANF benefits for a reason other than failure to cooperate in program requirements. These programs are 100 percent GF-State funded. This proposal is to eliminate the monthly cash grants paid under these programs.

Agency Contact: Mickie Coates (360) 902-8077
Program Contact: Melissa Mathson (360) 725-4563

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To achieve savings to meet the 10 percent reduction targets set by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

Performance Measure Detail

Program: 060

Activity: F039 General Assistance - Interim SSI (GA-U/X)

No measures linked to package

<u>Incremental Changes</u>	
<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?

No

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

Department of Social and Health Services

DP Code/Title: PL-FU Elimin ABD and PWA Cash Progs
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Yes, this decision package helps the agency meet the 10 percent reduction targets set OFM for the 2012 Supplemental Budget.

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

No

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?

Not applicable

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

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?

Changes will be needed to Sections of Engrossed Substitute House Bill 2082, passed in the 2011 Legislative Session. Proposed WAC's 388-478-0016, 388-478-0027, and 388-478-0033 will also need amendment.

Expenditure and revenue calculations and assumptions

Savings were calculated using the Caseload Forecast Council's June 2010 caseload forecast.

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

Reductions are ongoing and will continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060 Objects			
A Salaries And Wages	(450,000)	(1,800,000)	(2,250,000)
B Employee Benefits	(171,000)	(681,000)	(852,000)
E Goods And Services	(130,000)	(520,000)	(650,000)
G Travel	(36,000)	(146,000)	(182,000)
N Grants, Benefits & Client Services	(4,528,000)	(21,183,000)	(25,711,000)
T Intra-Agency Reimbursements	(10,000)	(42,000)	(52,000)
Total Objects	(5,325,000)	(24,372,000)	(29,697,000)

Department of Social and Health Services

DP Code/Title: PL-FU Elimin ABD and PWA Cash Progs
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 060		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources Title</u>				
0011	General Fund State	(5,325,000)	(24,372,000)	(29,697,000)
<i>Total for Fund 001-1</i>		<u>(5,325,000)</u>	<u>(24,372,000)</u>	<u>(29,697,000)</u>
Total Program 060		(5,325,000)	(24,372,000)	(29,697,000)

Department of Social and Health Services

DP Code/Title: PL-FV Elimin State Food Assistance Prog

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$17,825,000) GF-State and (13.8) FTEs in the 2012 Supplemental Budget associated with the elimination of the State Food Assistance Program (FAP) effective April 1, 2012.

Fiscal Detail:

Operating Expenditures

Program 060

001-1 General Fund - Basic Account-State

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
	(3,325,000)	(14,500,000)	(17,825,000)
Total Cost	(3,325,000)	(14,500,000)	(17,825,000)

Staffing

Program 060 FTEs

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
	(5.5)	(22.0)	(13.8)

Package Description:

ESA reduces (\$17,825,000) GF-State and (13.8) FTEs associated with the elimination of the state FAP effective April 1, 2012. This savings amount offsets the funding requested for FAP in Decision Package M1-93 - Mandatory Caseload.

This reduction will eliminate food assistance benefits to approximately 13,000 persons residing in Washington legally who do not meet federal requirements for the Supplemental Nutrition Assistance Program (SNAP) because of their alien status.

Agency Contact: Mickie Coates (360) 902-8077
Program Contact: John Camp (360) 725-4616

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To achieve savings to meet the 10 percent reduction targets set by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

Performance Measure Detail

Program: 060

Activity: F042 Immigrant State Food Assistance

No measures linked to package

<u>Incremental Changes</u>	
<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?

No

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

Yes, this decision package helps the agency meet the 10 percent reduction targets set by OFM for the 2012 Supplemental Budget.

Department of Social and Health Services

**DP Code/Title: PL-FV Eliminate State Food Assistance Program
Program Level - 060 Economic Services Admin**

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

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

No

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

Not applicable

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

Not applicable

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

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

The savings is a reduction of the forecasted FAP expenditures in the agency request Maintenance Level for 2011-13 for the period April 1, 2012, through June 30, 2013.

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

Reductions are ongoing and will continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060 Objects			
A Salaries And Wages	(251,000)	(1,003,000)	(1,254,000)
B Employee Benefits	(93,000)	(373,000)	(466,000)
E Goods And Services	(71,000)	(283,000)	(354,000)
G Travel	(20,000)	(79,000)	(99,000)
N Grants, Benefits & Client Services	(2,885,000)	(12,739,000)	(15,624,000)
T Intra-Agency Reimbursements	(5,000)	(23,000)	(28,000)
Total Objects	(3,325,000)	(14,500,000)	(17,825,000)

Department of Social and Health Services

DP Code/Title: PL-FV Eliminate State Food Assistance Program
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 060		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	(3,325,000)	(14,500,000)	(17,825,000)
<i>Total for Fund 001-1</i>		(3,325,000)	(14,500,000)	(17,825,000)
Total Program 060		(3,325,000)	(14,500,000)	(17,825,000)

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Information System Services Division (ISSD), requests \$512,000 (\$291,000 GF-State) in the 2012 Supplemental Budget for startup equipment required to migrate systems from the Office Building 2 (OB2) to the new State Data Center (SDC) located in the 1500 Jefferson Building.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060			
001-1 General Fund - Basic Account-State	43,000	76,000	119,000
001-2 General Fund - Basic Account-Federal	22,000	38,000	60,000
001-C General Fund - Basic Account-Medicaid Federal	17,000	30,000	47,000
Total Cost	82,000	144,000	226,000

Staffing

Package Description:

The Washington State Legislature enacted Engrossed Substitute Senate Bill 5931, during the 2011 Legislative Session, to address the high costs of Information Technology (IT) services. This legislation requires certain IT equipment to be housed in the new SDC located in the 1500 Jefferson Building complex. This investment facilitates the migration and consolidation of IT assets into the SDC in support of this legislation and the Governor's directive to consolidate data centers.

DSHS has a large computer equipment presence in the OB2 Data Center (approximately 85 server racks with 600 devices). Migrating this equipment to the new SDC building located in the 1500 Jefferson Building complex is part of a statewide initiative in support of the legislation.

To enable the migration of some systems, startup equipment is necessary. This startup equipment supports network operations and provides a landing pad for systems in the SDC. Existing equipment supporting these systems cannot be shutdown and physically moved for various reasons:

1. Shutting down and moving the hardware has a high risk of long outages of critical systems.
2. Data storage shared across many systems cannot be shut down and moved without significant system outages. These systems are critical to business operations and impact service to citizens.
3. Virtual host platforms need a starting point (e.g., landing pad) in the State Data Center. This equipment would be supplemented with existing hardware as virtual systems are migrated off the hardware freeing up capacity. Initial servers are needed to start the process.
4. Network components are needed to maintain performance and operations. These network components are needed during the migration period of dual operations and will be used ongoing after the migration.

The funding provides servers, storage and network equipment. DSHS has evaluated existing equipment and is only requesting new equipment where existing equipment will not work or makes business/financial sense (too old, not enough capacity, incompatible, etc.). The vast majority of existing DSHS equipment will be used or replaced by virtual capacity without additional funding. This request represents the exceptions where existing equipment is either not available or impractical to use.

The implementation schedule is driven by the Consolidated Technology Services OB2 Move project. This equipment is targeted for procurement approximately June 2012.

If the funding request is not approved, then more of the computer systems and equipment will be dependent on a Physical Move approach, which will increase the duration and risk of outages. There will be a higher probability that application availability will

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

be impacted by the migration.

Agency contact: Tula Habb (360) 902-8182
Program contact: Cheryl Adams (360) 902-7551

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Desired Results:

1. The computer servers and storage equipment will allow the agency to increase the number of systems using a virtual to virtual migration approach. This approach is significantly quicker and less risky than physically moving equipment, which can impact services to clients/citizens.
2. The network equipment supports optimization, monitoring and trouble shooting. The desired result of the optimization is to keep network traffic, for 35 DSHS field offices across the state, flowing with the same performance as completed currently. Without this equipment, the network lines will become saturated causing work slowdowns and stoppages.
3. The desired results of the equipment for monitoring and trouble shooting is to resolve system problems quickly. In many cases, problems can be resolved before they become major problems causing work stoppage. Without tools to monitor and trouble shoot production problems, work stoppages will increase in duration causing productivity loss and service impacts to clients/citizens.

Overall, this funding will minimize business disruption (unplanned outages) caused from moving systems and equipment from OB2 to the SDC.

Negative Consequences, if this request is not funded:

1. Without computer servers and storage, systems will require longer outages to move to the SDC causing impacts to worker productivity and service to clients/citizens.
2. Without optimization equipment, the network lines will become saturated causing work slowdowns and stoppages.
3. Without tools to monitor and trouble shoot production problems, work stoppages will increase in duration causing productivity loss and service impacts to clients/citizens.
4. Impact to clients and citizens.
5. Moving equipment into the SDC has positive impacts including:
 - a. Leveraging a state-of-the-art facility.
 - b. Leveraging new shared services.
 - c. Reducing the cost of IT.

Performance Measure Detail

Program: 060

Activity: F078 Program Support

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 decision package supports the agency's strategic plan as follows:

Goal H: Reinforce strong management to increase public trust

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Objective 1: Improve information technology capacity to support management needs

Strategy: Maintain and update existing or implement new core applications, systems, and infrastructure to meet changing needs and take advantage of changes in technology (DSHS).

The funding obtained by this decision package will allow the department to minimize impacts to existing systems performance and operations. Moving into the SDC will take advantage of a state-of-the-art facility and position the department to take advantage of future shared services.

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

This funding supports the new legislation and the consolidation of data centers into the SDC. This supports the statewide result to "improve state government efficiency" by reducing the overall cost of information technology.

The OB2 Move project is one of several phases in Washington State's IT Transformation Initiative. The other components of the IT initiative include implementation of shared services and data center consolidation.

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 supports the Priorities of Government (POG) critical value statement to improve state government efficiency. SDC has three mandated outcomes that align with this statewide result:

1. Improve security.
2. Reduce operational costs.
3. Improve service quality, availability, and performance.

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

This is related to new Legislation, ESSB 5931, requiring consolidation of data centers and moving all servers into the SDC building.

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

The department is using multiple options for migrating computer equipment and systems from OB2 to SDC. These are listed below and align with a study performed by INX Metagyre Inc. (INX) for DIS. The INX study included an analysis of alternatives for moving equipment out of OB2. One alternative looked at Physical Relocation of all systems. This alternative was dismissed due to the long system outage it would require and the risks of breaking systems. The other alternative looked at Individualize System Moves based on each system's requirements and interrelationships. This alternative was recommended as it has the least risk and allows better management of risks, resources, testing, problem resolution, and ability to fallback.

The three primary move scenarios that DSHS will use include:

1. Virtual to Virtual: Migrating virtual systems in OB2 to a virtual platform in the SDC. This requires seed equipment or some form of existing hardware platform (e.g., landing pad) in the SDC to work.
2. Physical Move: Unplugging existing equipment, moving, and installing it in the SDC. This is higher risk and requires a system outage.
3. Logical Move: Installing startup equipment in the SDC, loading systems on the equipment, and doing a cut-over. This is lower risk and can be done quicker than a physical move. This option requires startup equipment.

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Each system is examined to determine which migration option best meets the business need and level of risk. The agency also put stringent requirements around what could be requested in this decision package. Equipment at end-of-life was not allowed on the funding list as these should already have a funding source for them (required regardless of the move). Only items required to make the move happen without a funding source were put on the list.

What are the consequences of not funding this package?

If the funding request is not approved, then more of the computer systems and equipment will be dependent on a Physical Move approach, which will increase the duration and risk of system outages. These would cause work stoppages and impact service to clients/citizens.

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

Costs estimates are based on vendor budgetary quotes.

See attachments: ISSD PL-PF State Data Center equipment.xlsx and ISSD PL PF State Data Center Transition IT Addendum.doc

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

The costs are one-time costs. Once equipment reaches end-of-life, the agency intends to migrate to a statewide shared service to provide this function.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060 Objects			
T Intra-Agency Reimbursements	82,000	144,000	226,000

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 060		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources Title</u>				
0011	General Fund State	43,000	76,000	119,000
<i>Total for Fund 001-1</i>		43,000	76,000	119,000
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources Title</u>				
566B	Refugee & Entrant Assist-St Admin'd Prog(D)(100%)	1,000	1,000	2,000
E61L	Food Stamp Program (50%)	21,000	37,000	58,000
<i>Total for Fund 001-2</i>		22,000	38,000	60,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources Title</u>				
19JL	Title XIX Admin (50%)	17,000	30,000	47,000
<i>Total for Fund 001-C</i>		17,000	30,000	47,000
Total Program 060		82,000	144,000	226,000

2012 Supplemental Budget PL-PF State Data Center equipment

Department of Social & Health Services COST SUMMARY

	FY 2012	FY 2013	TOTAL
STORAGE		\$250,000	\$250,000
SERVERS		\$75,000	\$75,000
NETWORK	\$187,000		\$187,000
TOTAL	\$187,000	\$325,000	\$512,000

Total Funds	State	Federal
\$512,000	\$291,000	\$221,000

Biennial Total		All Objects			Object J			Object TZ		
DSHS Programs		State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA	30,000	41,000	71,000	-	-	-	30,000	41,000	71,000
020	JRA	13,000	-	13,000	-	-	-	13,000	-	13,000
030	MH	27,000	-	27,000	-	-	-	27,000	-	27,000
040	DD	21,000	6,000	27,000	-	-	-	21,000	6,000	27,000
050	LTC	17,000	16,000	33,000	-	-	-	17,000	16,000	33,000
060	ESA	119,000	107,000	226,000	-	-	-	119,000	107,000	226,000
070	ASA	2,000	1,000	3,000	-	-	-	2,000	1,000	3,000
100	VR	1,000	9,000	10,000	-	-	-	1,000	9,000	10,000
110	ADMIN	57,000	41,000	98,000	-	-	-	57,000	41,000	98,000
135	SCC	4,000	-	4,000	-	-	-	4,000	-	4,000
150	ISSD	-	-	-	-	-	-	-	-	-
		291,000	221,000	512,000	512,000	-	512,000	(512,000)	221,000	-
		57%	43%							

Total Funds	State	Federal
\$187,000	\$106,000	\$81,000

FY 2012		All Objects			Object J			Object TZ		
DSHS Programs		State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA	11,000	15,000	26,000	-	-	-	11,000	15,000	26,000
020	JRA	5,000	-	5,000	-	-	-	5,000	-	5,000
030	MH	10,000	-	10,000	-	-	-	10,000	-	10,000
040	DD	8,000	2,000	10,000	-	-	-	8,000	2,000	10,000
050	LTC	6,000	6,000	12,000	-	-	-	6,000	6,000	12,000
060	ESA	43,000	39,000	82,000	-	-	-	43,000	39,000	82,000
070	ASA	1,000	-	1,000	-	-	-	1,000	-	1,000
100	VR	-	4,000	4,000	-	-	-	-	4,000	4,000
110	ADMIN	21,000	15,000	36,000	-	-	-	21,000	15,000	36,000
135	SCC	1,000	-	1,000	-	-	-	1,000	-	1,000
150	ISSD	-	-	-	-	-	-	-	-	-
		106,000	81,000	187,000	187,000	-	187,000	(187,000)	81,000	-
		57%	43%							

Total Funds	State	Federal
\$325,000	\$185,000	\$140,000

FY 2013		All Objects			Object J			Object TZ		
DSHS Programs		State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA	19,000	26,000	45,000	-	-	-	19,000	26,000	45,000
020	JRA	8,000	-	8,000	-	-	-	8,000	-	8,000
030	MH	17,000	-	17,000	-	-	-	17,000	-	17,000
040	DD	13,000	4,000	17,000	-	-	-	13,000	4,000	17,000
050	LTC	11,000	10,000	21,000	-	-	-	11,000	10,000	21,000
060	ESA	76,000	68,000	144,000	-	-	-	76,000	68,000	144,000
070	ASA	1,000	1,000	2,000	-	-	-	1,000	1,000	2,000
100	VR	1,000	5,000	6,000	-	-	-	1,000	5,000	6,000
110	ADMIN	36,000	26,000	62,000	-	-	-	36,000	26,000	62,000
135	SCC	3,000	-	3,000	-	-	-	3,000	-	3,000
150	ISSD	-	-	-	-	-	-	-	-	-
		185,000	140,000	325,000	325,000	-	325,000	(325,000)	140,000	-
		57%	43%							

2012 Supplemental Budget
PL-PF State Data Center equipment
Department of Social & Health Services
Estimated Costs Breakout

Item	Area	Description	Total
1	ISSD Storage	This device will replicate the Storage Area Network (SAN) used by the Information Systems Services Division (ISSD). The existing Net App storage device cannot be moved to the State Data Center (SDC) until all the systems data is migrated off the device. Once all the systems data is migrated, the existing equipment can be repurposed by another group to avoid another purchase.	\$250,000
2	ISSD Servers	Three physical servers are needed to support the initial virtual platform at the SDC. Once virtual servers in the A-la-Carte 2 computer room are migrated to the SDC, the existing compute infrastructure (physical servers) can be used (i.e. repurposed) for the next round of system migrations.	\$45,000
3	ISSD Shared SQL database	Two servers are needed to support the ISSD Shared SQL environment. One for Production and one for the Quality Assurance (QA) environment.	\$30,000
4	ISSD Network	One Steelhead device to support Wide Area Network (WAN) optimization. This is a second device that will support the migration to the SDC reducing risk to local office disruption. This will also provide some redundancy in the architecture.	\$127,000
5	ISSD Network	Devices that tap into networks in support of network traffic monitoring (also known as TAPs), are needed to support DSHS network operations during the migration. Some of the existing TAPs equipment needs to remain attached to the DSHS Core network in OB2 during the migration. DSHS needs additional TAP equipment to monitor components on the SDC side of the network.	\$60,000
	TOTAL		\$512,000

Recommendation Summary

Budget Period:2011-13
Budget Level Criteria: ALL

Version: G2 - 070 - 2012 Sup Agency Request

Dollars in Thousands	Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds	
Program 070 - Div of Alc/Substnce Abuse						
CB - Current Biennium						
00	Current Biennium Base	0	76.3	151,709	162,798	314,507
	SubTotal CB		76.3	151,709	162,798	314,507
	Cumulative Total Thru CB		76.3	151,709	162,798	314,507
M2 - Inflation and Other Rate Changes						
9T	Transfers	0	0.0	3	(1)	2
ZZ	Unemployment	0	0.0	26	4	30
	SubTotal M2		0.0	29	3	32
	Cumulative Total Thru M2		76.3	151,738	162,801	314,539
PL - Performance Level						
PF	State Data Center Equipment	0	0.0	2	1	3
YT	ASA Adult Service Reduction	0	0.0	(72,582)	(21,215)	(93,797)
	SubTotal PL		0.0	(72,580)	(21,214)	(93,794)
	Cumulative Total Thru PL		76.3	79,158	141,587	220,745
Total Proposed Budget for Program 070 - Div of Alc/Substnce Abuse			76.3	79,158	141,587	220,745

Recommendation Summary Text

9T - Transfers

(M2) The Department of Social and Health Services (DSHS) requests to shift FTEs and funding among programs in the 2012 Supplemental Budget. This transfer will align FTEs and funds within the programs where the costs are incurred. The net impact is zero.

PF - State Data Center Equipment

(PL) The Department of Social and Health Services (DSHS), Information System Services Division (ISSD), requests \$512,000 (\$291,000 GF-State) in the 2012 Supplemental Budget for startup equipment required to migrate systems from the Office Building 2 (OB2) to the new State Data Center (SDC) located in the 1500 Jefferson Building.

YT - ASA Adult Service Reduction

(PL) The Department of Social and Health Services (DSHS), Division of Behavioral Health and Recovery, Alcohol and Substance Abuse (ASA) reduces (\$93,797,000), (\$72,582,000) GF-State, by eliminating all GF-State funded alcohol and substance abuse services for adults, excluding pregnant and parenting women.

ZZ - Unemployment

(M2) The Department of Social and Health Services (DSHS) requests \$2,893,000 (\$2,245,000 GF-State) in the 2012 Supplemental Budget to offset increased Unemployment Insurance reimbursement to the Employment Security Department (ESD).

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 070 Div of Alc/Substnce Abuse

Budget Period: 2011-13 Version: G2 070 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests to shift FTEs and funding among programs in the 2012 Supplemental Budget. This transfer will align FTEs and funds within the programs where the costs are incurred. The net impact is zero.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 070			
001-1 General Fund - Basic Account-State	3,000	0	3,000
001-C General Fund - Basic Account-Medicaid Federal	0	(1,000)	(1,000)
Total Cost	3,000	(1,000)	2,000

Staffing

Package Description:

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

Information System Services Division (ISSD) Compensation Adjustment (110 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): Administration and Supporting Services (Administration) will transfer compensation costs for staff in ISSD to other DSHS programs. Compensation steps associated with staff in ISSD are routinely included within the budget steps for Administration. Administration will distribute \$383,000 (\$303,000 GF-State) of ISSD's costs to the programs. These steps include: 1) savings from ending automatic benefit increases from the Public Employees' Retirement System Plan 1; 2) health insurance decrease in Fiscal Year 2013 to reflect the expected decrease of state employees in 2011-13, (the decrease in the carry forward level has already been adjusted in Fiscal Year 2012); 3) 3 percent cost savings in employee salaries; and 4) employer contributions adjusted to levels adopted by the Pension Funding Council. ISSD's budget resides in programs' budgets at Sub-Object TZ.

Department of Information Services (DIS) Rate Reduction (145 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): Payments to Other Agencies (PTOA) will distribute \$2,130,000 (\$1,494,000 GF-State) of DIS rate adjustment costs to the various programs. DIS reduced their 2011-13 rates in technology leasing services, storage, and mainframe computing. Also, the Central Service Model reduced the department's funding for DIS services. PTOA does not pay these DIS costs for the entire department; rather, they are paid out of the programs' budgets at the Sub-Object EL levels.

Medicaid Purchasing Administration (MPA) Funding (110 to 010, 020, 030, 040, 050, 060, 070, 100, 135): Administration will distribute \$456,000 (\$296,000 GF-State) in costs to DSHS programs for the funding of positions that were transferred to the Health Care Authority (HCA). The negotiation for the DSHS and MPA transfer required DSHS to provide additional staff funding to HCA. Administration distributes this cost to the programs in this request. (Economic Services Administration (ESA) agreed to provide 3.0 FTEs, which were transferred out of the ESA 2011-13 Biennial Budget.) This distribution will give each program a share of the cost without Administration carrying the full cost as this was the original intent.

Department of Labor and Industries (L&I) Funding from PTOA to Programs (145 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): L&I funding for the various DSHS programs was provided in PTOA's budget and will need to transfer to the respective programs. PTOA will transfer \$9,341,000 (\$6,725,000 GF-State) to the programs.

ISSD Transfer of Email and Blackberry services to DIS (All DSHS Programs): ISSD will no longer provide email and blackberry services for the department and will transfer these services to DIS. Program's

Department of Social and Health Services

DP Code/Title: M2-9T Transfers

Program Level - 070 Div of Alc/Substnce Abuse

Budget Period: 2011-13 Version: G2 070 - 2012 Sup Agency Request

funding for these services are in Sub-Object TZ and will need to transfer to Sub-Object EL. The estimated transfer amount is \$624,000 total funds for Fiscal Year 2012 and \$1,208,000 total funds for Fiscal Year 2013. Amounts in the first year are estimates because the transfer timeline may change.

ISSD Staff Transfer to Administration (150 or 020, 030, 040, 050, 060, 070, 100, 135 to 110):
ISSD will transfer 1.0 FTE and \$216,000 (\$126,000 GF-State) to Administration, which fits with the current organizational reporting structure. As mentioned above, because of ISSD's budget residing in the programs' Sub-Object TZ costs, programs will transfer \$176,000 of their ISSD's costs to Administration, which will also reduce their share of ISSD's costs by \$40,000.

Mental Health Category Transfers (030 8000 to 030 9000):
DSHS, Mental Health (MH), is a categorically appropriated program. Thus, MH requests to move 8.6 FTEs and \$671,000 (\$74,000 GF-State) from Category 8000 to Category 9000 to align appropriations where costs are incurred.

Consolidated Field Services FTE Transfer (010, 020, 030, 040, 050, 060, 135 to 110 & 160):
Program 160 - Consolidated Field Services (CFS) will consolidate 343.1 FTEs in Fiscal Year 2012 and 540.2 FTEs in Fiscal Year 2013 from various DSHS Programs, which is designed to centralize services and maximize efficiencies in order to support business functions and maintenance for the regional centers and the institutions. CFS will operate as a chargeback to programs in order to maintain the maximum federal participation rate that DSHS Programs receive. Part of this consolidation is a transfer of 8.0 FTEs and \$704,000 (\$490,000 GF-State) in Fiscal Year 2012 and 13.0 FTEs and \$1,021,000 (\$714,000 GF-State) in Fiscal Year 2013 for payroll staff, Facility Planners and a Fiscal Coordinator from the various programs to Program 110. The consolidation will phase in from November 1, 2011, through March 1, 2012, and has been approved by the Legislative Evaluation and Accountability Program (LEAP) Committee.

These transfers will realign the 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?

DSHS accounts for the wise use of public dollars by maximizing federal funding sources.

Performance Measure Detail

Program: 070

Activity: G022 DASA Administration
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?

Yes. This request supports our goal to improve health care quality and access and to improve internal and external partnerships.

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

Yes. This request supports the Governor's priority associated with efficient state government services for the people of Washington State.

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

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 070 Div of Alc/Substnce Abuse

Budget Period: 2011-13 Version: G2 070 - 2012 Sup Agency Request

Yes. This request makes key contributions to the Governor's statewide results to "strengthen government's ability to achieve results efficiently and effectively."

This package will rate high in the Priorities of Government (POG) process as it will assist us in ensuring that needed support and funds are in the correct programs. In addition, it will allow DSHS to monitor costs and services efficiently and effectively.

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, 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 resulting in the funding being in the correct programs. Then, all costs associated with these transfers will be ongoing and will carry-forward into future biennia.

Object Detail	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 070 Objects			
A Salaries And Wages	(1,000)	(1,000)	(2,000)
B Employee Benefits	7,000	3,000	10,000
E Goods And Services	5,000	10,000	15,000
T Intra-Agency Reimbursements	(8,000)	(13,000)	(21,000)
Total Objects	3,000	(1,000)	2,000

Department of Social and Health Services

DP Code/Title: M2-9T Transfers

Program Level - 070 Div of Alc/Substnce Abuse

Budget Period: 2011-13 Version: G2 070 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 070		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u> <u>Title</u>				
0011	General Fund State	3,000	0	3,000
<i>Total for Fund 001-1</i>		3,000	0	3,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u> <u>Title</u>				
19UL	Title XIX Admin (50%)	0	(1,000)	(1,000)
<i>Total for Fund 001-C</i>		0	(1,000)	(1,000)
Total Program 070		3,000	(1,000)	2,000

**2012 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
100	Division of Voc. Rehabilitation												
	ISSD compensation adjustments from Admin			0.0	(2,000)	(2,000)	(4,000)	(2,000)	(3,000)	(5,000)	(4,000)	(5,000)	(9,000)
	DIS reductions from PTOA			0.0	(2,000)	(5,000)	(7,000)	(2,000)	(5,000)	(7,000)	(4,000)	(10,000)	(14,000)
	MPA costs from Admin			0.0	(1,000)	(4,000)	(5,000)	(1,000)	(4,000)	(5,000)	(2,000)	(8,000)	(10,000)
	L&I Funding from PTOA			0.0	30,000		30,000	12,000		12,000	42,000	0	42,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	0	(2,000)	(2,000)	0	(2,000)	(2,000)	0	(4,000)	(4,000)
				0.0			0			0	0	0	0
	100 Total	0.0	0.0	0.0	25,000	(13,000)	12,000	7,000	(14,000)	(7,000)	32,000	(27,000)	5,000
110	Administration & Supporting Services												
	ISSD compensation adjustments from Admin			0.0	137,000	31,000	168,000	166,000	49,000	215,000	303,000	80,000	383,000
	DIS reductions from PTOA			0.0	(21,000)		(21,000)	(21,000)		(21,000)	(42,000)	0	(42,000)
	MPA costs from Admin			0.0	148,000	80,000	228,000	148,000	80,000	228,000	296,000	160,000	456,000
	L&I Funding from PTOA			0.0	37,000	8,000	45,000	16,000	3,000	19,000	53,000	11,000	64,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin	1.0	1.0	1.0	51,000	37,000	88,000	51,000	37,000	88,000	102,000	74,000	176,000
	FTE Consolidation Transfer	8.0	13.0	10.5	490,000	214,000	704,000	714,000	307,000	1,021,000	1,204,000	521,000	1,725,000
				0.0			0			0	0	0	0
	110 Total	9.0	14.0	11.5	842,000	370,000	1,212,000	1,074,000	476,000	1,550,000	1,916,000	846,000	2,762,000
135	Special Commitment Center												
	ISSD compensation adjustments from Admin			0.0	(2,000)		(2,000)	(3,000)		(3,000)	(5,000)	0	(5,000)
	DIS reductions from PTOA			0.0	(1,000)		(1,000)	(1,000)		(1,000)	(2,000)	0	(2,000)
	MPA costs from Admin			0.0	(6,000)		(6,000)	(6,000)		(6,000)	(12,000)	0	(12,000)
	L&I Funding from PTOA			0.0	183,000		183,000	90,000		90,000	273,000	0	273,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(1,000)	0	(1,000)	(1,000)	0	(1,000)	(2,000)	0	(2,000)
	FTE Consolidation Transfer	(24.7)	(37.0)	(30.9)	(54,000)	0	(54,000)	(79,000)	0	(79,000)	(133,000)	0	(133,000)
				0.0			0			0	0	0	0
	135 Total	(24.7)	(37.0)	(30.9)	119,000	0	119,000	0	0	0	119,000	0	119,000
145	Payments to Other Agencies												
	DIS reductions from PTOA			0.0	755,000	322,000	1,077,000	739,000	314,000	1,053,000	1,494,000	636,000	2,130,000
	L&I Funding from PTOA			0.0	(4,609,000)	(1,773,000)	(6,382,000)	(2,116,000)	(843,000)	(2,959,000)	(6,725,000)	(2,616,000)	(9,341,000)
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	145 Total	0.0	0.0	0.0	(3,854,000)	(1,451,000)	(5,305,000)	(1,377,000)	(529,000)	(1,906,000)	(5,231,000)	(1,980,000)	(7,211,000)
150	Information System Services Division												
	Email & BB to DIS from ISSD	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin	(1.0)	(1.0)	(1.0)	0	0	0	0	0	0	0	0	0
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	145 Total	(1.0)	(1.0)	(1.0)	0	0	0	0	0	0	0	0	0
160	Consolidated Field Services												
	FTE Consolidation Transfer	343.1	540.2	441.7	0	0	0	0	0	0	0	0	0
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	150 Total	343.1	540.2	441.7	0	0	0	0	0	0	0	0	0
	Agency-Wide:	0	0	0.0	0	0	0	0	0	0	0	0	0

notes:

1. Information System Services Division (ISSD) compensation adjustments from Administration & Supporting Services (Admin).
2. Department of Information Services (DIS) rate & central service reductions from Payments to Other Agencies (PTOA).
3. Additional Medicaid Purchasing Administration (MPA) costs to transfer from Admin.
4. L&I funding from PTOA to programs.
5. Email and Blackberry (BB) services transfer from ISSD to DIS. Net impact to the programs is zero; however, ISSD's funding will decrease by the amount programs reduce/transfer their TZ costs.
6. ISSD Staff Transfer to Admin.
7. In Mental Health, move FTEs and funding from Category 8000 to 9000 to align appropriations where costs are incurred.
8. FTE Transfer related to the Regional Business Centers, Institutional Business Offices, and Maintenance Operations are consolidated in Program 160.

Department of Social and Health Services

DP Code/Title: M2-ZZ Unemployment
Program Level - 070 Div of Alc/Substnce Abuse

Budget Period: 2011-13 Version: G2 070 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests \$2,893,000 (\$2,245,000 GF-State) in the 2012 Supplemental Budget to offset increased Unemployment Insurance reimbursement to the Employment Security Department (ESD).

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 070			
001-1 General Fund - Basic Account-State	15,000	11,000	26,000
001-C General Fund - Basic Account-Medicaid Federal	2,000	2,000	4,000
Total Cost	17,000	13,000	30,000

Staffing

Package Description:

Unemployment expenditures have increased significantly since 2008. DSHS has not been funded for this increase costs attributed to reductions to overall staffing levels. This decision package request funds related to the increase from 2008 which cannot be absorbed.

DSHS is self-insured for its unemployment insurance obligations, reimbursing the ESD for all unemployment benefits paid out to former employees. As DSHS has reduced its staffing level, its most current ESD quarterly bill, 2nd Quarter Calendar Year 2011, shows a 60 percent increase above its average quarterly ESD reimbursement from State Fiscal Year 2008. DSHS has reduced its FTEs by 2,400 or 13 percent since 2008 with no additional funding provided for its unemployment insurance obligations.

Agency contact: Edd Giger (360) 902-8067

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This request is necessary to ensure DSHS has adequate funds to reimburse the ESD for increased Unemployment Insurance billings due to mandated staff reduction.

Performance Measure Detail

Program: 070

Activity: G022 DASA Administration

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 contributes to the agency goal of strong management to increase public trust.

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

Yes. This request supports priority for economic security to promote practices and programs that protect workers.

Department of Social and Health Services

DP Code/Title: M2-ZZ Unemployment
Program Level - 070 Div of Alc/Substnce Abuse

Budget Period: 2011-13 Version: G2 070 - 2012 Sup Agency Request

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 makes key contributions to the following statewide results: Commitment to promote practices and programs that protect workers.

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

All DSHS programs are impacted by this request.

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

None. Given the large reductions undertaken by DSHS, the department is no longer able to absorb the increase costs associated with unemployment insurance compensation above funded levels.

What are the consequences of not funding this package?

If this decision package is not funded, then DSHS will have to divert funds for client services to offset this expense.

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 - ZZ Unemployment.xls

To develop the Unemployment model, the department looked at the Unemployment Rate Forecast completed by the state of Washington Revenue Forecast Council. The Unemployment Rate Forecast predicts unemployment will decline by an average of 0.6 percent each year. The department assumption is to dampened the trend by 75 percent given the current unemployment rate and the potential of additional reductions in Fiscal Year 2012 and Fiscal Year 2013.

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

These costs are ongoing.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 070 Objects			
B Employee Benefits	17,000	13,000	30,000

Department of Social and Health Services

DP Code/Title: M2-ZZ Unemployment
Program Level - 070 Div of Alc/Substnce Abuse

Budget Period: 2011-13 Version: G2 070 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 070		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	15,000	11,000	26,000
<i>Total for Fund 001-1</i>		15,000	11,000	26,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u>	<u>Title</u>			
19UL	Title XIX Admin (50%)	2,000	2,000	4,000
<i>Total for Fund 001-C</i>		2,000	2,000	4,000
Total Program 070		17,000	13,000	30,000

2012 Supplemental Budget
M2-ZZ Unemployment

Program	2012			2013			BIENNIUM 2011-13		
	State	Federal	Total	State	Federal	Total	State	Federal	Total
010	\$ 254,000	\$ 85,000	\$ 339,000	\$ 174,000	\$ 58,000	\$ 232,000	\$ 428,000	\$ 143,000	\$ 571,000
020	\$ 337,000	\$ -	\$ 337,000	\$ 248,000	\$ -	\$ 248,000	\$ 585,000	\$ -	\$ 585,000
030	\$ 199,000	\$ 24,000	\$ 223,000	\$ 107,000	\$ 13,000	\$ 120,000	\$ 306,000	\$ 37,000	\$ 343,000
030 - 2000	\$ 197,000	\$ 24,000	\$ 221,000	\$ 106,000	\$ 13,000	\$ 119,000	\$ 303,000	\$ 37,000	\$ 340,000
030 - 9000	\$ 2,000	\$ -	\$ 2,000	\$ 1,000	\$ -	\$ 1,000	\$ 3,000	\$ -	\$ 3,000
040	\$ 258,000	\$ 233,000	\$ 491,000	\$ 180,000	\$ 162,000	\$ 342,000	\$ 438,000	\$ 395,000	\$ 833,000
040 - 1000	\$ 53,000	\$ 35,000	\$ 88,000	\$ 37,000	\$ 25,000	\$ 62,000	\$ 90,000	\$ 60,000	\$ 150,000
040 - 2000	\$ 203,000	\$ 195,000	\$ 398,000	\$ 141,000	\$ 136,000	\$ 277,000	\$ 344,000	\$ 331,000	\$ 675,000
040 - 9000	\$ 3,000	\$ 2,000	\$ 5,000	\$ 2,000	\$ 2,000	\$ 4,000	\$ 5,000	\$ 4,000	\$ 9,000
050	\$ 9,000	\$ 6,000	\$ 15,000	\$ (3,000)	\$ (2,000)	\$ (5,000)	\$ 6,000	\$ 4,000	\$ 10,000
060	\$ 28,000	\$ 23,000	\$ 51,000	\$ (18,000)	\$ (15,000)	\$ (33,000)	\$ 10,000	\$ 8,000	\$ 18,000
070	\$ 15,000	\$ 2,000	\$ 17,000	\$ 11,000	\$ 2,000	\$ 13,000	\$ 26,000	\$ 4,000	\$ 30,000
100	\$ 33,000	\$ -	\$ 33,000	\$ 22,000	\$ -	\$ 22,000	\$ 55,000	\$ -	\$ 55,000
110	\$ 139,000	\$ 33,000	\$ 172,000	\$ 104,000	\$ 24,000	\$ 128,000	\$ 243,000	\$ 57,000	\$ 300,000
135	\$ 91,000	\$ -	\$ 91,000	\$ 57,000	\$ -	\$ 57,000	\$ 148,000	\$ -	\$ 148,000
Total	\$ 1,363,000	\$ 406,000	\$ 1,769,000	\$ 882,000	\$ 242,000	\$ 1,124,000	\$ 2,245,000	\$ 648,000	\$ 2,893,000

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 070 Div of Alc/Substnce Abuse

Budget Period: 2011-13 Version: G2 070 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Information System Services Division (ISSD), requests \$512,000 (\$291,000 GF-State) in the 2012 Supplemental Budget for startup equipment required to migrate systems from the Office Building 2 (OB2) to the new State Data Center (SDC) located in the 1500 Jefferson Building.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 070			
001-1 General Fund - Basic Account-State	1,000	1,000	2,000
001-C General Fund - Basic Account-Medicaid Federal	0	1,000	1,000
Total Cost	1,000	2,000	3,000

Staffing

Package Description:

The Washington State Legislature enacted Engrossed Substitute Senate Bill 5931, during the 2011 Legislative Session, to address the high costs of Information Technology (IT) services. This legislation requires certain IT equipment to be housed in the new SDC located in the 1500 Jefferson Building complex. This investment facilitates the migration and consolidation of IT assets into the SDC in support of this legislation and the Governor's directive to consolidate data centers.

DSHS has a large computer equipment presence in the OB2 Data Center (approximately 85 server racks with 600 devices). Migrating this equipment to the new SDC building located in the 1500 Jefferson Building complex is part of a statewide initiative in support of the legislation.

To enable the migration of some systems, startup equipment is necessary. This startup equipment supports network operations and provides a landing pad for systems in the SDC. Existing equipment supporting these systems cannot be shutdown and physically moved for various reasons:

1. Shutting down and moving the hardware has a high risk of long outages of critical systems.
2. Data storage shared across many systems cannot be shut down and moved without significant system outages. These systems are critical to business operations and impact service to citizens.
3. Virtual host platforms need a starting point (e.g., landing pad) in the State Data Center. This equipment would be supplemented with existing hardware as virtual systems are migrated off the hardware freeing up capacity. Initial servers are needed to start the process.
4. Network components are needed to maintain performance and operations. These network components are needed during the migration period of dual operations and will be used ongoing after the migration.

The funding provides servers, storage and network equipment. DSHS has evaluated existing equipment and is only requesting new equipment where existing equipment will not work or makes business/financial sense (too old, not enough capacity, incompatible, etc.). The vast majority of existing DSHS equipment will be used or replaced by virtual capacity without additional funding. This request represents the exceptions where existing equipment is either not available or impractical to use.

The implementation schedule is driven by the Consolidated Technology Services OB2 Move project. This equipment is targeted for procurement approximately June 2012.

If the funding request is not approved, then more of the computer systems and equipment will be dependent on a Physical Move approach, which will increase the duration and risk of outages. There will be a higher probability that application availability will be impacted by the migration.

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 070 Div of Alc/Substnce Abuse

Budget Period: 2011-13 Version: G2 070 - 2012 Sup Agency Request

Agency contact: Tula Habb (360) 902-8182
Program contact: Cheryl Adams (360) 902-7551

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Desired Results:

1. The computer servers and storage equipment will allow the agency to increase the number of systems using a virtual to virtual migration approach. This approach is significantly quicker and less risky than physically moving equipment, which can impact services to clients/citizens.
2. The network equipment supports optimization, monitoring and trouble shooting. The desired result of the optimization is to keep network traffic, for 35 DSHS field offices across the state, flowing with the same performance as completed currently. Without this equipment, the network lines will become saturated causing work slowdowns and stoppages.
3. The desired results of the equipment for monitoring and trouble shooting is to resolve system problems quickly. In many cases, problems can be resolved before they become major problems causing work stoppage. Without tools to monitor and trouble shoot production problems, work stoppages will increase in duration causing productivity loss and service impacts to clients/citizens.

Overall, this funding will minimize business disruption (unplanned outages) caused from moving systems and equipment from OB2 to the SDC.

Negative Consequences, if this request is not funded:

1. Without computer servers and storage, systems will require longer outages to move to the SDC causing impacts to worker productivity and service to clients/citizens.
2. Without optimization equipment, the network lines will become saturated causing work slowdowns and stoppages.
3. Without tools to monitor and trouble shoot production problems, work stoppages will increase in duration causing productivity loss and service impacts to clients/citizens.
4. Impact to clients and citizens.
5. Moving equipment into the SDC has positive impacts including:
 - a. Leveraging a state-of-the-art facility.
 - b. Leveraging new shared services.
 - c. Reducing the cost of IT.

Performance Measure Detail

Program: 070

Activity: G022 DASA Administration

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 decision package supports the agency's strategic plan as follows:

Goal H: Reinforce strong management to increase public trust

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 070 Div of Alc/Substnce Abuse

Budget Period: 2011-13 Version: G2 070 - 2012 Sup Agency Request

Objective 1: Improve information technology capacity to support management needs

Strategy: Maintain and update existing or implement new core applications, systems, and infrastructure to meet changing needs and take advantage of changes in technology (DSHS).

The funding obtained by this decision package will allow the department to minimize impacts to existing systems performance and operations. Moving into the SDC will take advantage of a state-of-the-art facility and position the department to take advantage of future shared services.

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

This funding supports the new legislation and the consolidation of data centers into the SDC. This supports the statewide result to "improve state government efficiency" by reducing the overall cost of information technology.

The OB2 Move project is one of several phases in Washington State's IT Transformation Initiative. The other components of the IT initiative include implementation of shared services and data center consolidation.

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 supports the Priorities of Government (POG) critical value statement to improve state government efficiency. SDC has three mandated outcomes that align with this statewide result:

1. Improve security.
2. Reduce operational costs.
3. Improve service quality, availability, and performance.

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

This is related to new Legislation, ESSB 5931, requiring consolidation of data centers and moving all servers into the SDC building.

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

The department is using multiple options for migrating computer equipment and systems from OB2 to SDC. These are listed below and align with a study performed by INX Metagyre Inc. (INX) for DIS. The INX study included an analysis of alternatives for moving equipment out of OB2. One alternative looked at Physical Relocation of all systems. This alternative was dismissed due to the long system outage it would require and the risks of breaking systems. The other alternative looked at Individualize System Moves based on each system's requirements and interrelationships. This alternative was recommended as it has the least risk and allows better management of risks, resources, testing, problem resolution, and ability to fallback.

The three primary move scenarios that DSHS will use include:

1. Virtual to Virtual: Migrating virtual systems in OB2 to a virtual platform in the SDC. This requires seed equipment or some form of existing hardware platform (e.g., landing pad) in the SDC to work.
2. Physical Move: Unplugging existing equipment, moving, and installing it in the SDC. This is higher risk and requires a system outage.
3. Logical Move: Installing startup equipment in the SDC, loading systems on the equipment, and doing a cut-over. This is lower risk and can be done quicker than a physical move. This option requires startup equipment.

Each system is examined to determine which migration option best meets the business need and level of risk. The agency

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 070 Div of Alc/Substnce Abuse

Budget Period: 2011-13 Version: G2 070 - 2012 Sup Agency Request

also put stringent requirements around what could be requested in this decision package. Equipment at end-of-life was not allowed on the funding list as these should already have a funding source for them (required regardless of the move). Only items required to make the move happen without a funding source were put on the list.

What are the consequences of not funding this package?

If the funding request is not approved, then more of the computer systems and equipment will be dependent on a Physical Move approach, which will increase the duration and risk of system outages. These would cause work stoppages and impact service to clients/citizens.

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

Costs estimates are based on vendor budgetary quotes.

See attachments: ISSD PL-PF State Data Center equipment.xlsx and ISSD PL PF State Data Center Transition IT Addendum.doc

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

The costs are one-time costs. Once equipment reaches end-of-life, the agency intends to migrate to a statewide shared service to provide this function.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 070 Objects			
T Intra-Agency Reimbursements	1,000	2,000	3,000

DSHS Source Code Detail

Program 070	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	1,000	1,000	2,000
<i>Total for Fund 001-1</i>	<u>1,000</u>	<u>1,000</u>	<u>2,000</u>
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources Title</u>			
19UL Title XIX Admin (50%)	0	1,000	1,000
<i>Total for Fund 001-C</i>	<u>0</u>	<u>1,000</u>	<u>1,000</u>
Total Program 070	<u>1,000</u>	<u>2,000</u>	<u>3,000</u>

**2012 Supplemental Budget
PL-PF State Data Center equipment**

**Department of Social & Health Services
COST SUMMARY**

	FY 2012	FY 2013	TOTAL
STORAGE		\$250,000	\$250,000
SERVERS		\$75,000	\$75,000
NETWORK	\$187,000		\$187,000
TOTAL	\$187,000	\$325,000	\$512,000

Total Funds	State	Federal
\$512,000	\$291,000	\$221,000

Biennial Total		All Objects			Object J			Object TZ		
DSHS Programs		State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA	30,000	41,000	71,000	-	-	-	30,000	41,000	71,000
020	JRA	13,000	-	13,000	-	-	-	13,000	-	13,000
030	MH	27,000	-	27,000	-	-	-	27,000	-	27,000
040	DD	21,000	6,000	27,000	-	-	-	21,000	6,000	27,000
050	LTC	17,000	16,000	33,000	-	-	-	17,000	16,000	33,000
060	ESA	119,000	107,000	226,000	-	-	-	119,000	107,000	226,000
070	ASA	2,000	1,000	3,000	-	-	-	2,000	1,000	3,000
100	VR	1,000	9,000	10,000	-	-	-	1,000	9,000	10,000
110	ADMIN	57,000	41,000	98,000	-	-	-	57,000	41,000	98,000
135	SCC	4,000	-	4,000	-	-	-	4,000	-	4,000
150	ISSD	-	-	-	-	-	-	-	-	-
		291,000	221,000	512,000	512,000	512,000	512,000	(512,000)	-	(512,000)
		57%	43%							

Total Funds	State	Federal
\$187,000	\$106,000	\$81,000

FY 2012		All Objects			Object J			Object TZ		
DSHS Programs		State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA	11,000	15,000	26,000	-	-	-	11,000	15,000	26,000
020	JRA	5,000	-	5,000	-	-	-	5,000	-	5,000
030	MH	10,000	-	10,000	-	-	-	10,000	-	10,000
040	DD	8,000	2,000	10,000	-	-	-	8,000	2,000	10,000
050	LTC	6,000	6,000	12,000	-	-	-	6,000	6,000	12,000
060	ESA	43,000	39,000	82,000	-	-	-	43,000	39,000	82,000
070	ASA	1,000	-	1,000	-	-	-	1,000	-	1,000
100	VR	-	4,000	4,000	-	-	-	-	4,000	4,000
110	ADMIN	21,000	15,000	36,000	-	-	-	21,000	15,000	36,000
135	SCC	1,000	-	1,000	-	-	-	1,000	-	1,000
150	ISSD	-	-	-	-	-	-	-	-	-
		106,000	81,000	187,000	187,000	187,000	187,000	(187,000)	81,000	(187,000)
		57%	43%							

Total Funds	State	Federal
\$325,000	\$185,000	\$140,000

FY 2013		All Objects			Object J			Object TZ		
DSHS Programs		State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA	19,000	26,000	45,000	-	-	-	19,000	26,000	45,000
020	JRA	8,000	-	8,000	-	-	-	8,000	-	8,000
030	MH	17,000	-	17,000	-	-	-	17,000	-	17,000
040	DD	13,000	4,000	17,000	-	-	-	13,000	4,000	17,000
050	LTC	11,000	10,000	21,000	-	-	-	11,000	10,000	21,000
060	ESA	76,000	68,000	144,000	-	-	-	76,000	68,000	144,000
070	ASA	1,000	1,000	2,000	-	-	-	1,000	1,000	2,000
100	VR	1,000	5,000	6,000	-	-	-	1,000	5,000	6,000
110	ADMIN	36,000	26,000	62,000	-	-	-	36,000	26,000	62,000
135	SCC	3,000	-	3,000	-	-	-	3,000	-	3,000
150	ISSD	-	-	-	-	-	-	-	-	-
		185,000	140,000	325,000	325,000	325,000	325,000	(325,000)	140,000	(325,000)
		57%	43%							

2012 Supplemental Budget
PL-PF State Data Center equipment
Department of Social & Health Services
Estimated Costs Breakout

Item	Area	Description	Total
1	ISSD Storage	This device will replicate the Storage Area Network (SAN) used by the Information Systems Services Division (ISSD). The existing Net App storage device cannot be moved to the State Data Center (SDC) until all the systems data is migrated off the device. Once all the systems data is migrated, the existing equipment can be repurposed by another group to avoid another purchase.	\$250,000
2	ISSD Servers	Three physical servers are needed to support the initial virtual platform at the SDC. Once virtual servers in the A-la-Carte 2 computer room are migrated to the SDC, the existing compute infrastructure (physical servers) can be used (i.e. repurposed) for the next round of system migrations.	\$45,000
3	ISSD Shared SQL database	Two servers are needed to support the ISSD Shared SQL environment. One for Production and one for the Quality Assurance (QA) environment.	\$30,000
4	ISSD Network	One Steelhead device to support Wide Area Network (WAN) optimization. This is a second device that will support the migration to the SDC reducing risk to local office disruption. This will also provide some redundancy in the architecture.	\$127,000
5	ISSD Network	Devices that tap into networks in support of network traffic monitoring (also known as TAPs), are needed to support DSHS network operations during the migration. Some of the existing TAPs equipment needs to remain attached to the DSHS Core network in OB2 during the migration. DSHS needs additional TAP equipment to monitor components on the SDC side of the network.	\$60,000
	TOTAL		\$512,000

Department of Social and Health Services

DP Code/Title: PL-YT ASA Adult Service Reduction
Program Level - 070 Div of Alc/Substnce Abuse

Budget Period: 2011-13 Version: G2 070 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Division of Behavioral Health and Recovery, Alcohol and Substance Abuse (ASA) reduces (\$93,797,000), (\$72,582,000) GF-State, by eliminating all GF-State funded alcohol and substance abuse services for adults, excluding pregnant and parenting women.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 070			
001-1 General Fund - Basic Account-State	(24,196,000)	(48,386,000)	(72,582,000)
001-C General Fund - Basic Account-Medicaid Federal	(7,072,000)	(14,143,000)	(21,215,000)
Total Cost	(31,268,000)	(62,529,000)	(93,797,000)

Staffing

Package Description:

This proposal eliminates all GF-State funded alcohol and substance abuse services for adults. This reduction includes all county, Tribal Administrative funds, Urinalysis and Physical Exams, Involuntary Treatment Act (ITA) Services, adult drug court, and reduces intensive inpatient treatment, and long term residential and recovery house services. This reduction preserves services for youth, pregnant and parenting women (PPW) services, Criminal Justice Treatment Account (CJTA) clients, and treatment and preventions for problem gambling. Youth and PPW clients are the priority population receiving services for persons suffering from alcohol and substance abuse issues. A small number of adults, mainly intravenous drug users, may still be able to access services funded through the SAPT Block Grant. It is estimated that 55,330 clients will lose chemical dependency treatment services. The impacts of these clients not receiving services are: risk of losing the SAPT Block grant funding which will further reduce treatment services; increased public safety risks due to increased homelessness and arrests; increased need for child protective services; increases in unemployment; and the rate of recidivism will increase causing an increase in medical care and long term care services due to the decline of the adult's health because of not receiving chemical dependency services.

The adults losing services have the following options when in crisis; to seek treatment at private pay facilities (i.e. Schick Shadle or Overlake Hospital Medical Center Drug Rehab); emergency rooms; jails; Alcoholics and Narcotics Anonymous (AA and NA); or a Non-profit Drug and Alcohol Rehab Referral and Placement Service (i.e. www.Drug-Rehab.org).

There will be FTE reductions associated with this decision package but they have not yet been determined.

Agency Contact: Edd Giger (360) 902-8067
Program Contact: Melissa Clarey (360) 725-1675

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Achieve Savings to help the agency meet the 10 percent reduction targets set by the Office of Financial Management for the 2012 Supplemental Budget.

Performance Measure Detail

Program: 070

Department of Social and Health Services

DP Code/Title: PL-YT ASA Adult Service Reduction
Program Level - 070 Div of Alc/Substnce Abuse

Budget Period: 2011-13 Version: G2 070 - 2012 Sup Agency Request

		Incremental Changes	
		<u>FY 1</u>	<u>FY 2</u>
Activity: G015	Community Based Drug and Alcohol Treatment Services		
	No measures linked to package	0.00	0.00
Activity: G085	Residential Drug and Alcohol Treatment Services		
	No measures linked to package	0.00	0.00
Activity: G098	Support Services for Clients Receiving Drug and Alcohol Treatment		
	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?

No

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

Yes, this decision package helps the agency meet the 10 percent reduction targets set by Office of Financial Management (OFM) for the 2012 Supplemental Budget.

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

No

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

DBHR did not propose cutting certain programs like Pregnant and Parenting Women (PPW) or Youth services because it is the greatest return on investment to intervene early and stop the intergenerational transition of disease. However, treatment providers may have difficulties meeting the full range of American Society of Addiction (ASAM) placement criteria for clients because of the lack of treatment alternatives for clients.

DBHR will be at risk of losing SAPT Block Grant funding because the division will not be able to meet the Maintenance of Effort (MOE) requirement. Services for youth, PPW, and CJTA clients will not be impacted by this reduction.

DBHR is at risk for losing three discretionary grants due to decreased access to treatment.

Persons no longer receiving services may end up accessing hospital emergency rooms, other county support services, and jails, increasing costs for counties and other entities.

Providers will likely stop serving ASA clients and the county system will be unable to coordinate services statewide for the remaining limited adults and youth.

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

DSHS considered several options when developing this proposal, but were not able to meet the 10 percent reduction target for DSHS set by OFM with these options. These options are outlined below:

1. Eliminate Residential Services (\$4,934,000) GF-State - This proposal reduces long term residential services provides chemical dependency treatment to clients who are chronically chemically dependent or gravely disabled and are in need of residential treatment in excess of 90 days. It is estimated that after these services are eliminated 223 clients will no longer receive long term residential services and 299 clients will no longer receive recovery house services; it is not known how

Department of Social and Health Services

DP Code/Title: PL-YT ASA Adult Service Reduction

Program Level - 070 Div of Alc/Substnce Abuse

Budget Period: 2011-13 Version: G2 070 - 2012 Sup Agency Request

many clients will transition to another treatment modality. The Pioneer Center East (PCE) provides involuntary and long term residential treatment to individuals who are chronically chemically dependent or gravely disabled by alcohol or other drug addiction, or who present a likelihood of serious harm to themselves or others. It is estimated that after this service is eliminated 248 clients will no longer receive long term.

2. Rate Reduction (\$1,281,000) GF-State - This proposal implements a ten percent rate reduction to Pioneer Center North (PCN) and PCE; by implementing a rate reduction, capacity at these two facilities would not be expected to change.

3. Reduce County Services (\$8,876,000) GF-State - This proposal includes four reductions to county services. These reductions include limiting detoxification services, limiting assessments, change funding for drug courts to the Criminal Justice Treatment Act (CJTA), and reducing county treatment service contracts. DBHR estimates that 1,154 clients will be impacted by this reduction. This proposal would limit the number of CD assessments to two in a 12 month period. DBHR estimates that 1,015 clients will be impacted by this reduction. Funding drug courts with CJTA funding which would reduce the amount of funding available for the remainder of the counties who receive CJTA funds. DBHR estimates that 806 CJTA clients may be impacted by this reduction. This proposal will reduce GF-State funding for county treatment services by 7 percent in Fiscal Year 2012 and 5 percent in Fiscal Year 2013. DBHR estimates that 2,417 clients in Fiscal Year 2012 and 928 clients in Fiscal Year 2013 will be impacted by this reduction.

4. Elimination or reduction of several programs impacting approximately 3,900 people. Risk exists for loss of Substance Abuse Prevention and Treatment block grant funds due to maintenance of effort requirements:

a) Parent Child Assistance Program Reduction (\$4,107,000) GF-State -- provides advocacy services to 1,365 high-risk, substance-abusing pregnant and parenting women and their young children in King, Pierce, Spokane, Grant, Cowlitz, Skagit, Kitsap, Clallam, and Yakima Counties, as well as the Spokane Reservation. The primary goal is to reduce the number of babies born with fetal alcohol syndrome and fetal alcohol and drug effects.

b) Safe Babies Safe Moms (\$1,343,000) GF-State -- Serves 728 substance abusing pregnant, postpartum, and parenting women (PPW) and their children from birth-to-three at sites in Snohomish, Whatcom, and Benton-Franklin Counties. Provides a range of services, with a goal of stabilizing women and their young children, identifying and providing necessary interventions, and assisting women in their transition from public assistance to self-sufficiency.

c) Parent Trust (\$150,000) GF-State -- Uses a family support philosophy, creating community networks with family support agencies in participating communities, maintaining and developing "Families in Recovery" (FIR) groups, which provide family support and skills development with specific focus on the parenting and family issues of recovering families. Parent Trust is located at 8 of the 10 Pregnant and Parenting Women (PPW) residential programs. Without this service, women in PPW residential programs will not have access to family support and parenting skill development from an entity separate from the residential program, which can offer safety for the women in this confidential group.

d) Pregnant and Parenting Women Housing Support Services- (\$804,000) GF-State -- Alcohol- and drug-free residences are provided for 574 women and their children for up to 18 months through the PPW Housing Support Services. Recovery support and linkages to community-based services are provided.

e) University of Washington (UW) - Fetal Alcohol Syndrome Diagnostic and Prevention Network (FAS DPN) - \$(531,000) GF-State - The FAS DPN is a core-training site at the University of Washington in Seattle, training community professionals in FASD evaluation and screening. 300 individuals per year, including medical doctors will not have the education and knowledge base to determine:

- Diagnostic and treatment referral services to individuals of all ages with fetal alcohol exposure.
- FAS screening and surveillance for high-risk populations.
- Identification and referral of high-risk mothers to primary prevention and intervention programs.

f) Fetal Alcohol Spectrum Disorders (FASD) Satellite Sites - (\$150,000) GF-State - The FAS Diagnostic and Prevention

Department of Social and Health Services

DP Code/Title: PL-YT ASA Adult Service Reduction
Program Level - 070 Div of Alc/Substnce Abuse

Budget Period: 2011-13 Version: G2 070 - 2012 Sup Agency Request

Network (FAS DPN) is a statewide network of five clinical sites located in Spokane, Yakima, Pullman, and Everett, with a core-training site at the University of Washington in Seattle and serve 75 women and their children. The network provides diagnostic, treatment referral services, screening and surveillance for high-risk populations, including high-risk mothers, training to professionals statewide, and information retrieval to support FAS clinical research.

g) Reduced State Funding for Intensive Inpatient Services - (\$1,791,000) GF-State - Adult treatment expansion funding would be reduced for residential services. Services to Medicaid and Disability Lifeline clients will be severely reduced and approximately 826 clients will not receive services. Medical costs for these clients likely will increase. There will be additional pressure on the outpatient treatment system.

None of these options were chosen due to the ten percent agency reduction targets set by OFM for DSHS.

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

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: ASA PL - YT ASA Adult Services Reduction.xls

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

Reductions will be ongoing and will carry forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 070 Objects			
N Grants, Benefits & Client Services	(31,268,000)	(62,529,000)	(93,797,000)

DSHS Source Code Detail

Program 070	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	(24,196,000)	(48,386,000)	(72,582,000)
<i>Total for Fund 001-1</i>	<u>(24,196,000)</u>	<u>(48,386,000)</u>	<u>(72,582,000)</u>
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources Title</u>			
19TA Title XIX Assistance (FMAP)	(7,072,000)	(14,143,000)	(21,215,000)
<i>Total for Fund 001-C</i>	<u>(7,072,000)</u>	<u>(14,143,000)</u>	<u>(21,215,000)</u>
Total Program 070	<u>(31,268,000)</u>	<u>(62,529,000)</u>	<u>(93,797,000)</u>

2012 Supplemental Budget PL - YT Adult Services Reduction

REDUCE CHEMICAL DEPENDENCY SERVICES FOR ADULTS												
	FY12				FY13				2011-13 Biennial Total]			
	Clients Impacted	GF-S	Title XIX	TOTAL	Clients Impacted	GF-S	Title XIX	TOTAL	Clients Impacted	GF-S	Title XIX	TOTAL
County Services	16,006	17,671,000	7,072,000	24,743,000	32,012	35,341,000	14,143,000	49,484,000	48,018	53,012,000	21,215,000	74,227,000
Tribal Services	-	41,000	-	41,000	-	82,000	-	82,000	-	123,000	-	123,000
Urinalysis/Physical Exams	606	669,000	-	669,000	1,211	1,337,000	-	1,337,000	1,817	2,006,000	-	2,006,000
ITA	571	3,399,000	-	3,399,000	1,143	6,797,000	-	6,797,000	1,714	10,196,000	-	10,196,000
Intensive Inpatient Treatment	819	1,776,000	-	1,776,000	1,637	3,551,000	-	3,551,000	2,456	5,327,000	-	5,327,000
Long Term Residential Recovery House Services	13	75,000	-	75,000	25	149,000	-	149,000	38	224,000	-	224,000
Adult Drug Courts -J37	27	43,000	-	43,000	53	86,000	-	86,000	80	129,000	-	129,000
Adult Drug Courts -J37	403	522,000	-	522,000	806	1,043,000	-	1,043,000	1,209	1,565,000	-	1,565,000
TOTAL	18,445	24,196,000	7,072,000	31,268,000	36,887	48,386,000	14,143,000	62,529,000	55,332	72,582,000	21,215,000	93,797,000
Appropriation		75,785,000	29,221,000			75,924,000	29,830,000			75,924,000	29,830,000	
% Spent on Adults		32%	24%			64%	47%			96%	71%	

County Services Include - Funded with GF-State and CITA:
 Outpatient and Assessment Services
 Opiate Substitution Services
 Detoxification Services
 Crisis Services
 Case Management, Community Outreach & Referrals
 Transportation

Tribal Services:
 Administrative Funding

Recommendation Summary

Version: J2 - 100 - 2012 Sup Agency Request

Budget Period: 2011-13
Budget Level Criteria: ALL

Dollars in Thousands	Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
Program 100 - Vocational Rehabilitation					
CB - Current Biennium					
00	Current Biennium Base	0	322.1	21,713	105,388
	SubTotal CB		322.1	21,713	105,388
	Cumulative Total Thru CB		322.1	21,713	105,388
M2 - Inflation and Other Rate Changes					
9T	Transfers	0	0.0	32	(27)
JG	Leveraging Federal Revenue	0	0.0	0	2,500
ZZ	Unemployment	0	0.0	55	0
	SubTotal M2		0.0	87	2,473
	Cumulative Total Thru M2		322.1	21,800	107,861
PL - Performance Level					
JA	Reduce Basic Support Grant	0	0.0	(2,171)	0
PF	State Data Center Equipment	0	0.0	1	9
	SubTotal PL		0.0	(2,170)	9
	Cumulative Total Thru PL		322.1	19,630	107,870
Total Proposed Budget for Program 100 - Vocational Rehabilitation			322.1	19,630	107,870
127,500					

Recommendation Summary Text

9T - Transfers

(M2) The Department of Social and Health Services (DSHS) requests to shift FTEs and funding among programs in the 2012 Supplemental Budget. This transfer will align FTEs and funds within the programs where the costs are incurred. The net impact is zero.

JA - Reduce Basic Support Grant

(PL) The Department of Social and Health Services (DSHS), Division of Vocational Rehabilitation (DVR), reduces (\$2,171,300) GF-State in the 2012 Supplemental Budget.

JG - Leveraging Federal Revenue

(M2) The Department of Social and Health Services (DSHS), Division of Vocational Rehabilitation (DVR), requests \$2.5 million of Federal American Recovery Reinvestment Act (ARRA) appropriation in Fiscal Year 2012 to cover anticipated expenditures.

PF - State Data Center Equipment

(PL) The Department of Social and Health Services (DSHS), Information System Services Division (ISSD), requests \$512,000 (\$291,000 GF-State) in the 2012 Supplemental Budget for startup equipment required to migrate systems from the Office Building 2 (OB2) to the new State Data Center (SDC) located in the 1500 Jefferson Building.

ZZ - Unemployment

(M2) The Department of Social and Health Services (DSHS) requests \$2,893,000 (\$2,245,000 GF-State) in the 2012 Supplemental

Recommendation Summary

Budget Period:2011-13
Budget Level Criteria: ALL

Version: J2 - 100 - 2012 Sup Agency Request

Dollars in Thousands	Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
----------------------	---------------------	--------------------	-----------------------	-------------	-------------

ZZ - Unemployment

Budget to offset increased Unemployment Insurance reimbursement to the Employment Security Department (ESD).

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 100 Vocational Rehabilitation

Budget Period: 2011-13 Version: J2 100 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests to shift FTEs and funding among programs in the 2012 Supplemental Budget. This transfer will align FTEs and funds within the programs where the costs are incurred. The net impact is zero.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 100			
001-1 General Fund - Basic Account-State	25,000	7,000	32,000
001-2 General Fund - Basic Account-Federal	(13,000)	(14,000)	(27,000)
Total Cost	12,000	(7,000)	5,000

Staffing

Package Description:

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

Information System Services Division (ISSD) Compensation Adjustment (110 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): Administration and Supporting Services (Administration) will transfer compensation costs for staff in ISSD to other DSHS programs. Compensation steps associated with staff in ISSD are routinely included within the budget steps for Administration. Administration will distribute \$383,000 (\$303,000 GF-State) of ISSD's costs to the programs. These steps include: 1) savings from ending automatic benefit increases from the Public Employees' Retirement System Plan 1; 2) health insurance decrease in Fiscal Year 2013 to reflect the expected decrease of state employees in 2011-13, (the decrease in the carry forward level has already been adjusted in Fiscal Year 2012); 3) 3 percent cost savings in employee salaries; and 4) employer contributions adjusted to levels adopted by the Pension Funding Council. ISSD's budget resides in programs' budgets at Sub-Object TZ.

Department of Information Services (DIS) Rate Reduction (145 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): Payments to Other Agencies (PTOA) will distribute \$2,130,000 (\$1,494,000 GF-State) of DIS rate adjustment costs to the various programs. DIS reduced their 2011-13 rates in technology leasing services, storage, and mainframe computing. Also, the Central Service Model reduced the department's funding for DIS services. PTOA does not pay these DIS costs for the entire department; rather, they are paid out of the programs' budgets at the Sub-Object EL levels.

Medicaid Purchasing Administration (MPA) Funding (110 to 010, 020, 030, 040, 050, 060, 070, 100, 135): Administration will distribute \$456,000 (\$296,000 GF-State) in costs to DSHS programs for the funding of positions that were transferred to the Health Care Authority (HCA). The negotiation for the DSHS and MPA transfer required DSHS to provide additional staff funding to HCA. Administration distributes this cost to the programs in this request. (Economic Services Administration (ESA) agreed to provide 3.0 FTEs, which were transferred out of the ESA 2011-13 Biennial Budget.) This distribution will give each program a share of the cost without Administration carrying the full cost as this was the original intent.

Department of Labor and Industries (L&I) Funding from PTOA to Programs (145 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): L&I funding for the various DSHS programs was provided in PTOA's budget and will need to transfer to the respective programs. PTOA will transfer \$9,341,000 (\$6,725,000 GF-State) to the programs.

ISSD Transfer of Email and Blackberry services to DIS (All DSHS Programs): ISSD will no longer provide email and blackberry services for the department and will transfer these services to DIS. Program's

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 100 Vocational Rehabilitation

Budget Period: 2011-13 Version: J2 100 - 2012 Sup Agency Request

funding for these services are in Sub-Object TZ and will need to transfer to Sub-Object EL. The estimated transfer amount is \$624,000 total funds for Fiscal Year 2012 and \$1,208,000 total funds for Fiscal Year 2013. Amounts in the first year are estimates because the transfer timeline may change.

ISSD Staff Transfer to Administration (150 or 020, 030, 040, 050, 060, 070, 100, 135 to 110):
ISSD will transfer 1.0 FTE and \$216,000 (\$126,000 GF-State) to Administration, which fits with the current organizational reporting structure. As mentioned above, because of ISSD's budget residing in the programs' Sub-Object TZ costs, programs will transfer \$176,000 of their ISSD's costs to Administration, which will also reduce their share of ISSD's costs by \$40,000.

Mental Health Category Transfers (030 8000 to 030 9000):
DSHS, Mental Health (MH), is a categorically appropriated program. Thus, MH requests to move 8.6 FTEs and \$671,000 (\$74,000 GF-State) from Category 8000 to Category 9000 to align appropriations where costs are incurred.

Consolidated Field Services FTE Transfer (010, 020, 030, 040, 050, 060, 135 to 110 & 160):
Program 160 - Consolidated Field Services (CFS) will consolidate 343.1 FTEs in Fiscal Year 2012 and 540.2 FTEs in Fiscal Year 2013 from various DSHS Programs, which is designed to centralize services and maximize efficiencies in order to support business functions and maintenance for the regional centers and the institutions. CFS will operate as a chargeback to programs in order to maintain the maximum federal participation rate that DSHS Programs receive. Part of this consolidation is a transfer of 8.0 FTEs and \$704,000 (\$490,000 GF-State) in Fiscal Year 2012 and 13.0 FTEs and \$1,021,000 (\$714,000 GF-State) in Fiscal Year 2013 for payroll staff, Facility Planners and a Fiscal Coordinator from the various programs to Program 110. The consolidation will phase in from November 1, 2011, through March 1, 2012, and has been approved by the Legislative Evaluation and Accountability Program (LEAP) Committee.

These transfers will realign the 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?

DSHS accounts for the wise use of public dollars by maximizing federal funding sources.

Performance Measure Detail

Program: 100

Activity: J105 Vocational Rehabilitation Direct Client 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?

Yes. This request supports our goal to improve health care quality and access and to improve internal and external partnerships.

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

Yes. This request supports the Governor's priority associated with efficient state government services for the people of Washington State.

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

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 100 Vocational Rehabilitation

Budget Period: 2011-13 Version: J2 100 - 2012 Sup Agency Request

Yes. This request makes key contributions to the Governor's statewide results to "strengthen government's ability to achieve results efficiently and effectively."

This package will rate high in the Priorities of Government (POG) process as it will assist us in ensuring that needed support and funds are in the correct programs. In addition, it will allow DSHS to monitor costs and services efficiently and effectively.

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, 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 resulting in the funding being in the correct programs. Then, all costs associated with these transfers will be ongoing and will carry-forward into future biennia.

Object Detail	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 100 Objects			
B Employee Benefits	30,000	12,000	42,000
E Goods And Services	6,000	23,000	29,000
T Intra-Agency Reimbursements	(24,000)	(42,000)	(66,000)
Total Objects	12,000	(7,000)	5,000

State of Washington
Decision Package
Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 100 Vocational Rehabilitation

Budget Period: 2011-13 Version: J2 100 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 100	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	25,000	7,000	32,000
<i>Total for Fund 001-1</i>	25,000	7,000	32,000
Fund 001-2, General Fund - Basic Account-Federal			
<u>Sources</u> <u>Title</u>			
126F Rehabilitation Svs - Basic Supp (A) (78.7%)	(13,000)	(14,000)	(27,000)
<i>Total for Fund 001-2</i>	(13,000)	(14,000)	(27,000)
Total Program 100	12,000	(7,000)	5,000

**2012 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
100	Division of Voc. Rehabilitation												
	ISSD compensation adjustments from Admin			0.0	(2,000)	(2,000)	(4,000)	(2,000)	(3,000)	(5,000)	(4,000)	(5,000)	(9,000)
	DIS reductions from PTOA			0.0	(2,000)	(5,000)	(7,000)	(2,000)	(5,000)	(7,000)	(4,000)	(10,000)	(14,000)
	MPA costs from Admin			0.0	(1,000)	(4,000)	(5,000)	(1,000)	(4,000)	(5,000)	(2,000)	(8,000)	(10,000)
	L&I Funding from PTOA			0.0	30,000		30,000	12,000		12,000	42,000	0	42,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	0	(2,000)	(2,000)	0	(2,000)	(2,000)	0	(4,000)	(4,000)
				0.0			0			0	0	0	0
	100 Total	0.0	0.0	0.0	25,000	(13,000)	12,000	7,000	(14,000)	(7,000)	32,000	(27,000)	5,000
110	Administration & Supporting Services												
	ISSD compensation adjustments from Admin			0.0	137,000	31,000	168,000	166,000	49,000	215,000	303,000	80,000	383,000
	DIS reductions from PTOA			0.0	(21,000)		(21,000)	(21,000)		(21,000)	(42,000)	0	(42,000)
	MPA costs from Admin			0.0	148,000	80,000	228,000	148,000	80,000	228,000	296,000	160,000	456,000
	L&I Funding from PTOA			0.0	37,000	8,000	45,000	16,000	3,000	19,000	53,000	11,000	64,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			1.0	51,000	37,000	88,000	51,000	37,000	88,000	102,000	74,000	176,000
	FTE Consolidation Transfer	8.0	13.0	10.5	490,000	214,000	704,000	714,000	307,000	1,021,000	1,204,000	521,000	1,725,000
				0.0			0			0	0	0	0
	110 Total	9.0	14.0	11.5	842,000	370,000	1,212,000	1,074,000	476,000	1,550,000	1,916,000	846,000	2,762,000
135	Special Commitment Center												
	ISSD compensation adjustments from Admin			0.0	(2,000)		(2,000)	(3,000)		(3,000)	(5,000)	0	(5,000)
	DIS reductions from PTOA			0.0	(1,000)		(1,000)	(1,000)		(1,000)	(2,000)	0	(2,000)
	MPA costs from Admin			0.0	(6,000)		(6,000)	(6,000)		(6,000)	(12,000)	0	(12,000)
	L&I Funding from PTOA			0.0	183,000		183,000	90,000		90,000	273,000	0	273,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(1,000)	0	(1,000)	(1,000)	0	(1,000)	(2,000)	0	(2,000)
	FTE Consolidation Transfer	(24.7)	(37.0)	(30.9)	(54,000)	0	(54,000)	(79,000)	0	(79,000)	(133,000)	0	(133,000)
				0.0			0			0	0	0	0
	135 Total	(24.7)	(37.0)	(30.9)	119,000	0	119,000	0	0	0	119,000	0	119,000
145	Payments to Other Agencies												
	DIS reductions from PTOA			0.0	755,000	322,000	1,077,000	739,000	314,000	1,053,000	1,494,000	636,000	2,130,000
	L&I Funding from PTOA			0.0	(4,609,000)	(1,773,000)	(6,382,000)	(2,116,000)	(843,000)	(2,959,000)	(6,725,000)	(2,616,000)	(9,341,000)
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	145 Total	0.0	0.0	0.0	(3,854,000)	(1,451,000)	(5,305,000)	(1,377,000)	(529,000)	(1,906,000)	(5,231,000)	(1,980,000)	(7,211,000)
150	Information System Services Division												
	Email & BB to DIS from ISSD	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin	(1.0)	(1.0)	(1.0)	0	0	0	0	0	0	0	0	0
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	145 Total	(1.0)	(1.0)	(1.0)	0	0	0	0	0	0	0	0	0
160	Consolidated Field Services												
	FTE Consolidation Transfer	343.1	540.2	441.7	0	0	0	0	0	0	0	0	0
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	150 Total	343.1	540.2	441.7	0	0	0	0	0	0	0	0	0
	Agency-Wide:	0	0	0.0	0	0	0	0	0	0	0	0	0

notes:

- Information System Services Division (ISSD) compensation adjustments from Administration & Supporting Services (Admin).
- Department of Information Services (DIS) rate & central service reductions from Payments to Other Agencies (PTOA).
- Additional Medicaid Purchasing Administration (MPA) costs to transfer from Admin.
- L&I funding from PTOA to programs.
- Email and Blackberry (BB) services transfer from ISSD to DIS. Net impact to the programs is zero; however, ISSD's funding will decrease by the amount programs reduce/transfer their TZ costs.
- ISSD Staff Transfer to Admin.
- In Mental Health, move FTEs and funding from Category 8000 to 9000 to align appropriations where costs are incurred.
- FTE Transfer related to the Regional Business Centers, Institutional Business Offices, and Maintenance Operations are consolidated in Program 160.

Department of Social and Health Services

DP Code/Title: M2-JG Leveraging Federal Revenue
Program Level - 100 Vocational Rehabilitation

Budget Period: 2011-13 Version: J2 100 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Division of Vocational Rehabilitation (DVR), requests \$2.5 million of Federal American Recovery Reinvestment Act (ARRA) appropriation in Fiscal Year 2012 to cover anticipated expenditures.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-2 General Fund - Basic Account-Federal	2,500,000	0	2,500,000
Total Cost	2,500,000	0	2,500,000

Staffing

Package Description:

DSHS, DVR, requests \$2.5 million of Federal ARRA appropriation in Fiscal Year 2012.

Agency Contact: Dan Winkley (360) 902-8179
Program Contact: Lorie Christoferson (360) 725-3615

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

DVR is currently serving approximately 14,000 individuals per year. DVR develops approximately 5,700 Individual Employment plans per year and assists 2,700 individuals with disabilities into employment within community-based settings, reducing their dependence on public assistance.

Performance Measure Detail

Agency Level

Activity: **J105 Vocational Rehabilitation Direct Client 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?

Yes, this request supports Goal 2 - Improve economic stability, employment and self-sufficiency.

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

Yes, this request supports the priority of increasing employment and self-sufficiency.

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

Yes, this request contributes to the statewide result Economic Vitality by increasing the percentage of people employed.

Department of Social and Health Services

DP Code/Title: M2-JG Leveraging Federal Revenue
Program Level - 100 Vocational Rehabilitation

Budget Period: 2011-13 Version: J2 100 - 2012 Sup Agency Request

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

This proposal impacts other DSHS programs and state agencies who receive DVR federal stimulus dollars through contracts.

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

No other alternative was considered.

What are the consequences of not funding this package?

The division will not spend down the remaining available federal stimulus grant funds.

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?

Not applicable

Expenditure and revenue calculations and assumptions

The division received \$8.9 in federal stimulus grant funds to provide accelerated services to individuals with disabilities impacted by the current economic downturn. The current appropriation authority of \$2,500,000 will not cover DVRs anticipated level of expenditures.

Of the \$8.9 million federal stimulus grant dollars, DVR spent approximately \$2 million during state Fiscal Year 2010 and \$1.9 million during state Fiscal Year 2011 leaving a balance of approximately \$5 million. DVRs federal stimulus grant dollars must be spent by December 31, 2011. An additional \$2.5 million of appropriation will allow DVR to spend down the remaining available federal stimulus grant.

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

These costs are one-time.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
N Grants, Benefits & Client Services	2,500,000	0	2,500,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-2, General Fund - Basic Account-Federal			
<u>Sources Title</u>			
126F Rehabilitation Svs - Basic Supp (A) (78.7%)	2,500,000	0	2,500,000
<i>Total for Fund 001-2</i>	2,500,000	0	2,500,000
Total Overall Funding	2,500,000	0	2,500,000

Department of Social and Health Services

DP Code/Title: M2-ZZ Unemployment
Program Level - 100 Vocational Rehabilitation

Budget Period: 2011-13 Version: J2 100 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests \$2,893,000 (\$2,245,000 GF-State) in the 2012 Supplemental Budget to offset increased Unemployment Insurance reimbursement to the Employment Security Department (ESD).

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	33,000	22,000	55,000
Total Cost	33,000	22,000	55,000

Staffing

Package Description:

Unemployment expenditures have increased significantly since 2008. DSHS has not been funded for this increase costs attributed to reductions to overall staffing levels. This decision package request funds related to the increase from 2008 which cannot be absorbed.

DSHS is self-insured for its unemployment insurance obligations, reimbursing the ESD for all unemployment benefits paid out to former employees. As DSHS has reduced its staffing level, its most current ESD quarterly bill, 2nd Quarter Calendar Year 2011, shows a 60 percent increase above its average quarterly ESD reimbursement from State Fiscal Year 2008. DSHS has reduced its FTEs by 2,400 or 13 percent since 2008 with no additional funding provided for its unemployment insurance obligations.

Agency contact: Edd Giger (360) 902-8067

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This request is necessary to ensure DSHS has adequate funds to reimburse the ESD for increased Unemployment Insurance billings due to mandated staff reduction.

Performance Measure Detail

Agency Level

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

This request contributes to the agency goal of strong management to increase public trust.

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

Yes. This request supports priority for economic security to promote practices and programs that protect workers.

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 makes key contributions to the following statewide results: Commitment to promote practices and programs that protect workers.

Department of Social and Health Services

DP Code/Title: M2-ZZ Unemployment
Program Level - 100 Vocational Rehabilitation

Budget Period: 2011-13 Version: J2 100 - 2012 Sup Agency Request

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

All DSHS programs are impacted by this request.

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

None. Given the large reductions undertaken by DSHS, the department is no longer able to absorb the increase costs associated with unemployment insurance compensation above funded levels.

What are the consequences of not funding this package?

If this decision package is not funded, then DSHS will have to divert funds for client services to offset this expense.

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 - ZZ Unemployment.xls

To develop the Unemployment model, the department looked at the Unemployment Rate Forecast completed by the state of Washington Revenue Forecast Council. The Unemployment Rate Forecast predicts unemployment will decline by an average of 0.6 percent each year. The department assumption is to dampened the trend by 75 percent given the current unemployment rate and the potential of additional reductions in Fiscal Year 2012 and Fiscal Year 2013.

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

These costs are ongoing.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
B Employee Benefits	33,000	22,000	55,000
 <u>DSHS Source Code Detail</u>			
Overall Funding			
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	33,000	22,000	55,000
<i>Total for Fund 001-1</i>	33,000	22,000	55,000
Total Overall Funding	33,000	22,000	55,000

2012 Supplemental Budget
M2-ZZ Unemployment

Program	2012			2013			BIENNIUM 2011-13			
	State	Federal	Total	State	Federal	Total	State	Federal	Total	Total
	010	\$ 254,000	\$ 85,000	\$ 339,000	\$ 174,000	\$ 58,000	\$ 232,000	\$ 428,000	\$ 143,000	\$ 571,000
020	\$ 337,000	\$ -	\$ 337,000	\$ 248,000	\$ -	\$ 248,000	\$ 585,000	\$ -	\$ 585,000	\$ 585,000
030	\$ 199,000	\$ 24,000	\$ 223,000	\$ 107,000	\$ 13,000	\$ 120,000	\$ 306,000	\$ 37,000	\$ 343,000	\$ 343,000
030 - 2000	\$ 197,000	\$ 24,000	\$ 221,000	\$ 106,000	\$ 13,000	\$ 119,000	\$ 303,000	\$ 37,000	\$ 340,000	\$ 340,000
030 - 9000	\$ 2,000	\$ -	\$ 2,000	\$ 1,000	\$ -	\$ 1,000	\$ 3,000	\$ -	\$ 3,000	\$ 3,000
040	\$ 258,000	\$ 233,000	\$ 491,000	\$ 180,000	\$ 162,000	\$ 342,000	\$ 438,000	\$ 395,000	\$ 833,000	\$ 833,000
040 - 1000	\$ 53,000	\$ 35,000	\$ 88,000	\$ 37,000	\$ 25,000	\$ 62,000	\$ 90,000	\$ 60,000	\$ 150,000	\$ 150,000
040 - 2000	\$ 203,000	\$ 195,000	\$ 398,000	\$ 141,000	\$ 136,000	\$ 277,000	\$ 344,000	\$ 331,000	\$ 675,000	\$ 675,000
040 - 9000	\$ 3,000	\$ 2,000	\$ 5,000	\$ 2,000	\$ 2,000	\$ 4,000	\$ 5,000	\$ 4,000	\$ 9,000	\$ 9,000
050	\$ 9,000	\$ 6,000	\$ 15,000	\$ (3,000)	\$ (2,000)	\$ (5,000)	\$ 6,000	\$ 4,000	\$ 10,000	\$ 10,000
060	\$ 28,000	\$ 23,000	\$ 51,000	\$ (18,000)	\$ (15,000)	\$ (33,000)	\$ 10,000	\$ 8,000	\$ 18,000	\$ 18,000
070	\$ 15,000	\$ 2,000	\$ 17,000	\$ 11,000	\$ 2,000	\$ 13,000	\$ 26,000	\$ 4,000	\$ 30,000	\$ 30,000
100	\$ 33,000	\$ -	\$ 33,000	\$ 22,000	\$ -	\$ 22,000	\$ 55,000	\$ -	\$ 55,000	\$ 55,000
110	\$ 139,000	\$ 33,000	\$ 172,000	\$ 104,000	\$ 24,000	\$ 128,000	\$ 243,000	\$ 57,000	\$ 300,000	\$ 300,000
135	\$ 91,000	\$ -	\$ 91,000	\$ 57,000	\$ -	\$ 57,000	\$ 148,000	\$ -	\$ 148,000	\$ 148,000
Total	\$ 1,363,000	\$ 406,000	\$ 1,769,000	\$ 882,000	\$ 242,000	\$ 1,124,000	\$ 2,245,000	\$ 648,000	\$ 2,893,000	\$ 2,893,000

Department of Social and Health Services

DP Code/Title: PL-JA Reduce Basic Support Grant
Program Level - 100 Vocational Rehabilitation

Budget Period: 2011-13 Version: J2 100 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Division of Vocational Rehabilitation (DVR), reduces (\$2,171,300) GF-State in the 2012 Supplemental Budget.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	(1,085,000)	(1,086,000)	(2,171,000)
Total Cost	(1,085,000)	(1,086,000)	(2,171,000)

Staffing

Package Description:

DSHS, DVR, reduces (\$2,171,300) GF-State for the Basic Support Grant.

DVR provides vocational rehabilitation services which contribute to the success of county developmental disability (CDD) programs and Behavioral Health Regional Support Networks (RSN) that provide pre-employment services and long term employment supports. DVR coordinates service delivery with these programs by providing job placement and retention services that enable their clients to obtain employment. This allows CDDs and RSNs to use their resources to provide the long term employment support that clients need after their DVR case is closed. The clients DVR serve have a primary disability as follows: Mobility impairment (orthopedic/neurological) 21%, cognitive disabilities (not DD) 27%, mental illness 24%, developmental disabilities 15%, hearing and/or site 8%, other disability 5%.

The reduction in GF-State to the DVR program over recent years has left insufficient GF-State funds necessary to fully match the Federal Fiscal Year (FFY) 2011 and 2012 Basic Support grant. DVR will not be able to match approximately \$4 million in federal grant funds.

Additionally, DVR will not meet the Maintenance of Effort (MOE) requirement for FFY 2012 by \$1.5 million. A MOE waiver will be requested during July/August of 2012 when the fourth quarter award is received. To receive a full or partial waiver the state must show that DVR reductions are not more than the states average reduction. If DVR is denied a MOE waiver, a dollar-for-dollar penalty will be assessed in the subsequent FFY.

Agency Contact: Dan Winkley (360) 902-8179
Program Contact: Lorie Christoferson (360) 725-3615

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To achieve savings to help the agency meet the 10 percent reduction targets set by the Office of Financial Mangement (OFM) for the 2012 Supplemental Budget.

Performance Measure Detail

Agency Level

Activity: J105 Vocational Rehabilitation Direct Client Services

Outcome Measures

Incremental Changes
FY 1 FY 2

Department of Social and Health Services

DP Code/Title: PL-JA Reduce Basic Support Grant
Program Level - 100 Vocational Rehabilitation

Budget Period: 2011-13 Version: J2 100 - 2012 Sup Agency Request

001310	Number of individuals achieving employment outcomes	0.00	0.00
--------	---	------	------

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

No

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

Yes, this decision package helps the agency meet the 10 percent reduction targets set by OFM for the 2012 Supplemental Budget.

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

No

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

DVR will not meet the Maintenance Of Effort (MOE) requirement for Federal Fiscal Year 2012 by approximately \$1.5 million. A MOE waiver will be requested during July/Aug of 2012 when the fourth quarter award is received. To receive a full or partial MOE Waiver the state must show that the Vocational Rehabilitation program reductions are not more than the states average reduction. If denied, a dollar-for-dollar penalty will be assessed, in addition to the reversion of the federal dollars.

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

No other alternative was considered.

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

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

Not applicable

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

None

Expenditure and revenue calculations and assumptions

This reduction represents 10 percent of DVRs 2011-2013 GF-State enacted budget.

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

These costs are ongoing.

Department of Social and Health Services

DP Code/Title: PL-JA Reduce Basic Support Grant
Program Level - 100 Vocational Rehabilitation

Budget Period: 2011-13 Version: J2 100 - 2012 Sup Agency Request

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
N Grants, Benefits & Client Services	(1,085,000)	(1,086,000)	(2,171,000)

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	(1,085,000)	(1,086,000)	(2,171,000)
<i>Total for Fund 001-1</i>	<u>(1,085,000)</u>	<u>(1,086,000)</u>	<u>(2,171,000)</u>
Total Overall Funding	<u>(1,085,000)</u>	<u>(1,086,000)</u>	<u>(2,171,000)</u>

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 100 Vocational Rehabilitation

Budget Period: 2011-13 Version: J2 100 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Information System Services Division (ISSD), requests \$512,000 (\$291,000 GF-State) in the 2012 Supplemental Budget for startup equipment required to migrate systems from the Office Building 2 (OB2) to the new State Data Center (SDC) located in the 1500 Jefferson Building.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 100			
001-1 General Fund - Basic Account-State	0	1,000	1,000
001-2 General Fund - Basic Account-Federal	4,000	5,000	9,000
Total Cost	4,000	6,000	10,000

Staffing

Package Description:

The Washington State Legislature enacted Engrossed Substitute Senate Bill 5931, during the 2011 Legislative Session, to address the high costs of Information Technology (IT) services. This legislation requires certain IT equipment to be housed in the new SDC located in the 1500 Jefferson Building complex. This investment facilitates the migration and consolidation of IT assets into the SDC in support of this legislation and the Governor's directive to consolidate data centers.

DSHS has a large computer equipment presence in the OB2 Data Center (approximately 85 server racks with 600 devices). Migrating this equipment to the new SDC building located in the 1500 Jefferson Building complex is part of a statewide initiative in support of the legislation.

To enable the migration of some systems, startup equipment is necessary. This startup equipment supports network operations and provides a landing pad for systems in the SDC. Existing equipment supporting these systems cannot be shutdown and physically moved for various reasons:

1. Shutting down and moving the hardware has a high risk of long outages of critical systems.
2. Data storage shared across many systems cannot be shut down and moved without significant system outages. These systems are critical to business operations and impact service to citizens.
3. Virtual host platforms need a starting point (e.g., landing pad) in the State Data Center. This equipment would be supplemented with existing hardware as virtual systems are migrated off the hardware freeing up capacity. Initial servers are needed to start the process.
4. Network components are needed to maintain performance and operations. These network components are needed during the migration period of dual operations and will be used ongoing after the migration.

The funding provides servers, storage and network equipment. DSHS has evaluated existing equipment and is only requesting new equipment where existing equipment will not work or makes business/financial sense (too old, not enough capacity, incompatible, etc.). The vast majority of existing DSHS equipment will be used or replaced by virtual capacity without additional funding. This request represents the exceptions where existing equipment is either not available or impractical to use.

The implementation schedule is driven by the Consolidated Technology Services OB2 Move project. This equipment is targeted for procurement approximately June 2012.

If the funding request is not approved, then more of the computer systems and equipment will be dependent on a Physical Move approach, which will increase the duration and risk of outages. There will be a higher probability that application availability will be impacted by the migration.

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 100 Vocational Rehabilitation

Budget Period: 2011-13 Version: J2 100 - 2012 Sup Agency Request

Agency contact: Tula Habb (360) 902-8182
Program contact: Cheryl Adams (360) 902-7551

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Desired Results:

1. The computer servers and storage equipment will allow the agency to increase the number of systems using a virtual to virtual migration approach. This approach is significantly quicker and less risky than physically moving equipment, which can impact services to clients/citizens.
2. The network equipment supports optimization, monitoring and trouble shooting. The desired result of the optimization is to keep network traffic, for 35 DSHS field offices across the state, flowing with the same performance as completed currently. Without this equipment, the network lines will become saturated causing work slowdowns and stoppages.
3. The desired results of the equipment for monitoring and trouble shooting is to resolve system problems quickly. In many cases, problems can be resolved before they become major problems causing work stoppage. Without tools to monitor and trouble shoot production problems, work stoppages will increase in duration causing productivity loss and service impacts to clients/citizens.

Overall, this funding will minimize business disruption (unplanned outages) caused from moving systems and equipment from OB2 to the SDC.

Negative Consequences, if this request is not funded:

1. Without computer servers and storage, systems will require longer outages to move to the SDC causing impacts to worker productivity and service to clients/citizens.
2. Without optimization equipment, the network lines will become saturated causing work slowdowns and stoppages.
3. Without tools to monitor and trouble shoot production problems, work stoppages will increase in duration causing productivity loss and service impacts to clients/citizens.
4. Impact to clients and citizens.
5. Moving equipment into the SDC has positive impacts including:
 - a. Leveraging a state-of-the-art facility.
 - b. Leveraging new shared services.
 - c. Reducing the cost of IT.

Performance Measure Detail

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

This decision package supports the agency's strategic plan as follows:

Goal H: Reinforce strong management to increase public trust

Objective 1: Improve information technology capacity to support management needs

Strategy: Maintain and update existing or implement new core applications, systems, and infrastructure to meet changing

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 100 Vocational Rehabilitation

Budget Period: 2011-13 Version: J2 100 - 2012 Sup Agency Request

needs and take advantage of changes in technology (DSHS).

The funding obtained by this decision package will allow the department to minimize impacts to existing systems performance and operations. Moving into the SDC will take advantage of a state-of-the-art facility and position the department to take advantage of future shared services.

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

This funding supports the new legislation and the consolidation of data centers into the SDC. This supports the statewide result to "improve state government efficiency" by reducing the overall cost of information technology.

The OB2 Move project is one of several phases in Washington State's IT Transformation Initiative. The other components of the IT initiative include implementation of shared services and data center consolidation.

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 supports the Priorities of Government (POG) critical value statement to improve state government efficiency. SDC has three mandated outcomes that align with this statewide result:

1. Improve security.
2. Reduce operational costs.
3. Improve service quality, availability, and performance.

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

This is related to new Legislation, ESSB 5931, requiring consolidation of data centers and moving all servers into the SDC building.

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

The department is using multiple options for migrating computer equipment and systems from OB2 to SDC. These are listed below and align with a study performed by INX Metagyre Inc. (INX) for DIS. The INX study included an analysis of alternatives for moving equipment out of OB2. One alternative looked at Physical Relocation of all systems. This alternative was dismissed due to the long system outage it would require and the risks of breaking systems. The other alternative looked at Individualize System Moves based on each system's requirements and interrelationships. This alternative was recommended as it has the least risk and allows better management of risks, resources, testing, problem resolution, and ability to fallback.

The three primary move scenarios that DSHS will use include:

1. Virtual to Virtual: Migrating virtual systems in OB2 to a virtual platform in the SDC. This requires seed equipment or some form of existing hardware platform (e.g., landing pad) in the SDC to work.
2. Physical Move: Unplugging existing equipment, moving, and installing it in the SDC. This is higher risk and requires a system outage.
3. Logical Move: Installing startup equipment in the SDC, loading systems on the equipment, and doing a cut-over. This is lower risk and can be done quicker than a physical move. This option requires startup equipment.

Each system is examined to determine which migration option best meets the business need and level of risk. The agency also put stringent requirements around what could be requested in this decision package. Equipment at end-of-life was not allowed on the funding list as these should already have a funding source for them (required regardless of the move). Only items required to make the move happen without a funding source were put on the list.

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 100 Vocational Rehabilitation

Budget Period: 2011-13 Version: J2 100 - 2012 Sup Agency Request

What are the consequences of not funding this package?

If the funding request is not approved, then more of the computer systems and equipment will be dependent on a Physical Move approach, which will increase the duration and risk of system outages. These would cause work stoppages and impact service to clients/citizens.

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

Costs estimates are based on vendor budgetary quotes.

See attachments: ISSD PL-PF State Data Center equipment.xlsx and ISSD PL PF State Data Center Transition IT Addendum.doc

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

The costs are one-time costs. Once equipment reaches end-of-life, the agency intends to migrate to a statewide shared service to provide this function.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 100 Objects			
T Intra-Agency Reimbursements	4,000	6,000	10,000
<u>DSHS Source Code Detail</u>			
Program 100	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	0	1,000	1,000
<i>Total for Fund 001-1</i>	<u>0</u>	<u>1,000</u>	<u>1,000</u>
Fund 001-2, General Fund - Basic Account-Federal			
<u>Sources Title</u>			
126F Rehabilitation Svs - Basic Supp (A) (78.7%)	4,000	5,000	9,000
<i>Total for Fund 001-2</i>	<u>4,000</u>	<u>5,000</u>	<u>9,000</u>
Total Program 100	<u>4,000</u>	<u>6,000</u>	<u>10,000</u>

**2012 Supplemental Budget
PL-PF State Data Center equipment**

**Department of Social & Health Services
COST SUMMARY**

	FY 2012	FY 2013	TOTAL
STORAGE		\$250,000	\$250,000
SERVERS		\$75,000	\$75,000
NETWORK	\$187,000		\$187,000
TOTAL	\$187,000	\$325,000	\$512,000

Total Funds	State	Federal
\$512,000	\$291,000	\$221,000

Biennial Total		All Objects			Object J			Object TZ		
DSHS Programs		State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA	30,000	41,000	71,000	-	-	-	30,000	41,000	71,000
020	JRA	13,000	-	13,000	-	-	-	13,000	-	13,000
030	MH	27,000	-	27,000	-	-	-	27,000	-	27,000
040	DD	21,000	6,000	27,000	-	-	-	21,000	6,000	27,000
050	LTC	17,000	16,000	33,000	-	-	-	17,000	16,000	33,000
060	ESA	119,000	107,000	226,000	-	-	-	119,000	107,000	226,000
070	ASA	2,000	1,000	3,000	-	-	-	2,000	1,000	3,000
100	VR	1,000	9,000	10,000	-	-	-	1,000	9,000	10,000
110	ADMIN	57,000	41,000	98,000	-	-	-	57,000	41,000	98,000
135	SCC	4,000	-	4,000	-	-	-	4,000	-	4,000
150	ISSD	-	-	-	-	-	-	-	-	-
		<u>291,000</u>	<u>221,000</u>	<u>512,000</u>	<u>512,000</u>	<u>512,000</u>	<u>512,000</u>	<u>(512,000)</u>	<u>221,000</u>	<u>-</u>
		57%	43%							

Total Funds	State	Federal
\$187,000	\$106,000	\$81,000

FY 2012		All Objects			Object J			Object TZ		
DSHS Programs		State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA	11,000	15,000	26,000	-	-	-	11,000	15,000	26,000
020	JRA	5,000	-	5,000	-	-	-	5,000	-	5,000
030	MH	10,000	-	10,000	-	-	-	10,000	-	10,000
040	DD	8,000	2,000	10,000	-	-	-	8,000	2,000	10,000
050	LTC	6,000	6,000	12,000	-	-	-	6,000	6,000	12,000
060	ESA	43,000	39,000	82,000	-	-	-	43,000	39,000	82,000
070	ASA	1,000	-	1,000	-	-	-	1,000	-	1,000
100	VR	-	4,000	4,000	-	-	-	-	4,000	4,000
110	ADMIN	21,000	15,000	36,000	-	-	-	21,000	15,000	36,000
135	SCC	1,000	-	1,000	-	-	-	1,000	-	1,000
150	ISSD	-	-	-	-	-	-	-	-	-
		<u>106,000</u>	<u>81,000</u>	<u>187,000</u>	<u>187,000</u>	<u>187,000</u>	<u>187,000</u>	<u>(187,000)</u>	<u>81,000</u>	<u>-</u>
		57%	43%							

Total Funds	State	Federal
\$325,000	\$185,000	\$140,000

FY 2013		All Objects			Object J			Object TZ		
DSHS Programs		State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA	19,000	26,000	45,000	-	-	-	19,000	26,000	45,000
020	JRA	8,000	-	8,000	-	-	-	8,000	-	8,000
030	MH	17,000	-	17,000	-	-	-	17,000	-	17,000
040	DD	13,000	4,000	17,000	-	-	-	13,000	4,000	17,000
050	LTC	11,000	10,000	21,000	-	-	-	11,000	10,000	21,000
060	ESA	76,000	68,000	144,000	-	-	-	76,000	68,000	144,000
070	ASA	1,000	1,000	2,000	-	-	-	1,000	1,000	2,000
100	VR	1,000	5,000	6,000	-	-	-	1,000	5,000	6,000
110	ADMIN	36,000	26,000	62,000	-	-	-	36,000	26,000	62,000
135	SCC	3,000	-	3,000	-	-	-	3,000	-	3,000
150	ISSD	-	-	-	-	-	-	-	-	-
		<u>185,000</u>	<u>140,000</u>	<u>325,000</u>	<u>325,000</u>	<u>325,000</u>	<u>325,000</u>	<u>(325,000)</u>	<u>140,000</u>	<u>-</u>
		57%	43%							

2012 Supplemental Budget
PL-PF State Data Center equipment
Department of Social & Health Services
Estimated Costs Breakout

Item	Area	Description	Total
1	ISSD Storage	This device will replicate the Storage Area Network (SAN) used by the Information Systems Services Division (ISSD). The existing Net App storage device cannot be moved to the State Data Center (SDC) until all the systems data is migrated off the device. Once all the systems data is migrated, the existing equipment can be repurposed by another group to avoid another purchase.	\$250,000
2	ISSD Servers	Three physical servers are needed to support the initial virtual platform at the SDC. Once virtual servers in the A-la-Carte 2 computer room are migrated to the SDC, the existing compute infrastructure (physical servers) can be used (i.e. repurposed) for the next round of system migrations.	\$45,000
3	ISSD Shared SQL database	Two servers are needed to support the ISSD Shared SQL environment. One for Production and one for the Quality Assurance (QA) environment.	\$30,000
4	ISSD Network	One Steelhead device to support Wide Area Network (WAN) optimization. This is a second device that will support the migration to the SDC reducing risk to local office disruption. This will also provide some redundancy in the architecture.	\$127,000
5	ISSD Network	Devices that tap into networks in support of network traffic monitoring (also known as TAPs), are needed to support DSHS network operations during the migration. Some of the existing TAPs equipment needs to remain attached to the DSHS Core network in OB2 during the migration. DSHS needs additional TAP equipment to monitor components on the SDC side of the network.	\$60,000
	TOTAL		\$512,000

Recommendation Summary

Version: K2 - 110 - 2012 Sup Agency Request

Budget Period: 2011-13
Budget Level Criteria: ALL

Dollars in Thousands	Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds	
Program 110 - Admin & Supporting Svcs						
CB - Current Biennium						
00	Current Biennium Base	0	427.6	49,658	45,845	95,503
	SubTotal CB		<u>427.6</u>	<u>49,658</u>	<u>45,845</u>	<u>95,503</u>
	Cumulative Total Thru CB		427.6	49,658	45,845	95,503
M2 - Inflation and Other Rate Changes						
9T	Transfers	0	11.5	1,916	846	2,762
KK	Community Initiative Funding	0	0.0	0	0	0
KN	SSPS Maintenance Resources	0	0.0	618	619	1,237
PG	SSPS Transition & Data Conversion	0	0.0	300	299	599
ZZ	Unemployment	0	0.0	243	57	300
	SubTotal M2		<u>11.5</u>	<u>3,077</u>	<u>1,821</u>	<u>4,898</u>
	Cumulative Total Thru M2		439.1	52,735	47,666	100,401
PL - Performance Level						
KM	Admin Contract Reductions - Proviso	0	0.0	(1,384)	0	(1,384)
KP	Staffing & Efficiency Savings	0	(0.8)	(841)	(501)	(1,342)
PF	State Data Center Equipment	0	0.0	57	41	98
	SubTotal PL		<u>(0.8)</u>	<u>(2,168)</u>	<u>(460)</u>	<u>(2,628)</u>
	Cumulative Total Thru PL		438.3	50,567	47,206	97,773
Total Proposed Budget for Program 110 - Admin & Supporting Svcs			<u>438.3</u>	<u>50,567</u>	<u>47,206</u>	<u>97,773</u>

Recommendation Summary Text

9T - Transfers

(M2) The Department of Social and Health Services (DSHS) requests to shift FTEs and funding among programs in the 2012 Supplemental Budget. This transfer will align FTEs and funds within the programs where the costs are incurred. The net impact is zero.

KK - Community Initiative Funding

(M2) The Department of Social and Health Services (DSHS), Administration and Supporting Services requests the transfer of \$250,000 GF-State from Fiscal Year 2013 to Fiscal Year 2012.

KM - Admin Contract Reductions - Proviso

(PL) The Department of Social and Health Services (DSHS), Administration and Supporting Services (Administration), reduces (\$1,384,000) in GF-State funding through the elimination of the funding for TeamChild, Juvenile Detention Alternatives Initiative (JDAI), and the Washington Mentoring Program.

KN - SSPS Maintenance Resources

(M2) The Department of Social and Health Services (DSHS), Information System Services Division (ISSD) requests 3.0 FTEs and \$1,237,000 (\$619,000 GF-State) in the 2012 Supplemental Budget to support the Social Service Payment System (SSPS) for the remainder of the biennium or until ProviderOne Phase 2 is funded.

Recommendation Summary

Budget Period:2011-13
Budget Level Criteria: ALL

Version: K2 - 110 - 2012 Sup Agency Request

Dollars in Thousands	Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
----------------------	---------------------	--------------------	-----------------------	-------------	-------------

KP - Staffing & Efficiency Savings

(PL) The Department of Social and Health Services (DSHS) reduces (\$1,342,000), (\$841,000) GF-State and (0.8) FTEs through staffing and efficiency savings.

PF - State Data Center Equipment

(PL) The Department of Social and Health Services (DSHS), Information System Services Division (ISSD), requests \$512,000 (\$291,000 GF-State) in the 2012 Supplemental Budget for startup equipment required to migrate systems from the Office Building 2 (OB2) to the new State Data Center (SDC) located in the 1500 Jefferson Building.

PG - SSPS Transition & Data Conversion

(M2) The Department of Social and Health Services (DSHS), Information System Services Division (ISSD) requests \$599,000 (\$300,000 GF-State) and 1.0 FTE in the 2012 Supplemental Budget to support the Social Service Payment System (SSPS) data conversion and transition.

ZZ - Unemployment

(M2) The Department of Social and Health Services (DSHS) requests \$2,893,000 (\$2,245,000 GF-State) in the 2012 Supplemental Budget to offset increased Unemployment Insurance reimbursement to the Employment Security Department (ESD).

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests to shift FTEs and funding among programs in the 2012 Supplemental Budget. This transfer will align FTEs and funds within the programs where the costs are incurred. The net impact is zero.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 110			
001-1 General Fund - Basic Account-State	842,000	1,074,000	1,916,000
001-2 General Fund - Basic Account-Federal	224,000	282,000	506,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	56,000	80,000	136,000
001-C General Fund - Basic Account-Medicaid Federal	90,000	114,000	204,000
Total Cost	1,212,000	1,550,000	2,762,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Program 110 FTEs	9.0	14.0	11.5

Package Description:

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

Information System Services Division (ISSD) Compensation Adjustment (110 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): Administration and Supporting Services (Administration) will transfer compensation costs for staff in ISSD to other DSHS programs. Compensation steps associated with staff in ISSD are routinely included within the budget steps for Administration. Administration will distribute \$383,000 (\$303,000 GF-State) of ISSD's costs to the programs. These steps include: 1) savings from ending automatic benefit increases from the Public Employees' Retirement System Plan 1; 2) health insurance decrease in Fiscal Year 2013 to reflect the expected decrease of state employees in 2011-13, (the decrease in the carry forward level has already been adjusted in Fiscal Year 2012); 3) 3 percent cost savings in employee salaries; and 4) employer contributions adjusted to levels adopted by the Pension Funding Council. ISSD's budget resides in programs' budgets at Sub-Object TZ.

Department of Information Services (DIS) Rate Reduction (145 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): Payments to Other Agencies (PTOA) will distribute \$2,130,000 (\$1,494,000 GF-State) of DIS rate adjustment costs to the various programs. DIS reduced their 2011-13 rates in technology leasing services, storage, and mainframe computing. Also, the Central Service Model reduced the department's funding for DIS services. PTOA does not pay these DIS costs for the entire department; rather, they are paid out of the programs' budgets at the Sub-Object EL levels.

Medicaid Purchasing Administration (MPA) Funding (110 to 010, 020, 030, 040, 050, 060, 070, 100, 135): Administration will distribute \$456,000 (\$296,000 GF-State) in costs to DSHS programs for the funding of positions that were transferred to the Health Care Authority (HCA). The negotiation for the DSHS and MPA transfer required DSHS to provide additional staff funding to HCA. Administration distributes this cost to the programs in this request. (Economic Services Administration (ESA) agreed to provide 3.0 FTEs, which were transferred out of the ESA 2011-13 Biennial Budget.) This distribution will give each program a share of the cost without Administration carrying the full cost as this was the original intent.

Department of Labor and Industries (L&I) Funding from PTOA to Programs (145 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150):

L&I funding for the various DSHS programs was provided in PTOA's budget and will need to transfer to the respective programs. PTOA will transfer \$9,341,000 (\$6,725,000 GF-State) to the programs.

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

ISSD Transfer of Email and Blackberry services to DIS (All DSHS Programs):

ISSD will no longer provide email and blackberry services for the department and will transfer these services to DIS. Program's funding for these services are in Sub-Object TZ and will need to transfer to Sub-Object EL. The estimated transfer amount is \$624,000 total funds for Fiscal Year 2012 and \$1,208,000 total funds for Fiscal Year 2013. Amounts in the first year are estimates because the transfer timeline may change.

ISSD Staff Transfer to Administration (150 or 020, 030, 040, 050, 060, 070, 100, 135 to 110):

ISSD will transfer 1.0 FTE and \$216,000 (\$126,000 GF-State) to Administration, which fits with the current organizational reporting structure. As mentioned above, because of ISSD's budget residing in the programs' Sub-Object TZ costs, programs will transfer \$176,000 of their ISSD's costs to Administration, which will also reduce their share of ISSD's costs by \$40,000.

Mental Health Category Transfers (030 8000 to 030 9000):

DSHS, Mental Health (MH), is a categorically appropriated program. Thus, MH requests to move 8.6 FTEs and \$671,000 (\$74,000 GF-State) from Category 8000 to Category 9000 to align appropriations where costs are incurred.

Consolidated Field Services FTE Transfer (010, 020, 030, 040, 050, 060, 135 to 110 & 160):

Program 160 - Consolidated Field Services (CFS) will consolidate 343.1 FTEs in Fiscal Year 2012 and 540.2 FTEs in Fiscal Year 2013 from various DSHS Programs, which is designed to centralize services and maximize efficiencies in order to support business functions and maintenance for the regional centers and the institutions. CFS will operate as a chargeback to programs in order to maintain the maximum federal participation rate that DSHS Programs receive. Part of this consolidation is a transfer of 8.0 FTEs and \$704,000 (\$490,000 GF-State) in Fiscal Year 2012 and 13.0 FTEs and \$1,021,000 (\$714,000 GF-State) in Fiscal Year 2013 for payroll staff, Facility Planners and a Fiscal Coordinator from the various programs to Program 110. The consolidation will phase in from November 1, 2011, through March 1, 2012, and has been approved by the Legislative Evaluation and Accountability Program (LEAP) Committee.

These transfers will realign the 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?

DSHS accounts for the wise use of public dollars by maximizing federal funding sources.

Performance Measure Detail

Program: 110

Activity: K002 Operations Support and Services Division

No measures linked to package

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

Activity: K030 Executive Management

No measures linked to package

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

Activity: K037 Financial Services Administration

No measures linked to package

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

Activity: K099 Suspense

No measures linked to package

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

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

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

Yes. This request supports our goal to improve health care quality and access and to improve internal and external partnerships.

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

Yes. This request supports the Governor's priority associated with efficient state government services for the people of Washington State.

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

Yes. This request makes key contributions to the Governor's statewide results to "strengthen government's ability to achieve results efficiently and effectively."

This package will rate high in the Priorities of Government (POG) process as it will assist us in ensuring that needed support and funds are in the correct programs. In addition, it will allow DSHS to monitor costs and services efficiently and effectively.

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, 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 resulting in the funding being in the correct programs. Then, all costs associated with these transfers will be ongoing and will carry-forward into future biennia.

Department of Social and Health Services

DP Code/Title: M2-9T Transfers

Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 110 Objects			
A Salaries And Wages	545,000	779,000	1,324,000
B Employee Benefits	231,000	289,000	520,000
E Goods And Services	27,000	49,000	76,000
G Travel	14,000	22,000	36,000
J Capital Outlays	23,000	13,000	36,000
N Grants, Benefits & Client Services	236,000	236,000	472,000
T Intra-Agency Reimbursements	136,000	162,000	298,000
Total Objects	1,212,000	1,550,000	2,762,000

DSHS Source Code Detail

<u>Program 110</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	842,000	1,074,000	1,916,000
<i>Total for Fund 001-1</i>	842,000	1,074,000	1,916,000
Fund 001-2, General Fund - Basic Account-Federal			
<u>Sources Title</u>			
001B Social Security Disability Ins (100%)	13,000	18,000	31,000
E61L Food Stamp Program (50%)	211,000	264,000	475,000
<i>Total for Fund 001-2</i>	224,000	282,000	506,000
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi			
<u>Sources Title</u>			
563I Title IV-D Child Support Enforcement (A) (66%)	30,000	41,000	71,000
658L Title IV-E-Foster Care (50%)	23,000	33,000	56,000
659L Title IV-E Adoption Assistance (50%)	3,000	6,000	9,000
<i>Total for Fund 001-A</i>	56,000	80,000	136,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources Title</u>			
19UL Title XIX Admin (50%)	90,000	114,000	204,000
<i>Total for Fund 001-C</i>	90,000	114,000	204,000
Total Program 110	1,212,000	1,550,000	2,762,000

**2012 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	
010	Children's Administration													
	ISSD compensation adjustments from Admin			0.0	(19,000)	(9,000)	(28,000)	(23,000)	(13,000)	(36,000)	(42,000)	(22,000)	(64,000)	
	DIS reductions from PTOA			0.0	(103,000)	(44,000)	(147,000)	(100,000)	(43,000)	(143,000)	(203,000)	(87,000)	(290,000)	
	MPA costs from Admin			0.0	(24,000)	(13,000)	(37,000)	(24,000)	(13,000)	(37,000)	(48,000)	(26,000)	(74,000)	
	L&I Funding from PTOA			0.0	192,000	63,000	255,000	80,000	26,000	106,000	272,000	89,000	361,000	
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0	
	ISSD Staff Transfer to Admin			0.0	(6,000)	(9,000)	(15,000)	(6,000)	(9,000)	(15,000)	(12,000)	(18,000)	(30,000)	
	FTE Consolidation Transfer	(10.9)	(26.2)	(18.6)	(37,000)	(41,000)	(78,000)	(52,000)	(59,000)	(111,000)	(89,000)	(100,000)	(189,000)	
				0.0			0			0			0	
	010 Total	(10.9)	(26.2)	(18.6)	3,000	(53,000)	(50,000)	(125,000)	(111,000)	(236,000)	(122,000)	(164,000)	(286,000)	
020	Juvenile Rehabilitation													
	ISSD compensation adjustments from Admin			0.0	(5,000)		(5,000)	(7,000)		(7,000)	(12,000)	0	(12,000)	
	DIS reductions from PTOA			0.0	(8,000)		(8,000)	(8,000)		(8,000)	(16,000)	0	(16,000)	
	MPA costs from Admin			0.0	(8,000)	(4,000)	(12,000)	(8,000)	(4,000)	(12,000)	(16,000)	(8,000)	(24,000)	
	L&I Funding from PTOA			0.0	382,000		382,000	179,000		179,000	561,000	0	561,000	
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0	
	ISSD Staff Transfer to Admin			0.0	(3,000)	0	(3,000)	(3,000)	0	(3,000)	(6,000)	0	(6,000)	
	FTE Consolidation Transfer	(36.0)	(55.1)	(45.6)	(11,000)	0	(11,000)	(15,000)	0	(15,000)	(26,000)	0	(26,000)	
				0.0			0			0			0	
	020 Total	(36.0)	(55.1)	(45.6)	347,000	(4,000)	343,000	138,000	(4,000)	134,000	485,000	(8,000)	477,000	
030	Mental Health													
	ISSD compensation adjustments from Admin			0.0	(12,000)	1,000	(11,000)	(15,000)	1,000	(14,000)	(27,000)	2,000	(25,000)	
	DIS reductions from PTOA			0.0	(19,000)	4,000	(15,000)	(18,000)	4,000	(14,000)	(37,000)	8,000	(29,000)	
	MPA costs from Admin			0.0	(26,000)	(14,000)	(40,000)	(26,000)	(14,000)	(40,000)	(52,000)	(28,000)	(80,000)	
	L&I Funding from PTOA			0.0	2,011,000	249,000	2,260,000	893,000	110,000	1,003,000	2,904,000	359,000	3,263,000	
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0	
	ISSD Staff Transfer to Admin			0.0	(6,000)	0	(6,000)	(6,000)	0	(6,000)	(12,000)	0	(12,000)	
	Category 8000	(8.6)	(8.6)	(8.6)	(296,000)	(38,000)	(334,000)	(301,000)	(36,000)	(337,000)	(597,000)	(74,000)	(671,000)	
	Category 9000	8.6	8.6	8.6	296,000	38,000	334,000	301,000	36,000	337,000	597,000	74,000	671,000	
	FTE Consolidation Transfer	(119.2)	(178.9)	(149.1)	(239,000)	0	(239,000)	(353,000)	0	(353,000)	(592,000)	0	(592,000)	
				0.0			0			0			0	
	030 Total	(119.2)	(178.9)	(149.1)	1,709,000	240,000	1,949,000	475,000	101,000	576,000	2,184,000	341,000	2,525,000	
040	Division of Developmental Disabilities													
	ISSD compensation adjustments from Admin			0.0	(9,000)	(2,000)	(11,000)	(10,000)	(3,000)	(13,000)	(19,000)	(5,000)	(24,000)	
	DIS reductions from PTOA			0.0	(27,000)	(1,000)	(28,000)	(26,000)		(26,000)	(53,000)	(1,000)	(54,000)	
	MPA costs from Admin			0.0	(31,000)	(17,000)	(48,000)	(31,000)	(17,000)	(48,000)	(62,000)	(34,000)	(96,000)	
	L&I Funding from PTOA			0.0	1,366,000	1,311,000	2,677,000	670,000	644,000	1,314,000	2,036,000	1,955,000	3,991,000	
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0	
	ISSD Staff Transfer to Admin			0.0	(5,000)	(1,000)	(6,000)	(5,000)	(1,000)	(6,000)	(10,000)	(2,000)	(12,000)	
	FTE Consolidation Transfer	(144.9)	(219.7)	(182.3)	(62,000)	(105,000)	(167,000)	(92,000)	(152,000)	(244,000)	(154,000)	(257,000)	(411,000)	
				0.0			0			0			0	
	040 Total	(144.9)	(219.7)	(182.3)	1,232,000	1,185,000	2,417,000	506,000	471,000	977,000	1,738,000	1,656,000	3,394,000	
050	Long Term Care													
	ISSD compensation adjustments from Admin			0.0	(11,000)	(3,000)	(14,000)	(14,000)	(4,000)	(18,000)	(25,000)	(7,000)	(32,000)	
	DIS reductions from PTOA			0.0	(44,000)	(15,000)	(59,000)	(44,000)	(14,000)	(58,000)	(88,000)	(29,000)	(117,000)	
	MPA costs from Admin			0.0	(12,000)	(7,000)	(19,000)	(12,000)	(7,000)	(19,000)	(24,000)	(14,000)	(38,000)	
	L&I Funding from PTOA			0.0	77,000	51,000	128,000	33,000	21,000	54,000	110,000	72,000	182,000	
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0	
	ISSD Staff Transfer to Admin			0.0	(4,000)	(3,000)	(7,000)	(4,000)	(3,000)	(7,000)	(8,000)	(6,000)	(14,000)	
	FTE Consolidation Transfer	(3.9)	(9.1)	(6.5)	(15,000)	(13,000)	(28,000)	(22,000)	(18,000)	(40,000)	(37,000)	(31,000)	(68,000)	
				0.0			0			0			0	
	050 Total	(3.9)	(9.1)	(6.5)	(9,000)	10,000	1,000	(63,000)	(25,000)	(88,000)	(72,000)	(15,000)	(87,000)	
060	Economic Services Administration													
	ISSD compensation adjustments from Admin			0.0	(76,000)	(16,000)	(92,000)	(91,000)	(27,000)	(118,000)	(167,000)	(43,000)	(210,000)	
	DIS reductions from PTOA			0.0	(530,000)	(260,000)	(790,000)	(519,000)	(255,000)	(774,000)	(1,049,000)	(515,000)	(1,564,000)	
	MPA costs from Admin			0.0	(39,000)	(21,000)	(60,000)	(39,000)	(21,000)	(60,000)	(78,000)	(42,000)	(120,000)	
	L&I Funding from PTOA			0.0	325,000	90,000	415,000	140,000	39,000	179,000	465,000	129,000	594,000	
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0	
	ISSD Staff Transfer to Admin			0.0	(25,000)	(22,000)	(47,000)	(25,000)	(22,000)	(47,000)	(50,000)	(44,000)	(94,000)	
	FTE Consolidation Transfer	(11.5)	(27.2)	(19.4)	(72,000)	(55,000)	(127,000)	(101,000)	(78,000)	(179,000)	(173,000)	(133,000)	(306,000)	
				0.0			0			0			0	
	060 Total	(11.5)	(27.2)	(19.4)	(417,000)	(284,000)	(701,000)	(635,000)	(364,000)	(999,000)	(1,052,000)	(648,000)	(1,700,000)	
070	Division of Alcohol and Substance Abuse													
	ISSD compensation adjustments from Admin			0.0	(1,000)		(1,000)	(1,000)		(1,000)	(2,000)	0	(2,000)	
	DIS reductions from PTOA			0.0		(1,000)	(1,000)		(1,000)	(1,000)	0	(2,000)	(2,000)	
	MPA costs from Admin			0.0	(1,000)		(1,000)	(1,000)		(1,000)	(2,000)	0	(2,000)	
	L&I Funding from PTOA			0.0	6,000	1,000	7,000	3,000		3,000	9,000	1,000	10,000	
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0	
	ISSD Staff Transfer to Admin			0.0	(1,000)	0	(1,000)	(1,000)	0	(1,000)	(2,000)	0	(2,000)	
				0.0			0			0			0	
	070 Total	0.0	0.0	0.0	3,000	0	3,000	0	(1,000)	(1,000)	3,000	(1,000)	2,000	

**2012 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
100	Division of Voc. Rehabilitation												
	ISSD compensation adjustments from Admin			0.0	(2,000)	(2,000)	(4,000)	(2,000)	(3,000)	(5,000)	(4,000)	(5,000)	(9,000)
	DIS reductions from PTOA			0.0	(2,000)	(5,000)	(7,000)	(2,000)	(5,000)	(7,000)	(4,000)	(10,000)	(14,000)
	MPA costs from Admin			0.0	(1,000)	(4,000)	(5,000)	(1,000)	(4,000)	(5,000)	(2,000)	(8,000)	(10,000)
	L&I Funding from PTOA			0.0	30,000		30,000	12,000		12,000	42,000	0	42,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	0	(2,000)	(2,000)	0	(2,000)	(2,000)	0	(4,000)	(4,000)
				0.0			0			0	0	0	0
	100 Total	0.0	0.0	0.0	25,000	(13,000)	12,000	7,000	(14,000)	(7,000)	32,000	(27,000)	5,000
110	Administration & Supporting Services												
	ISSD compensation adjustments from Admin			0.0	137,000	31,000	168,000	166,000	49,000	215,000	303,000	80,000	383,000
	DIS reductions from PTOA			0.0	(21,000)		(21,000)	(21,000)		(21,000)	(42,000)	0	(42,000)
	MPA costs from Admin			0.0	148,000	80,000	228,000	148,000	80,000	228,000	296,000	160,000	456,000
	L&I Funding from PTOA			0.0	37,000	8,000	45,000	16,000	3,000	19,000	53,000	11,000	64,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			1.0	51,000	37,000	88,000	51,000	37,000	88,000	102,000	74,000	176,000
	FTE Consolidation Transfer	8.0	13.0	10.5	490,000	214,000	704,000	714,000	307,000	1,021,000	1,204,000	521,000	1,725,000
				0.0			0			0	0	0	0
	110 Total	9.0	14.0	11.5	842,000	370,000	1,212,000	1,074,000	476,000	1,550,000	1,916,000	846,000	2,762,000
135	Special Commitment Center												
	ISSD compensation adjustments from Admin			0.0	(2,000)		(2,000)	(3,000)		(3,000)	(5,000)	0	(5,000)
	DIS reductions from PTOA			0.0	(1,000)		(1,000)	(1,000)		(1,000)	(2,000)	0	(2,000)
	MPA costs from Admin			0.0	(6,000)		(6,000)	(6,000)		(6,000)	(12,000)	0	(12,000)
	L&I Funding from PTOA			0.0	183,000		183,000	90,000		90,000	273,000	0	273,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(1,000)	0	(1,000)	(1,000)	0	(1,000)	(2,000)	0	(2,000)
	FTE Consolidation Transfer	(24.7)	(37.0)	(30.9)	(54,000)	0	(54,000)	(79,000)	0	(79,000)	(133,000)	0	(133,000)
				0.0			0			0	0	0	0
	135 Total	(24.7)	(37.0)	(30.9)	119,000	0	119,000	0	0	0	119,000	0	119,000
145	Payments to Other Agencies												
	DIS reductions from PTOA			0.0	755,000	322,000	1,077,000	739,000	314,000	1,053,000	1,494,000	636,000	2,130,000
	L&I Funding from PTOA			0.0	(4,609,000)	(1,773,000)	(6,382,000)	(2,116,000)	(843,000)	(2,959,000)	(6,725,000)	(2,616,000)	(9,341,000)
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	145 Total	0.0	0.0	0.0	(3,854,000)	(1,451,000)	(5,305,000)	(1,377,000)	(529,000)	(1,906,000)	(5,231,000)	(1,980,000)	(7,211,000)
150	Information System Services Division												
	Email & BB to DIS from ISSD	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin	(1.0)	(1.0)	(1.0)	0	0	0	0	0	0	0	0	0
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	145 Total	(1.0)	(1.0)	(1.0)	0	0	0	0	0	0	0	0	0
160	Consolidated Field Services												
	FTE Consolidation Transfer	343.1	540.2	441.7	0	0	0	0	0	0	0	0	0
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	150 Total	343.1	540.2	441.7	0	0	0	0	0	0	0	0	0
	Agency-Wide:	0	0	0.0	0	0	0	0	0	0	0	0	0

notes:

1. Information System Services Division (ISSD) compensation adjustments from Administration & Supporting Services (Admin).
2. Department of Information Services (DIS) rate & central service reductions from Payments to Other Agencies (PTOA).
3. Additional Medicaid Purchasing Administration (MPA) costs to transfer from Admin.
4. L&I funding from PTOA to programs.
5. Email and Blackberry (BB) services transfer from ISSD to DIS. Net impact to the programs is zero; however, ISSD's funding will decrease by the amount programs reduce/transfer their TZ costs.
6. ISSD Staff Transfer to Admin.
7. In Mental Health, move FTEs and funding from Category 8000 to 9000 to align appropriations where costs are incurred.
8. FTE Transfer related to the Regional Business Centers, Institutional Business Offices, and Maintenance Operations are consolidated in Program 160.

Department of Social and Health Services

DP Code/Title: M2-KK Community Initiative Funding
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Administration and Supporting Services requests the transfer of \$250,000 GF-State from Fiscal Year 2013 to Fiscal Year 2012.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	250,000	(250,000)	0
Total Cost	250,000	(250,000)	0

Staffing

Package Description:

As part of the 2011-13 Biennial Budget, \$500,000 GF-State funding was provided for engaging the private sector in development of a public-private partnership to help address the needs of high-risk children and families. The Department was authorized to develop partnerships and a new model for financing network community capacity building and reducing adverse childhood experiences. The \$500,000 was one-time state funding that was provided to meet these ends.

The funding was split evenly between the Fiscal Year 2012 and Fiscal Year 2013. The full \$500,000 is needed in Fiscal Year 2012 to leverage the maximum private resources to carry out the development of the private-partnership initiative. This is a net zero request between the two fiscal years.

Agency Contact: Tula Habb (360) 902-8182
Program Contact: Laura Porter (360) 902-7885

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The agency expects increased private sector revenues for sustaining a foundation of general community capacity building through networks that is based on research evidence and best practices for Washington State.

Performance Measure Detail

Agency Level

Activity: K094 Special Projects and Unique Programs Grants

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?

Yes, one of the Department's strategic goals is to improve the health status of vulnerable populations. By working with our private partners we can achieve this goal.

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

Yes, this request supports government accountability by its use of public dollars and leveraging private dollars to keep

Department of Social and Health Services

DP Code/Title: M2-KK Community Initiative Funding
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

citizens healthy and informed.

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

Yes, it will contribute to the Governor's goal in improving the health and well-being of vulnerable children.

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

This proposal is consistent with the Governor's proposal to the Legislature for the 2011-13 Biennium, and provides the DSHS Secretary with the financial resources needed to solicit contributions from the private sector.

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

No alternatives were explored, as this request is to move the one-time funding from Fiscal Year 2013 to Fiscal Year 2012.

What are the consequences of not funding this package?

In order to carry out the development of the private-partnership initiative the full \$500,000 is needed in Fiscal Year 2012. Activities would have to be cut back if the \$250,000 in funding is not moved from Fiscal Year 2013 to Fiscal Year 2012.

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

Not Applicable

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

Not Applicable

Expenditure and revenue calculations and assumptions

The full \$250,000 GF-State must be moved from Fiscal Year 2013 to Fiscal Year 2012. This is a net zero request between the two fiscal years.

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

The funding provided in the 2011-13 Biennial Budget to establish the Community Initiative was one-time funding.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods And Services	250,000	(250,000)	0

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	250,000	(250,000)	0
<i>Total for Fund 001-1</i>	<u>250,000</u>	<u>(250,000)</u>	<u>0</u>
Total Overall Funding	250,000	(250,000)	0

Department of Social and Health Services

DP Code/Title: M2-KN SSPS Maintenance Resources

Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Information System Services Division (ISSD) requests 3.0 FTEs and \$1,237,000 (\$619,000 GF-State) in the 2012 Supplemental Budget to support the Social Service Payment System (SSPS) for the remainder of the biennium or until ProviderOne Phase 2 is funded.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 110			
001-1 General Fund - Basic Account-State	266,000	352,000	618,000
001-C General Fund - Basic Account-Medicaid Federal	266,000	353,000	619,000
Total Cost	532,000	705,000	1,237,000

Staffing

Package Description:

DSHS, ISSD requests 3.0 FTEs and associated funding as well as funding for two contracted mainframe developers. Staffing levels must be increased for SSPS to remain viable until decommissioning timelines are determined.

This request is contingent on the funding of ProviderOne Phase 2 implementation. If Phase 2 is funded, this request is not needed and a separate request, M2-PG SSPS Transition & Data Conversion that begins decommissioning of SSPS and its data conversion activities to ProviderOne would be required instead. If Phase 2 is not funded, this request would be required and the M2-PG SSPS Transition & Data Conversion would not.

SSPS issues approximately \$2 billion annually in payments to in-home health care providers, day care providers, foster parents, and other social service providers in support of agency programs.

Staffing levels within SSPS decreased beginning in 2008 and throughout the 2009-11 Biennium in anticipation of a phased decommission resulting from full implementation of ProviderOne. Full implementation of ProviderOne was originally planned to occur in two phases. That plan was subsequently modified to be three phases. In April 2007, there were 53 FTEs supporting SSPS operations. By the end of the 2009-11 Biennium, that number had decreased by 30 percent to 37 FTEs. Most of the reduced FTEs were developers, business analysts, and testing resources supporting the technical operations of the system. Other resources supporting SSPS business operations were also decreased.

SSPS has operated at these reduced staffing levels by providing maintenance level activities only. All but minor changes and routine operational updates within SSPS have been deferred. Both technical and business operations staffs are working at capacity.

ProviderOne Phase 1 implemented in May 2010. This implementation, while delayed beyond the original planning dates, was very successful. Work on Phase 2 began soon after, with planned implementation in late 2012 or early 2013. This implementation would have removed around 60 percent of the payments from SSPS.

In this last legislative session, ProviderOne Phase 2 was not funded due to severe budget constraints. As a result, the eventual decommission of SSPS has been delayed with no alternative decommission date or strategy identified at this time.

SSPS operates on a 1970's technology, Unisys Cobol mainframe platform. It is supplemented by SQL server, .NET and web based technologies added to support requirements resulting from multiple collective bargaining agreements. SSPS is becoming increasingly fragile from both a technical and a staffing perspective. It is difficult to locate staff with Unisys Cobol background and on average takes two years or more for a new staff to develop the technical competence on the complex SSPS architecture and

Department of Social and Health Services

DP Code/Title: M2-KN SSPS Maintenance Resources

Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

applications. In recent months, there has been an increase in system issues which seem to have resulted from stretched resources interacting with this complex application to accomplish maintenance tasks or small enhancements. Additional resources will allow the agency to begin mitigating the staffing risks.

A team of four program manager/business analysts liaison with program staff and business partners to support program area needs and respond to information requests. These staff currently support day to day operations and lack the capacity to support larger or more complex efforts that SSPS will likely need to support until ProviderOne Phase 2 resumes or other decommission plans are made.

SSPS has no dedicated test staff and no dedicated test environment. The testing staff adds needed capability to the team. The expectation would be for this position to lead the creation of a dedicated test environment that would support a wider array of testing, including routine regression testing. The position would also manage the associated test program within SSPS.

Agency Contact: Tula Habb (360) 902-8182

Program Contact: Cheryl Adams (360) 902-7551

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

With these added resources, DSHS expects to be able to:

1. Reduce the risk associated with anticipated staff losses by bringing on qualified Unisys Cobol and .NET staff.
2. Sustain or improve ability to support program and collective bargaining requirements as well as implement other efficiency measures, such as print and mail cost reductions and to implement change resulting from budget reductions.
3. Reduce the number and severity of production system issues by improving requirements, analysis, testing, and system documentation.

Performance Measure Detail

Program: 110

Activity: K002 Operations Support and Services Division

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?

Yes. This request supports DSHS's goal to increase public trust through strong management practices that ensure quality and leverage all resources by ensuring high-performing IT solutions and services that support agency priorities and minimize risk.

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

Yes. Sustaining SSPS is critical to the purchasing strategies for goals related to improving the security for vulnerable adults and children and improving the economic vitality of businesses and individuals.

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

Department of Social and Health Services

DP Code/Title: M2-KN SSPS Maintenance Resources
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

SSPS is the payment system for services provided to:

1. Elderly and disabled citizens receiving services paid by Medicaid or other state funded long term care programs.
2. Child care providers for clients using Working Connections and similar child care programs.
3. Foster parents, parents receiving adoption subsidies and other child welfare/child protective services.

To the extent that SSPS is not resourced at a level to ensure operational integrity, the ability to make timely and accurate payments may be compromised. This is especially true when SSPS changes are made to support mandated priorities. The age, complexity and relative fragility of the system makes error more likely.

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

Internal and external stakeholders are supportive of measures to keep SSPS functioning effectively until decommission.

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

The primary alternative was to evaluate whether existing resources could be redeployed to meet this need. There are three other Unisys Cobol systems within DSHS but each of them also suffers from similar risks - a scarcity of Unisys Cobol qualified staff. This was determined to not be a viable alternative as it would simply pull resources from another critical agency system.

Also evaluated was the option of redeploying FTEs to meet this need. Available SSPS FTEs are currently working at capacity offering provider registration and customer support services that had previously been centralized as an efficiency measure. It is not an option to reduce or discontinue this centralized support without impacting field operations and/or timely payments.

What are the consequences of not funding this package?

SSPS would be unlikely to be able to support major system changes, including those that are mandated by change in law or policy. As possible staff losses occur; day to day operations may be negatively impacted.

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: ISSD M2-KN SSPS Maintenance Resources Table.docx

Additional Attachment: ISSD M2-KN SSPS Maintenance Resources IT Addendum.doc

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

Except for the \$3,000 one time equipment request, all of the requested costs are ongoing until such time as a firm timeline on SSPS decommission has been made. It is anticipated that these added resources would be needed for the current biennium and at least two more biennia (Fiscal Year 2012 through Fiscal Year 2017).

Department of Social and Health Services

DP Code/Title: M2-KN SSPS Maintenance Resources
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 110 Objects			
T Intra-Agency Reimbursements	532,000	705,000	1,237,000

DSHS Source Code Detail

Program 110	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	266,000	352,000	618,000
<i>Total for Fund 001-1</i>	<u>266,000</u>	<u>352,000</u>	<u>618,000</u>
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources</u> <u>Title</u>			
19UL Title XIX Admin (50%)	266,000	353,000	619,000
<i>Total for Fund 001-C</i>	<u>266,000</u>	<u>353,000</u>	<u>619,000</u>
Total Program 110	<u>532,000</u>	<u>705,000</u>	<u>1,237,000</u>

2012 Supplemental Budget M2-KN SSPS Maintenance Resources

Department of Social and Health Services

Expenditure and revenue calculations and assumptions:

- Three Information Technology Specialist 5 positions (business analyst, test manager and .NET/SQL Developer)
- Two contracted Unisys Cobol Programmers (calculations assume \$95 per hour for full time resources).

	FY2012	FY2013	Biennium
FTEs	2.3	3.0	2.6
A Salaries	173,000	231,000	404,000
B Benefits	52,000	69,000	121,000
E Purchased Services	288,000	384,000	672,000
E Goods & Services	16,000	21,000	37,000
J Equipment	3,000	0	3,000
	<u>532,000</u>	<u>705,000</u>	<u>1,237,000</u>
State	266,000	353,000	619,000
Federal	<u>266,000</u>	<u>352,000</u>	<u>618,000</u>
	532,000	705,000	1,237,000

Note: DSHS Program 150 – Information System Services Division is a chargeback program, therefore, costs reside in sub-object TZ of Program 110 – Administration & Supporting Services. However, FTE authority resides in Program 150.

Information Technology (IT) Addendum

I. Complete questions 1 through 9 for every IT-related Decision Package:

1. Provide a brief description of the Information Technology (IT) components of this decision package (e.g., the project or commodity investment):

This request will fund three FTEs and two contracted resources to support the Social Service Payment System (SSPS) at a cost of \$1,237,000 (\$619,000 GF-S) for the remainder of the biennium. Staffing levels must be increased for SSPS to remain viable until decommissioning timelines are determined.

2. Is the project or commodity investment in the agency's IT Portfolio: Yes No

3. What is the oversight level for this project or commodity investment?

This proposed investment has been assessed as a Level 1 investment.

4. What common services will be utilized for this project or commodity investment?

Contracted resources will be procured using the IT Professional Services (ITPS) Master Contract.

5. Is a 904 consultation e-mail confirmation for this project or commodity investment attached to the decision package? Yes No (This is required.)

904 Consults are no longer required.

6. Breakdown of Implementation Costs/FTEs of the IT Project or Commodity Investment:

There are no implementation costs for this decision package request.

7. Breakdown of Ongoing Maintenance and Support Costs for the Project or Commodity Investment:

Cost Breakdown (maintenance)						
	Year 1 FY2012	Year 2 FY2013	Year 3 FY2014	Year 4 FY2015	Year 5 FY2016	Totals
IT FTEs – (For each job type, list the number of staff and the total salary and benefits) <i>Examples:</i> <ul style="list-style-type: none"> ▪ WMS Band 2 ▪ ITAS6 ▪ ITAS4 ▪ Other (specify) 	ITAS5 2.3 \$225,000	ITAS5 3.0 \$300,000	ITAS5 3.0 \$300,000	ITAS5 3.0 \$300,000	ITAS5 3.0 \$300,000	\$1,425,000
Purchased Services Contracts	\$288,000	\$384,000	\$384,000	\$384,000	\$384,000	\$1,824,000
Personal Services Contracts						
Hardware Purchase or Upgrades	\$3,000					\$3,000
Hardware Maintenance						
Software License Purchase or Upgrades						

2012 Supplemental Budget
M2-KN SSPS Maintenance Resources

Software Maintenance						
Hardware Lease or Finance (including servers)						
Maintenance & Operations (including DIS)	\$16,000	\$21,000	\$21,000	\$21,000	\$21,000	\$100,000
Training						
Travel						
Other (specify)						
Annual Total	\$532,000	\$705,000	\$705,000	\$705,000	\$705,000	\$3,352,000

8. Was a quote provided to you for this project or commodity investment? Yes No
If yes, who provided the quote and when? Please attach a copy of the quote.

State staff costs were calculated based on existing salary ranges. The cost of contracted resources was based on the average of ITPS rates for mainframe developers.

9. Is this investment an e-commerce investment? Yes No

II. Continue completing questions 10 through 14 if the IT request pertains to a project (versus a commodity investment):

10. Is this a new project or a continuation of an existing project?
New Continuation

This investment would support maintenance operations, it is not related to a project

11. Describe how the Project Manager and Quality Assurance will be acquired (i.e., existing state employees, hire new staff, or contract with vendor)

Not applicable

12. Describe your project management approach.

Not applicable

13. Provide the estimated project duration and estimated start date.

Not applicable

14. Where will the system be hosted?

Not applicable

2012 Supplemental Budget
M2-KN SSPS Maintenance Resources

Severity Level Criteria Categories				
Levels	Impact on Clients	Visibility	Impact on State Operations	Failure or Nil Consequences
High	<ul style="list-style-type: none"> Direct contact with citizens, political subdivisions, and service providers – including benefits payments and transactions. 	<ul style="list-style-type: none"> Highly visible to public, trading partners, political subdivisions and Legislature. Likely subject to hearings. System processes sensitive / confidential data (e.g. medical, SSN, credit card #'s). 	<ul style="list-style-type: none"> Statewide or multiple agency involvement / impact. Initial mainframe acquisitions or network acquisitions. 	<ul style="list-style-type: none"> Inability to meet legislative mandate or agency mission. Loss of significant federal funding.
Medium	<ul style="list-style-type: none"> Indirect impacts on citizens through management systems that support decisions that are viewed as important by the public. Access by citizens for information and research purposes. 	<ul style="list-style-type: none"> Some visibility to the Legislature, trading partners, or public the system / program supports. May be subject to legislative hearing. 	<ul style="list-style-type: none"> Multiple divisions or programs within agency. 	<ul style="list-style-type: none"> Potential failure of aging systems.
Low	<ul style="list-style-type: none"> Agency operations only. 	<ul style="list-style-type: none"> Internal agency only. 	<ul style="list-style-type: none"> Single division. Improve or expand existing networks or mainframes with similar technology. 	<ul style="list-style-type: none"> Loss of opportunity for improved service delivery or efficiency. Failure to resolve customer service complaints or requests.
Risk Level Criteria Categories				
Levels	Functional Impact on Business Processes or Rules	Development Effort & Resources	Technology	Capability & Management
High	<ul style="list-style-type: none"> Significant change to business rules. Replacement of a mission critical system. Multiple organizations involved. Requires extensive and substantial job training for work groups. 	<ul style="list-style-type: none"> Over \$5 million. Development and implementation exceeds 24 months.* Requires a second decision package. <p>* Clock starts after feasibility study or project approval and release of funding.</p>	<ul style="list-style-type: none"> Emerging. Unproven. Two or more of the following are new for agency technology staff or integrator, or are new to the agency architecture: programming language; operating systems; database products; development tools; data communications technology. Requires PKI certificate. Complex architecture – greater than 2 tier. 	<ul style="list-style-type: none"> Minimal executive sponsorship. Agency uses ad-hoc processes. Agency and/or vendor track record suggests inability to mitigate risk on project requiring a given level of development effort.
Medium	<ul style="list-style-type: none"> Moderate change to business rules. Major enhancement or moderate change of mission critical system. Medium complexity business process(es). Requires moderate job training. 	<ul style="list-style-type: none"> Under \$5 million but over agency delegated authority. 12 to 24 months for development and implementation.* <p>* Clock starts after feasibility study or project approval and release of funding.</p>	<ul style="list-style-type: none"> New in agency with 3rd party expertise and knowledge transfer. One of the technologies listed above is new for agency development staff. 	<ul style="list-style-type: none"> Executive sponsor knowledgeable but not actively engaged. System integrator under contract with agency technical participation. Agency and/or vendor record indicates good level of success but without the structure for repeatability.
Low	<ul style="list-style-type: none"> Insignificant or no change to business 	<ul style="list-style-type: none"> Within agency delegated authority. 	<ul style="list-style-type: none"> Standard, proven agency technology. 	<ul style="list-style-type: none"> Strong executive sponsorship.

2012 Supplemental Budget
M2-KN SSPS Maintenance Resources

	<ul style="list-style-type: none"> rules. Low complexity business process(es). Some job training could be required. (technical) 	<ul style="list-style-type: none"> Under 12 months for development and implementation.* * Clock starts after feasibility study or project approval and release of funding. 		<ul style="list-style-type: none"> Agency and vendor have strong ability to mitigate risk on a development project. Project staff uses documented and repeatable processes for tracking status, problems, and change. Agency or vendor is CMM Level 3 equivalent or above.
--	--	--	--	---

Project Approval and Oversight Matrix:

Project Approval and Oversight Matrix			
<i>High Severity</i>	Level 2	Level 2	Level 3
<i>Medium Severity</i>	Level 1	Level 2	Level 2
<i>Low Severity</i>	Level 1	Level 1	Level 1
	<i>Low Risk</i>	<i>Medium Risk</i>	<i>High Risk</i>

Department of Social and Health Services

DP Code/Title: M2-PG SSPS Transition & Data Conversion
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Information System Services Division (ISSD) requests \$599,000 (\$300,000 GF-State) and 1.0 FTE in the 2012 Supplemental Budget to support the Social Service Payment System (SSPS) data conversion and transition.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 110			
001-1 General Fund - Basic Account-State	150,000	150,000	300,000
001-C General Fund - Basic Account-Medicaid Federal	150,000	149,000	299,000
Total Cost	300,000	299,000	599,000

Staffing

Package Description:

Currently, SSPS manages the authorizations, claims and payment processing for in-home providers for long term care and developmentally disabled clients paid through Medicaid and waived programs. These providers will migrate from SSPS to ProviderOne with the implementation of the ProviderOne Phase 2 project.

Additional resources are required to support activities necessary to accomplish the transition of these providers from SSPS to ProviderOne. Existing SSPS resources are insufficient to support this added work.

This request will fund 1.0 FTE and 1.0 contracted staff to:

- Support SSPS data readiness, data migration, and data conversion activities.
- Coordinate transition activities between the ProviderOne project and SSPS operations.
- Support SSPS system cutover activities as required for the ProviderOne Phase 2 implementation.

The ProviderOne, Phase 2 project will initiate decommission activities for the SSPS system. SSPS will not be fully decommissioned until ProviderOne Phase 3 is completed. This phase has not been planned or funded.

These costs are in addition to and not duplicative of the core ProviderOne Phase 2 requests by the Health Care Authority and the Department of Social and Health Services.

This request is contingent on the funding of ProviderOne Phase 2. If Phase 2 is not funded, then the data conversion activities will not begin but the request to maintain SSPS resources (M2-KN SSPS Maintenance Resources) will be required instead. If Phase 2 is funded, then this request is required and M2-KN SSPS Maintenance Resources is not.

Agency Contact: Tula Habb (360) 902-8182
Program Contact: Cheryl Adams (360) 902-7551

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Funding will provide support for successful migration of in-home providers from SSPS to ProviderOne.

Department of Social and Health Services

DP Code/Title: M2-PG SSPS Transition & Data Conversion
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

Performance Measure Detail

Program: 110

Activity: K002 Operations Support and Services Division

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?

Yes. This request supports DSHS's goal to increase public trust through strong management practices that ensure quality and leverage all resources by ensuring high-performing IT solutions and services that support agency priorities and minimize risk.

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

Yes. This request supports the Governor's priority associated with Human Services and government accountability. Full implementation of ProviderOne is critical to the purchasing strategies for goals related to improving the security for vulnerable adults and children and improving the economic vitality of businesses and individuals.

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

Yes. This request makes key contributions to strengthen government's ability to achieve results efficiently and effectively. It facilitates the goal of the state to provide accountability for all Medicaid dollars expended by state government.

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

When Phase 2 is complete, ProviderOne will support all Medicaid claim and payment processing activities for DSHS.

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

An assessment was made as to whether existing SSPS staff could be reassigned to complete these functions. SSPS is currently funded and staffed at maintenance only levels. Existing staff are at capacity. Reassignment of staff is not feasible without negative impacts to the system including disruption of service and inability to comply with state and federal policy changes.

What are the consequences of not funding this package?

The ProviderOne Phase 2 project cannot be successfully implemented without conversion of existing and historic data from SSPS. If additional resources are not identified, existing legacy system resources would be considered for reassignment. This reassignment would leave the legacy system understaffed. The result would be high likelihood of disrupted service delivery, inability to comply with state and federal policy, collective bargaining agreement changes or to support operational efficiencies. Additionally, day to day maintenance of the mission critical legacy system would be placed at significant risk.

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

Department of Social and Health Services

DP Code/Title: M2-PG SSPS Transition & Data Conversion
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

See attachment: ISSD M2-PG SSPS Transition & Data Conversion Table.docx

Additional attachment: ISSD M2-PG SSPS Transition and Data Conversion IT Addendum.doc

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

These are one-time costs and end with the full implementation of ProviderOne Phase 2.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 110 Objects			
T Intra-Agency Reimbursements	300,000	299,000	599,000

DSHS Source Code Detail

Program 110		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u> <u>Title</u>				
0011	General Fund State	150,000	150,000	300,000
<i>Total for Fund 001-1</i>		<u>150,000</u>	<u>150,000</u>	<u>300,000</u>
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u> <u>Title</u>				
19UL	Title XIX Admin (50%)	150,000	149,000	299,000
<i>Total for Fund 001-C</i>		<u>150,000</u>	<u>149,000</u>	<u>299,000</u>
Total Program 110		<u>300,000</u>	<u>299,000</u>	<u>599,000</u>

2012 Supplemental Budget M2-PG SSPS Transition & Data Conversion

Department of Social & Health Services

Expenditure and revenue calculations and assumptions:

- One Information Technology Specialist 5 position (.NET/SQL Developer)
- One contracted mainframe developer (calculations assume \$95 per hour for full time resources).

	FY2012	FY2013	Biennium
FTEs	1.0	1.0	1.0
A Salaries	77,000	77,000	154,000
B Benefits	23,000	23,000	46,000
E Goods & Services	7,000	7,000	14,000
E Purchased Services	192,000	192,000	384,000
J Equipment	1,000	0	1,000
	<u>300,000</u>	<u>299,000</u>	<u>599,000</u>
State	150,000	150,000	300,000
Federal	150,000	149,000	299,000
	<u>300,000</u>	<u>299,000</u>	<u>599,000</u>

Note: DSHS Program 150 – Information System Services Division is a chargeback program, therefore, costs reside in sub-object TZ of Program 110 – Administration & Supporting Services. However, FTE authority resides in Program 150.

Information Technology (IT) Addendum

I. Complete questions 1 through 9 for every IT-related Decision Package:

1. Provide a brief description of the Information Technology (IT) components of this decision package (e.g., the project or commodity investment):

The Department of Social and Health Services (DSHS) requests \$599,000 (\$300,000 GF-State) support for the Social Service Payment System (SSPS) data conversion and transition. This money will fund one ITS5 and a contracted technical resource.

2. Is the project or commodity investment in the agency's IT Portfolio: Yes No

3. What is the oversight level for this project or commodity investment?

This proposed investment has been assessed as a Level 1 investment.

4. What common services will be utilized for this project or commodity investment?

Contracted resources will be procured using the IT Professional Services (ITPS) Master Contract.

5. Is a 904 consultation e-mail confirmation for this project or commodity investment attached to the decision package? Yes No (This is required.)

904 Consults are no longer required.

6. Breakdown of Implementation Costs/FTEs of the IT Project or Commodity Investment:

There are no implementation costs for this decision package request.

7. Breakdown of Ongoing Maintenance and Support Costs for the Project or Commodity Investment:

Cost Breakdown (maintenance)						
	Year 1 FY2012	Year 2 FY2013	Year 3 FY2014	Year 4 FY2015	Year 5 FY2016	Totals
IT FTEs – (For each job type, list the number of staff and the total salary and benefits) <i>Examples:</i> <ul style="list-style-type: none"> ▪ WMS Band 2 ▪ ITAS6 ▪ ITAS4 ▪ Other (specify) 	ITAS5 1.0 \$100,000	ITAS5 1.0 \$100,000				\$200,000
Purchased Services Contracts	\$192,000	\$192,000				\$384,000
Personal Services Contracts						
Hardware Purchase or Upgrades	\$1,000					\$1,000
Hardware Maintenance						
Software License Purchase or						

2012 Supplemental Budget
M2-PG SSPS Transition & Data Conversion

Upgrades						
Software Maintenance						
Hardware Lease or Finance (including servers)						
Maintenance & Operations (including DIS)	\$7,000	\$7,000				\$14,000
Training						
Travel						
Other (specify)						
Annual Total	\$300,000	\$299,000				\$599,000

8. Was a quote provided to you for this project or commodity investment? Yes No
If yes, who provided the quote and when? Please attach a copy of the quote.

State staff costs were calculated based on existing salary ranges. The cost of contracted resources was based on the average of ITPS rates for mainframe developers.

9. Is this investment an e-commerce investment? Yes No

II. Continue completing questions 10 through 14 if the IT request pertains to a project (versus a commodity investment):

10. Is this a new project or a continuation of an existing project?

New Continuation

This investment would support maintenance operations; it is not related to a project.

11. Describe how the Project Manager and Quality Assurance will be acquired (i.e., existing state employees, hire new staff, or contract with vendor)

Not applicable

12. Describe your project management approach.

Not applicable

13. Provide the estimated project duration and estimated start date.

Not applicable

14. Where will the system be hosted?

Not applicable

2012 Supplemental Budget
M2-PG SSPS Transition & Data Conversion

Severity Level Criteria Categories				
Levels	Impact on Clients	Visibility	Impact on State Operations	Failure or Nil Consequences
High	<ul style="list-style-type: none"> Direct contact with citizens, political subdivisions, and service providers – including benefits payments and transactions. 	<ul style="list-style-type: none"> Highly visible to public, trading partners, political subdivisions and Legislature. Likely subject to hearings. System processes sensitive / confidential data (e.g. medical, SSN, credit card #'s). 	<ul style="list-style-type: none"> Statewide or multiple agency involvement / impact. Initial mainframe acquisitions or network acquisitions. 	<ul style="list-style-type: none"> Inability to meet legislative mandate or agency mission. Loss of significant federal funding.
Medium	<ul style="list-style-type: none"> Indirect impacts on citizens through management systems that support decisions that are viewed as important by the public. Access by citizens for information and research purposes. 	<ul style="list-style-type: none"> Some visibility to the Legislature, trading partners, or public the system / program supports. May be subject to legislative hearing. 	<ul style="list-style-type: none"> Multiple divisions or programs within agency. 	<ul style="list-style-type: none"> Potential failure of aging systems.
Low	<ul style="list-style-type: none"> Agency operations only. 	<ul style="list-style-type: none"> Internal agency only. 	<ul style="list-style-type: none"> Single division. Improve or expand existing networks or mainframes with similar technology. 	<ul style="list-style-type: none"> Loss of opportunity for improved service delivery or efficiency. Failure to resolve customer service complaints or requests.
Risk Level Criteria Categories				
Levels	Functional Impact on Business Processes or Rules	Development Effort & Resources	Technology	Capability & Management
High	<ul style="list-style-type: none"> Significant change to business rules. Replacement of a mission critical system. Multiple organizations involved. Requires extensive and substantial job training for work groups. 	<ul style="list-style-type: none"> Over \$5 million. Development and implementation exceeds 24 months.* Requires a second decision package. <p>* Clock starts after feasibility study or project approval and release of funding.</p>	<ul style="list-style-type: none"> Emerging. Unproven. Two or more of the following are new for agency technology staff or integrator, or are new to the agency architecture: programming language; operating systems; database products; development tools; data communications technology. Requires PKI certificate. Complex architecture – greater than 2 tier. 	<ul style="list-style-type: none"> Minimal executive sponsorship. Agency uses ad-hoc processes. Agency and/or vendor track record suggests inability to mitigate risk on project requiring a given level of development effort.
Medium	<ul style="list-style-type: none"> Moderate change to business rules. Major enhancement or moderate change of mission critical system. Medium complexity business process(es). Requires moderate job training. 	<ul style="list-style-type: none"> Under \$5 million but over agency delegated authority. 12 to 24 months for development and implementation.* <p>* Clock starts after feasibility study or project approval and release of funding.</p>	<ul style="list-style-type: none"> New in agency with 3rd party expertise and knowledge transfer. One of the technologies listed above is new for agency development staff. 	<ul style="list-style-type: none"> Executive sponsor knowledgeable but not actively engaged. System integrator under contract with agency technical participation. Agency and/or vendor record indicates good level of success but without the structure for repeatability.

2012 Supplemental Budget
M2-PG SSPS Transition & Data Conversion

Low	<ul style="list-style-type: none"> * Insignificant or no change to business rules. * Low complexity business process(es). * Some job training could be required. (technical) 	<ul style="list-style-type: none"> * Within agency delegated authority. * Under 12 months for development and implementation.* <p>* Clock starts after feasibility study or project approval and release of funding.</p>	<ul style="list-style-type: none"> * Standard, proven agency technology. 	<ul style="list-style-type: none"> * Strong executive sponsorship. * Agency and vendor have strong ability to mitigate risk on a development project. * Project staff uses documented and repeatable processes for tracking status, problems, and change. * Agency or vendor is CMM Level 3 equivalent or above.
------------	---	--	---	--

Project Approval and Oversight Matrix:

Project Approval and Oversight Matrix			
<i>High Severity</i>	Level 2	Level 2	Level 3
<i>Medium Severity</i>	Level 1	Level 2	Level 2
<i>Low Severity</i>	Level 1	Level 1	Level 1
	<i>Low Risk</i>	<i>Medium Risk</i>	<i>High Risk</i>

Department of Social and Health Services

DP Code/Title: M2-ZZ Unemployment
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests \$2,893,000 (\$2,245,000 GF-State) in the 2012 Supplemental Budget to offset increased Unemployment Insurance reimbursement to the Employment Security Department (ESD).

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	139,000	104,000	243,000
001-2 General Fund - Basic Account-Federal	11,000	8,000	19,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	13,000	8,000	21,000
001-C General Fund - Basic Account-Medicaid Federal	9,000	8,000	17,000
Total Cost	172,000	128,000	300,000

Staffing

Package Description:

Unemployment expenditures have increased significantly since 2008. DSHS has not been funded for this increase costs attributed to reductions to overall staffing levels. This decision package request funds related to the increase from 2008 which cannot be absorbed.

DSHS is self-insured for its unemployment insurance obligations, reimbursing the ESD for all unemployment benefits paid out to former employees. As DSHS has reduced its staffing level, its most current ESD quarterly bill, 2nd Quarter Calendar Year 2011, shows a 60 percent increase above its average quarterly ESD reimbursement from State Fiscal Year 2008. DSHS has reduced its FTEs by 2,400 or 13 percent since 2008 with no additional funding provided for its unemployment insurance obligations.

Agency contact: Edd Giger (360) 902-8067

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This request is necessary to ensure DSHS has adequate funds to reimburse the ESD for increased Unemployment Insurance billings due to mandated staff reduction.

Performance Measure Detail

Agency Level

Activity: K002 Operations Support and Services Division
No measures linked to package

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

Activity: K030 Executive Management
No measures linked to package

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

Activity: K037 Financial Services Administration
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?

Department of Social and Health Services

DP Code/Title: M2-ZZ Unemployment
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

This request contributes to the agency goal of strong management to increase public trust.

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

Yes. This request supports priority for economic security to promote practices and programs that protect workers.

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 makes key contributions to the following statewide results: Commitment to promote practices and programs that protect workers.

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

All DSHS programs are impacted by this request.

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

None. Given the large reductions undertaken by DSHS, the department is no longer able to absorb the increase costs associated with unemployment insurance compensation above funded levels.

What are the consequences of not funding this package?

If this decision package is not funded, then DSHS will have to divert funds for client services to offset this expense.

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 - ZZ Unemployment.xls

To develop the Unemployment model, the department looked at the Unemployment Rate Forecast completed by the state of Washington Revenue Forecast Council. The Unemployment Rate Forecast predicts unemployment will decline by an average of 0.6 percent each year. The department assumption is to dampened the trend by 75 percent given the current unemployment rate and the potential of additional reductions in Fiscal Year 2012 and Fiscal Year 2013.

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

These costs are ongoing.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
B Employee Benefits	172,000	128,000	300,000

Department of Social and Health Services

DP Code/Title: M2-ZZ Unemployment
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	139,000	104,000	243,000
<i>Total for Fund 001-1</i>		139,000	104,000	243,000
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources</u>	<u>Title</u>			
001B	Social Security Disability Ins (100%)	3,000	3,000	6,000
E61L	Food Stamp Program (50%)	8,000	5,000	13,000
<i>Total for Fund 001-2</i>		11,000	8,000	19,000
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi				
<u>Sources</u>	<u>Title</u>			
563I	Title IV-D Child Support Enforcement (A) (66%)	7,000	4,000	11,000
658L	Title IV-E-Foster Care (50%)	5,000	4,000	9,000
659L	Title IV-E Adoption Assistance (50%)	1,000	0	1,000
<i>Total for Fund 001-A</i>		13,000	8,000	21,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u>	<u>Title</u>			
19UL	Title XIX Admin (50%)	9,000	8,000	17,000
<i>Total for Fund 001-C</i>		9,000	8,000	17,000
Total Overall Funding		172,000	128,000	300,000

2012 Supplemental Budget
M2-ZZ Unemployment

Program	2012			2013			BIENNIUM 2011-13			
	State	Federal	Total	State	Federal	Total	State	Federal	Total	Total
010	\$ 254,000	\$ 85,000	\$ 339,000	\$ 174,000	\$ 58,000	\$ 232,000	\$ 428,000	\$ 143,000	\$ 571,000	\$ 571,000
020	\$ 337,000	\$ -	\$ 337,000	\$ 248,000	\$ -	\$ 248,000	\$ 585,000	\$ -	\$ 585,000	\$ 585,000
030	\$ 199,000	\$ 24,000	\$ 223,000	\$ 107,000	\$ 13,000	\$ 120,000	\$ 306,000	\$ 37,000	\$ 343,000	\$ 343,000
030 - 2000	\$ 197,000	\$ 24,000	\$ 221,000	\$ 106,000	\$ 13,000	\$ 119,000	\$ 303,000	\$ 37,000	\$ 340,000	\$ 340,000
030 - 9000	\$ 2,000	\$ -	\$ 2,000	\$ 1,000	\$ -	\$ 1,000	\$ 3,000	\$ -	\$ 3,000	\$ 3,000
040	\$ 258,000	\$ 233,000	\$ 491,000	\$ 180,000	\$ 162,000	\$ 342,000	\$ 438,000	\$ 395,000	\$ 833,000	\$ 833,000
040 - 1000	\$ 53,000	\$ 35,000	\$ 88,000	\$ 37,000	\$ 25,000	\$ 62,000	\$ 90,000	\$ 60,000	\$ 150,000	\$ 150,000
040 - 2000	\$ 203,000	\$ 195,000	\$ 398,000	\$ 141,000	\$ 136,000	\$ 277,000	\$ 344,000	\$ 331,000	\$ 675,000	\$ 675,000
040 - 9000	\$ 3,000	\$ 2,000	\$ 5,000	\$ 2,000	\$ 2,000	\$ 4,000	\$ 5,000	\$ 4,000	\$ 9,000	\$ 9,000
050	\$ 9,000	\$ 6,000	\$ 15,000	\$ (3,000)	\$ (2,000)	\$ (5,000)	\$ 6,000	\$ 4,000	\$ 10,000	\$ 10,000
060	\$ 28,000	\$ 23,000	\$ 51,000	\$ (18,000)	\$ (15,000)	\$ (33,000)	\$ 10,000	\$ 8,000	\$ 18,000	\$ 18,000
070	\$ 15,000	\$ 2,000	\$ 17,000	\$ 11,000	\$ 2,000	\$ 13,000	\$ 26,000	\$ 4,000	\$ 30,000	\$ 30,000
100	\$ 33,000	\$ -	\$ 33,000	\$ 22,000	\$ -	\$ 22,000	\$ 55,000	\$ -	\$ 55,000	\$ 55,000
110	\$ 139,000	\$ 33,000	\$ 172,000	\$ 104,000	\$ 24,000	\$ 128,000	\$ 243,000	\$ 57,000	\$ 300,000	\$ 300,000
135	\$ 91,000	\$ -	\$ 91,000	\$ 57,000	\$ -	\$ 57,000	\$ 148,000	\$ -	\$ 148,000	\$ 148,000
Total	\$ 1,363,000	\$ 406,000	\$ 1,769,000	\$ 882,000	\$ 242,000	\$ 1,124,000	\$ 2,245,000	\$ 648,000	\$ 2,893,000	\$ 2,893,000

Department of Social and Health Services

DP Code/Title: PL-KM Admin Contract Reductions - Proviso
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Administration and Supporting Services (Administration), reduces (\$1,384,000) in GF-State funding through the elimination of the funding for TeamChild, Juvenile Detention Alternatives Initiative (JDAI), and the Washington Mentoring Program.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 110			
001-1 General Fund - Basic Account-State	(461,000)	(923,000)	(1,384,000)
Total Cost	(461,000)	(923,000)	(1,384,000)

Staffing

Package Description:

In order to reach the 10 percent reduction target for the Department as set by the Office of Financial Management (OFM), the TeamChild, JDAI, and the Washington Mentoring contracts are reduced or cancelled as of January 1, 2012. The option to reduce the program by 10 percent will result in a (\$186,000) GF-State savings for 2011-13 Biennium, and the option to eliminate the program will result (\$1,384,000) GF-State savings for the biennium.

The impact of this reduction is fully detailed later in this decision package.

Agency Contact: Tula Habb (360) 902-8182
Program Contact: Bill Jordan (360) 902-8323

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To achieve savings to meet the 10 percent reduction targets set by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

Performance Measure Detail

Program: 110

Activity: K030 Executive Management
No measures linked to package

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

Activity: K109 Governor's Juvenile Justice Advisory Activity (GJJAC)
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?

No

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

Yes, this decision package helps the agency meet the 10 percent reduction targets set by OFM for the 2012 Supplemental

Department of Social and Health Services

DP Code/Title: PL-KM Admin Contract Reductions - Proviso
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

Budget.

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

No

Department of Social and Health Services

DP Code/Title: PL-KM Admin Contract Reductions - Proviso
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

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

TEAM CHILD

10 Percent Reduction Option:

The TeamChild program would be significantly impacted by a 10 percent reduction, as state funding for TeamChild is used to leverage other dollars. Over the past two years, TeamChild has incurred a loss of over \$200,000 in annual revenue from public and private sources. TeamChild staff has adjusted in significant ways to this loss in annual revenue. An additional 10 percent reduction to the state funding for TeamChild would mean closure of one TeamChild office, possibly one of the two Eastern Washington locations, in Yakima or Spokane. As the result of an office closure, an estimated 300 youth per year would not be able to access services.

Elimination Option:

The elimination of TeamChild's state funding would result in the closure of at least three of the four TeamChild offices in Spokane, Yakima, Tacoma, and Everett. These offices serve close to 900 youth a year. TeamChild is the only organization in Washington that provides free, specialized civil legal representation and advocacy to youth who are at high risk for juvenile justice involvement. The youth we serve are challenged by poverty, unsafe and unstable living situations, mental illness and substance abuse, abuse and neglect, and poor school outcomes. The youth we serve are also representative of ethnic and racial minority groups that are overrepresented in the child welfare and juvenile justice systems. While other programs exist to help children obtain crucial social services, no other program has the legal tools or knowledge to ensure that children receive help in the most critical times of their lives. Our work and partnership with the Juvenile Rehabilitation Administration (JRA), county juvenile courts, and broad public education and social service networks serving children leverages other resources.

Eliminating funding for TeamChild would cost the state more in this biennium than the savings produced by cutting its funding. TeamChild clients are almost 4 times less likely to recidivate after six months, and almost 2 times less likely to recidivate after 12 months of receiving advocacy services. In less than 6 months, TeamChild program costs are paid back by the criminal justice savings produced by the program. In addition, based on a review of cases handled in the first half of the 2009-11 Biennium where youth were facing adult criminal sentences or JRA dispositions ranging from 15 weeks to 2 years, TeamChild's advocacy and collaboration with public defenders have saved the state over \$1,400,000 in JRA and Department of Corrections' (DOC) incarceration costs (study by the Washington State Institute for Public Policy, *Watching the Bottom Line: Cost-Effective Interventions for Reducing Crime in Washington*, January 1998).

JUVENILE DETENTION ALTERNATIVES INITIATIVE (JDAI)

10 Percent Reduction Option:

1. Reductions in workshop and training for JDAI sites across the state.
2. Contracts for JDAI county sites could be individually impacted, as contracts maybe reduced by up to four percent- impacting their amounts allocated for programming and/or staff positions.

Elimination Option:

The elimination of state funding for JDAI in Washington State would substantially impact this program - state funds provide 54 percent of the funding for this Initiative in Washington State for Fiscal Year 2012, and are used to leverage other dollars. These funds are provided to county juvenile courts in our state, to continue to engage the courts in adopting JDAI strategies that save taxpayers money, reduce juvenile crime, and address racial disparities. These funds also provide for a JDAI statewide coordinator, all through contractual agreements. There is no administrative or indirect funding provided to the agency (DSHS) for this program.

The annual average contract amount with the eight JDAI county sites is \$30,000 per county - as most of the sites allocate the majority of their funds to a coordinator or a detention alternatives staff position to provide programming, a 54 percent reduction would have a devastating impact - as most counties would not be able to sustain these positions. JDAI alternatives are safe, hold youth accountable, and are cost-effective. Alternative programs at the sites include: community service, graffiti abatement, house arrest, electronic monitoring, community trackers, alternative schools and day reporting programs,

Department of Social and Health Services

DP Code/Title: PL-KM Admin Contract Reductions - Proviso
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

restitution programs, night reporting centers, weekend accountability programs, and shelter care.

The positive impacts provided by this Initiative on the participating courts in our state have been significant. Investing \$178,000 in state funds per fiscal year (\$356,000 biennial total) has a major benefit to youth, families, local juvenile courts, and their communities. There has been not only a reduction in secure detention admissions, average daily population, and average length of stay, but also a financial cost savings, while maintaining excellent public safety outcomes. JDAI is also a model for juvenile courts to reduce racial disparities and JDAI has been successful where other approaches have not.

- Counties have reduced the cost of operating detention centers and avoided the need to build larger facilities.
- JDAI sites combined account for over one-half of all juvenile court age youth in our state, and approximately 60 percent of the state's minority youth reside within these nine counties (there are eight JDAI sites in Washington, representing the following nine counties: King, Pierce, Spokane, Whatcom, Benton-Franklin, Mason, Skagit, and Adams).
- Comparing detention populations before becoming JDAI sites and today, these counties incarcerate 221 fewer youth per day amounting to an annual savings of \$12,100,000 (calculated at an average cost of \$150 per day).
- In Pierce County, \$800,000 per year has been reallocated through savings incurred by closing a 50-bed detention unit, and supporting a range of alternative programs. Both Pierce and King counties have substantially reduced the number of beds within their respective detention facilities - 99 in King County, and 90 in Pierce County.
- JDAI sites have reduced felony petitions filed by 44 percent, by comparing rates before becoming a JDAI site to today; and there has been a 49 percent reduction in the detention average daily population.
- Given the significant cost-savings and crime-reduction benefits achieved by JDAI, continued funding for JDAI is a prudent investment to meet our state's budget reduction efforts.

WASHINGTON STATE MENTORS (WSM)

10 Percent Reduction Option:

- Eliminate three full-time AmeriCorps/VISTA positions, will not have a liaison in three communities/counties to coordinate mentoring activities.
- Discontinue efforts to create two new mentoring coalition roundtables.
- Conduct statewide mentoring conference on alternate years instead of annually.
- Reduce travel costs and utilize technology for training and communication.
- Eliminate all non-critical equipment purchases.

Elimination Option:

The elimination of funding for the Washington State Mentors (WSM) would result in the following:

- Termination of Washington State Mentors organization after phased elimination of all 8 staff.
- Eliminate all mentoring program support for State agency and non-profit mentoring programs.
- Eliminate direct funding for youth mentoring relationships.
- Close statewide mentoring clearinghouse and referral system.
- Reduce the Bill & Melinda Gates Foundation grant enhanced research activities.
- Suspend private partnership funding (\$160,000 to mentoring programs per year).
- Withdraw from a pending federal grant project (\$247,000).

Each of these reduced activities carry associated impacts.

- Eliminate a total of eight staff. Eliminated positions include: 2.0 FTEs, Program Outreach Officer, and the Marketing and Development Officer; 2.0 FTEs, executive officers from DSHS and Costco; 1.0 FTE, Gates grant salaried staff in July 2011; and 3.0 FTE AmeriCorps/VISTA positions. These actions result in closing the research and evaluation study in July 2011 versus November 2011.
- Eliminate support to state agencies for youth programs. Cut all staff support to the JRA (youth transitioning from incarceration), Children's Administration (replicating mentoring foster youth demonstration program statewide), and the

Department of Social and Health Services

DP Code/Title: PL-KM Admin Contract Reductions - Proviso
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

Office of Superintendent of Public Instruction (districts' mentoring programs to increase academic achievement).

- Remove support to direct service providers. Remove all training, quality standards for mentoring initiative, statewide mentoring conference, support for the Division of Behavioral Health and Recovery's Prevention Summit, private and public partnerships, and funded matches for 200 direct service mentoring programs that mentor 34,000 in Washington. A 2010 study showed that high-quality programs result in twice as strong positive outcomes for mentored youth.
- Eliminate direct funding for youth matches. WSM has contributed over \$4,100,000 in 150 grants since 2004 to small and large, urban, and rural mentoring programs across the state of Washington. The Bank of America Mentoring Initiative puts \$75,000 per year into mentoring programs for youth. This 6-year partnership would cease to exist.
- Close statewide mentoring clearinghouse and referral system. WSM's website will close and eliminate access to: evidence-based mentoring practices, current research, and community-based mentoring programs (e.g., zip code locator of mentoring programs for families, volunteers, and schools).
- Reduce research activities funded by the Bill & Melinda Gates Foundation grant. While WSM will complete the basic study as contracted, we will reduce the planned supplemental analysis by \$153,000. WSM will eliminate advanced data analysis activities; minimize reporting, and cancel results dissemination planning etc.
- Withdraw from pending Federal grant. Withdraw from partnership with University of Arkansas and Boston University on pending 3-year grant: "Mentoring Students of Deployed Military Families". Withdrawal may jeopardize full a grant project that will infuse \$247,000 into local programs and staffing.

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

Not applicable

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

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

Not applicable

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

The contracts for TeamChild, Juvenile Detention Alternatives Initiative, and the Washington State Mentors will have to be cancelled as of December 31, 2011.

Expenditure and revenue calculations and assumptions

Assumptions were based on the agency's need to meet its reduction target.

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

It is assumed that these proposed reductions would be ongoing and would be expected to carry into future biennia.

Department of Social and Health Services

DP Code/Title: PL-KM Admin Contract Reductions - Proviso
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 110 Objects			
E Goods And Services	(150,000)	(300,000)	(450,000)
N Grants, Benefits & Client Services	(311,000)	(623,000)	(934,000)
Total Objects	(461,000)	(923,000)	(1,384,000)

DSHS Source Code Detail

Program 110	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	(461,000)	(923,000)	(1,384,000)
<i>Total for Fund 001-1</i>	(461,000)	(923,000)	(1,384,000)
Total Program 110	(461,000)	(923,000)	(1,384,000)

Department of Social and Health Services

DP Code/Title: PL-KP Staffing & Efficiency Savings
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) reduces (\$1,342,000), (\$841,000) GF-State and (0.8) FTEs through staffing and efficiency savings.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 110			
001-1 General Fund - Basic Account-State	(408,000)	(433,000)	(841,000)
001-2 General Fund - Basic Account-Federal	(56,000)	(59,000)	(115,000)
001-A General Fund - Basic Account-DSHS Fam Support/Chi	(69,000)	(73,000)	(142,000)
001-C General Fund - Basic Account-Medicaid Federal	(118,000)	(126,000)	(244,000)
Total Cost	(651,000)	(691,000)	(1,342,000)

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Program 110 FTEs	(0.5)	(1.0)	(0.8)

Package Description:

The Department reduces (\$1,342,000), (\$841,000) GF-State and (0.8) FTEs through the following actions:

- Elimination of one position in Executive Management as of January 1, 2012.
- Vacancy rate savings for the Operations Support & Services Division within the Financial Services Administration.
- Reduction in costs associated with the Information System Services Division chargeback.
- Vacancy rate savings for the Finance Division within the Financial Services Administration.

Since reductions began in Fiscal Year 2009, the reduction for Administration totals 147.0 FTEs, and \$27 million (\$16.2 million GF-State) in funding. Reductions represent 19.8% decrease in FTEs, 17.6% decrease in total funds, and 19.5% decrease in GF-State using the 2009-11 Carry Forward Level base. These reductions have required staff to take on more responsibilities, learn new ways to conduct our business and adapt to new business needs. Further reductions will impact the Department's basic business functions, which will disrupt service delivery to clients.

Agency contact: Tula Habb (360) 902-8182
Program contact: Bill Jordan (360) 902-8323

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To achieve savings to help the agency meet the 10 percent reduction targets set by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

Performance Measure Detail

Program: 110

Activity: K002 Operations Support and Services Division

No measures linked to package

Incremental Changes

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

Department of Social and Health Services

DP Code/Title: PL-KP Staffing & Efficiency Savings
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

Activity: K030 Executive Management

No measures linked to package

Incremental Changes

FY 1 **FY 2**

0.00 0.00

Activity: K037 Financial Services Administration

No measures linked to package

Incremental Changes

FY 1 **FY 2**

0.00 0.00

Activity: K094 Special Projects and Unique Programs Grants

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?

No

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

Yes, this decision package helps the agency meet the 10 percent reduction targets set by OFM for the 2012 Supplemental Budget.

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

No

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

The staffing and efficiency savings will decrease support to DSHS programs / administrations provided by DSHS headquarters as well as assume the continuation of a vacancy rate within the Finance and Operations Support & Services and Finance Divisions within the Financial Services Administration.

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

Not applicable

What are the consequences of not funding this package?

The department will not be able to meet its budget reduction targets.

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

Not applicable

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

None

Expenditure and revenue calculations and assumptions

Assumptions were based on the department's need to meet its reduction target.

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

It is assumed that these proposed reductions would be ongoing and would be expected to carry into future biennia.

Department of Social and Health Services

DP Code/Title: PL-KP Staffing & Efficiency Savings
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 110 Objects			
A Salaries And Wages	(354,000)	(384,000)	(738,000)
B Employee Benefits	(91,000)	(101,000)	(192,000)
E Goods And Services	(11,000)	(11,000)	(22,000)
T Intra-Agency Reimbursements	(195,000)	(195,000)	(390,000)
Total Objects	(651,000)	(691,000)	(1,342,000)

DSHS Source Code Detail

Program 110		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources Title</u>				
0011	General Fund State	(408,000)	(433,000)	(841,000)
<i>Total for Fund 001-1</i>		(408,000)	(433,000)	(841,000)
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources Title</u>				
001B	Social Security Disability Ins (100%)	(16,000)	(17,000)	(33,000)
E61L	Food Stamp Program (50%)	(40,000)	(42,000)	(82,000)
<i>Total for Fund 001-2</i>		(56,000)	(59,000)	(115,000)
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi				
<u>Sources Title</u>				
563I	Title IV-D Child Support Enforcement (A) (66%)	(35,000)	(37,000)	(72,000)
658L	Title IV-E-Foster Care (50%)	(29,000)	(30,000)	(59,000)
659L	Title IV-E Adoption Assistance (50%)	(5,000)	(6,000)	(11,000)
<i>Total for Fund 001-A</i>		(69,000)	(73,000)	(142,000)
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources Title</u>				
19UL	Title XIX Admin (50%)	(118,000)	(126,000)	(244,000)
<i>Total for Fund 001-C</i>		(118,000)	(126,000)	(244,000)
Total Program 110		(651,000)	(691,000)	(1,342,000)

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Information System Services Division (ISSD), requests \$512,000 (\$291,000 GF-State) in the 2012 Supplemental Budget for startup equipment required to migrate systems from the Office Building 2 (OB2) to the new State Data Center (SDC) located in the 1500 Jefferson Building.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	21,000	36,000	57,000
001-2 General Fund - Basic Account-Federal	8,000	14,000	22,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	2,000	4,000	6,000
001-C General Fund - Basic Account-Medicaid Federal	5,000	8,000	13,000
Total Cost	36,000	62,000	98,000

Staffing

Package Description:

The Washington State Legislature enacted Engrossed Substitute Senate Bill 5931, during the 2011 Legislative Session, to address the high costs of Information Technology (IT) services. This legislation requires certain IT equipment to be housed in the new SDC located in the 1500 Jefferson Building complex. This investment facilitates the migration and consolidation of IT assets into the SDC in support of this legislation and the Governor's directive to consolidate data centers.

DSHS has a large computer equipment presence in the OB2 Data Center (approximately 85 server racks with 600 devices). Migrating this equipment to the new SDC building located in the 1500 Jefferson Building complex is part of a statewide initiative in support of the legislation.

To enable the migration of some systems, startup equipment is necessary. This startup equipment supports network operations and provides a landing pad for systems in the SDC. Existing equipment supporting these systems cannot be shutdown and physically moved for various reasons:

1. Shutting down and moving the hardware has a high risk of long outages of critical systems.
2. Data storage shared across many systems cannot be shut down and moved without significant system outages. These systems are critical to business operations and impact service to citizens.
3. Virtual host platforms need a starting point (e.g., landing pad) in the State Data Center. This equipment would be supplemented with existing hardware as virtual systems are migrated off the hardware freeing up capacity. Initial servers are needed to start the process.
4. Network components are needed to maintain performance and operations. These network components are needed during the migration period of dual operations and will be used ongoing after the migration.

The funding provides servers, storage and network equipment. DSHS has evaluated existing equipment and is only requesting new equipment where existing equipment will not work or makes business/financial sense (too old, not enough capacity, incompatible, etc.). The vast majority of existing DSHS equipment will be used or replaced by virtual capacity without additional funding. This request represents the exceptions where existing equipment is either not available or impractical to use.

The implementation schedule is driven by the Consolidated Technology Services OB2 Move project. This equipment is targeted for procurement approximately June 2012.

If the funding request is not approved, then more of the computer systems and equipment will be dependent on a Physical Move

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

approach, which will increase the duration and risk of outages. There will be a higher probability that application availability will be impacted by the migration.

Agency contact: Tula Habb (360) 902-8182
Program contact: Cheryl Adams (360) 902-7551

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Desired Results:

1. The computer servers and storage equipment will allow the agency to increase the number of systems using a virtual to virtual migration approach. This approach is significantly quicker and less risky than physically moving equipment, which can impact services to clients/citizens.
2. The network equipment supports optimization, monitoring and trouble shooting. The desired result of the optimization is to keep network traffic, for 35 DSHS field offices across the state, flowing with the same performance as completed currently. Without this equipment, the network lines will become saturated causing work slowdowns and stoppages.
3. The desired results of the equipment for monitoring and trouble shooting is to resolve system problems quickly. In many cases, problems can be resolved before they become major problems causing work stoppage. Without tools to monitor and trouble shoot production problems, work stoppages will increase in duration causing productivity loss and service impacts to clients/citizens.

Overall, this funding will minimize business disruption (unplanned outages) caused from moving systems and equipment from OB2 to the SDC.

Negative Consequences, if this request is not funded:

1. Without computer servers and storage, systems will require longer outages to move to the SDC causing impacts to worker productivity and service to clients/citizens.
2. Without optimization equipment, the network lines will become saturated causing work slowdowns and stoppages.
3. Without tools to monitor and trouble shoot production problems, work stoppages will increase in duration causing productivity loss and service impacts to clients/citizens.
4. Impact to clients and citizens.
5. Moving equipment into the SDC has positive impacts including:
 - a. Leveraging a state-of-the-art facility.
 - b. Leveraging new shared services.
 - c. Reducing the cost of IT.

Performance Measure Detail

Agency Level

Activity: K002 Operations Support and Services Division
No measures linked to package

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

Activity: K030 Executive Management
No measures linked to package

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

Activity: K037 Financial Services Administration

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

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

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 decision package supports the agency's strategic plan as follows:

Goal H: Reinforce strong management to increase public trust

Objective 1: Improve information technology capacity to support management needs

Strategy: Maintain and update existing or implement new core applications, systems, and infrastructure to meet changing needs and take advantage of changes in technology (DSHS).

The funding obtained by this decision package will allow the department to minimize impacts to existing systems performance and operations. Moving into the SDC will take advantage of a state-of-the-art facility and position the department to take advantage of future shared services.

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

This funding supports the new legislation and the consolidation of data centers into the SDC. This supports the statewide result to "improve state government efficiency" by reducing the overall cost of information technology.

The OB2 Move project is one of several phases in Washington State's IT Transformation Initiative. The other components of the IT initiative include implementation of shared services and data center consolidation.

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 supports the Priorities of Government (POG) critical value statement to improve state government efficiency. SDC has three mandated outcomes that align with this statewide result:

1. Improve security.
2. Reduce operational costs.
3. Improve service quality, availability, and performance.

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

This is related to new Legislation, ESSB 5931, requiring consolidation of data centers and moving all servers into the SDC building.

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

The department is using multiple options for migrating computer equipment and systems from OB2 to SDC. These are listed below and align with a study performed by INX Metagyre Inc. (INX) for DIS. The INX study included an analysis of alternatives for moving equipment out of OB2. One alternative looked at Physical Relocation of all systems. This alternative was dismissed due to the long system outage it would require and the risks of breaking systems. The other alternative looked at Individualize System Moves based on each system's requirements and interrelationships. This alternative was recommended as it has the least risk and allows better management of risks, resources, testing, problem resolution, and ability to fallback.

The three primary move scenarios that DSHS will use include:

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment

Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

1. Virtual to Virtual: Migrating virtual systems in OB2 to a virtual platform in the SDC. This requires seed equipment or some form of existing hardware platform (e.g., landing pad) in the SDC to work.
2. Physical Move: Unplugging existing equipment, moving, and installing it in the SDC. This is higher risk and requires a system outage.
3. Logical Move: Installing startup equipment in the SDC, loading systems on the equipment, and doing a cut-over. This is lower risk and can be done quicker than a physical move. This option requires startup equipment.

Each system is examined to determine which migration option best meets the business need and level of risk. The agency also put stringent requirements around what could be requested in this decision package. Equipment at end-of-life was not allowed on the funding list as these should already have a funding source for them (required regardless of the move). Only items required to make the move happen without a funding source were put on the list.

What are the consequences of not funding this package?

If the funding request is not approved, then more of the computer systems and equipment will be dependent on a Physical Move approach, which will increase the duration and risk of system outages. These would cause work stoppages and impact service to clients/citizens.

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

Costs estimates are based on vendor budgetary quotes.

See attachments: ISSD PL-PF State Data Center equipment.xlsx and ISSD PL PF State Data Center Transition IT Addendum.doc

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

The costs are one-time costs. Once equipment reaches end-of-life, the agency intends to migrate to a statewide shared service to provide this function.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
T Intra-Agency Reimbursements	36,000	62,000	98,000

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 110 Admin & Supporting Svcs

Budget Period: 2011-13 Version: K2 110 - 2012 Sup Agency Request

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	21,000	36,000	57,000
<i>Total for Fund 001-1</i>		21,000	36,000	57,000
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources</u>	<u>Title</u>			
001B	Social Security Disability Ins (100%)	1,000	1,000	2,000
E61L	Food Stamp Program (50%)	7,000	13,000	20,000
<i>Total for Fund 001-2</i>		8,000	14,000	22,000
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi				
<u>Sources</u>	<u>Title</u>			
563I	Title IV-D Child Support Enforcement (A) (66%)	1,000	2,000	3,000
658L	Title IV-E-Foster Care (50%)	1,000	2,000	3,000
<i>Total for Fund 001-A</i>		2,000	4,000	6,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u>	<u>Title</u>			
19UL	Title XIX Admin (50%)	5,000	8,000	13,000
<i>Total for Fund 001-C</i>		5,000	8,000	13,000
Total Overall Funding		36,000	62,000	98,000

**2012 Supplemental Budget
PL-PF State Data Center equipment**

**Department of Social & Health Services
COST SUMMARY**

	FY 2012	FY 2013	TOTAL
STORAGE		\$250,000	\$250,000
SERVERS		\$75,000	\$75,000
NETWORK	\$187,000		\$187,000
TOTAL	\$187,000	\$325,000	\$512,000

Total Funds	State	Federal
\$512,000	\$291,000	\$221,000

Biennial Total DSHS Programs		All Objects			Object J			Object TZ		
		State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA	30,000	41,000	71,000	-	-	-	30,000	41,000	71,000
020	JRA	13,000	-	13,000	-	-	-	13,000	-	13,000
030	MH	27,000	-	27,000	-	-	-	27,000	-	27,000
040	DD	21,000	6,000	27,000	-	-	-	21,000	6,000	27,000
050	LTC	17,000	16,000	33,000	-	-	-	17,000	16,000	33,000
060	ESA	119,000	107,000	226,000	-	-	-	119,000	107,000	226,000
070	ASA	2,000	1,000	3,000	-	-	-	2,000	1,000	3,000
100	VR	1,000	9,000	10,000	-	-	-	1,000	9,000	10,000
110	ADMIN	57,000	41,000	98,000	-	-	-	57,000	41,000	98,000
135	SCC	4,000	-	4,000	-	-	-	4,000	-	4,000
150	ISSD	-	-	-	-	-	-	-	-	-
		291,000	221,000	512,000	512,000	-	512,000	(512,000)	-	(512,000)
		57%	43%							

Total Funds	State	Federal
\$187,000	\$106,000	\$81,000

FY 2012 DSHS Programs		All Objects			Object J			Object TZ		
		State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA	11,000	15,000	26,000	-	-	-	11,000	15,000	26,000
020	JRA	5,000	-	5,000	-	-	-	5,000	-	5,000
030	MH	10,000	-	10,000	-	-	-	10,000	-	10,000
040	DD	8,000	2,000	10,000	-	-	-	8,000	2,000	10,000
050	LTC	6,000	6,000	12,000	-	-	-	6,000	6,000	12,000
060	ESA	43,000	39,000	82,000	-	-	-	43,000	39,000	82,000
070	ASA	1,000	-	1,000	-	-	-	1,000	-	1,000
100	VR	-	4,000	4,000	-	-	-	-	4,000	4,000
110	ADMIN	21,000	15,000	36,000	-	-	-	21,000	15,000	36,000
135	SCC	1,000	-	1,000	-	-	-	1,000	-	1,000
150	ISSD	-	-	-	-	-	-	-	-	-
		106,000	81,000	187,000	187,000	-	187,000	(187,000)	81,000	(187,000)
		57%	43%							

Total Funds	State	Federal
\$325,000	\$185,000	\$140,000

FY 2013 DSHS Programs		All Objects			Object J			Object TZ		
		State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA	19,000	26,000	45,000	-	-	-	19,000	26,000	45,000
020	JRA	8,000	-	8,000	-	-	-	8,000	-	8,000
030	MH	17,000	-	17,000	-	-	-	17,000	-	17,000
040	DD	13,000	4,000	17,000	-	-	-	13,000	4,000	17,000
050	LTC	11,000	10,000	21,000	-	-	-	11,000	10,000	21,000
060	ESA	76,000	68,000	144,000	-	-	-	76,000	68,000	144,000
070	ASA	1,000	1,000	2,000	-	-	-	1,000	1,000	2,000
100	VR	1,000	5,000	6,000	-	-	-	1,000	5,000	6,000
110	ADMIN	36,000	26,000	62,000	-	-	-	36,000	26,000	62,000
135	SCC	3,000	-	3,000	-	-	-	3,000	-	3,000
150	ISSD	-	-	-	-	-	-	-	-	-
		185,000	140,000	325,000	325,000	-	325,000	(325,000)	140,000	(325,000)
		57%	43%							

2012 Supplemental Budget
PL-PF State Data Center equipment
Department of Social & Health Services
Estimated Costs Breakout

Item	Area	Description	Total
1	ISSD Storage	This device will replicate the Storage Area Network (SAN) used by the Information Systems Services Division (ISSD). The existing Net App storage device cannot be moved to the State Data Center (SDC) until all the systems data is migrated off the device. Once all the systems data is migrated, the existing equipment can be repurposed by another group to avoid another purchase.	\$250,000
2	ISSD Servers	Three physical servers are needed to support the initial virtual platform at the SDC. Once virtual servers in the A-la-Carte 2 computer room are migrated to the SDC, the existing compute infrastructure (physical servers) can be used (i.e. repurposed) for the next round of system migrations.	\$45,000
3	ISSD Shared SQL database	Two servers are needed to support the ISSD Shared SQL environment. One for Production and one for the Quality Assurance (QA) environment.	\$30,000
4	ISSD Network	One Steelhead device to support Wide Area Network (WAN) optimization. This is a second device that will support the migration to the SDC reducing risk to local office disruption. This will also provide some redundancy in the architecture.	\$127,000
5	ISSD Network	Devices that tap into networks in support of network traffic monitoring (also known as TAPs), are needed to support DSHS network operations during the migration. Some of the existing TAPs equipment needs to remain attached to the DSHS Core network in OB2 during the migration. DSHS needs additional TAP equipment to monitor components on the SDC side of the network.	\$60,000
	TOTAL		\$512,000

Recommendation Summary

Budget Period: 2011-13

Version: M2 - 135 - 2012 Sup Agency Request

Budget Level Criteria: ALL

Dollars in Thousands	Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
Program 135 - Special Commitment Program					
CB - Current Biennium					
00	Current Biennium Base	0	434.6	95,388	95,388
	SubTotal CB		434.6	95,388	95,388
	Cumulative Total Thru CB		434.6	95,388	95,388
M1 - Mandatory Caseload and Enrollment Changes					
IR	Special Commitment Center Workload	0	(3.6)	2,077	2,077
	SubTotal M1		(3.6)	2,077	2,077
	Cumulative Total Thru M1		431.0	97,465	97,465
M2 - Inflation and Other Rate Changes					
9T	Transfers	0	(30.9)	119	119
ME	Fund McNeil Island Operations	0	17.8	2,300	2,300
ZZ	Unemployment	0	0.0	148	148
	SubTotal M2		(13.1)	2,567	2,567
	Cumulative Total Thru M2		418.0	100,032	100,032
PL - Performance Level					
MJ	General Service Reduction	0	(2.8)	(1,146)	(1,146)
MP	Incarcerated Resident Annual Review	0	0.0	(35)	(35)
MR	Population Management	0	0.0	(1,825)	(1,825)
MT	SCC Food Cost Savings	0	0.0	(54)	(54)
MU	SCC Legal Costs	0	0.0	(1,316)	(1,316)
PF	State Data Center Equipment	0	0.0	4	4
	SubTotal PL		(2.8)	(4,372)	(4,372)
	Cumulative Total Thru PL		415.2	95,660	95,660
Total Proposed Budget for Program 135 - Special Commitment Program			415.2	95,660	95,660

Recommendation Summary Text

9T - Transfers

(M2) The Department of Social and Health Services (DSHS) requests to shift FTEs and funding among programs in the 2012 Supplemental Budget. This transfer will align FTEs and funds within the programs where the costs are incurred. The net impact is zero.

IR - Special Commitment Center Workload

(M1) The Department of Social and Health Services (DSHS), Special Commitment Center (SCC), requests (3.6) FTEs and \$2,077,000 GF-State for expected changes in facility and community population.

ME - Fund McNeil Island Operations

(M2) The Department of Social and Health Services (DSHS), Special Commitment Center (SCC), requests \$2,300,000 GF-State and 17.8 FTE's in the 2012 Supplemental Budget to support the cost of sustaining operation on McNeil Island.

Recommendation Summary

Budget Period: 2011-13
Budget Level Criteria: ALL

Version: M2 - 135 - 2012 Sup Agency Request

Dollars in Thousands	Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
----------------------	---------------------	--------------------	-----------------------	-------------	-------------

MJ - General Service Reduction

(PL) The Department of Social and Health Services (DSHS), Special Commitment Center (SCC), reduces (\$1,146,000) GF-State and (2.8) FTE in the 2012 Supplemental Budget. SCC will reduce staff, eliminate one contract, and reduce medical contracts.

MP - Incarcerated Resident Annual Review

(PL) The Department of Social and Health Services (DSHS), Special Commitment Center (SCC), reduces (\$35,000) GF-State in the 2012 Supplemental Budget. This reduction will be achieved by suspending the requirement for an annual examination during any period of time an SCC resident is incarcerated.

MR - Population Management

(PL) The Department of Social and Health Services (DSHS), Special Commitment Center (SCC), reduces (\$1,825,000) GF-State in the 2012 Supplemental Budget. SCC will reduce legal and operating costs by identifying residents that are deemed to be at low risk of reoffending, performing an assessment sooner than required, and if the resident meets specific criteria, advance them to the courts for consideration of unconditional release.

MT - SCC Food Cost Savings

(PL) The Department of Social and Health Services (DSHS), Special Commitment Center (SCC), reduces (\$54,000) GF-State in the 2012 Supplemental Budget by reducing food expenditures.

MU - SCC Legal Costs

(PL) The Department of Social and Health Services (DSHS), Special Commitment Center (SCC), reduces (\$1,316,000) GF-State in the 2012 Supplemental Budget. SCC will reduce legal cost associated with civilly committing sexually violent predators under Chapter 71.09 RCW.

PF - State Data Center Equipment

(PL) The Department of Social and Health Services (DSHS), Information System Services Division (ISSD), requests \$512,000 (\$291,000 GF-State) in the 2012 Supplemental Budget for startup equipment required to migrate systems from the Office Building 2 (OB2) to the new State Data Center (SDC) located in the 1500 Jefferson Building.

ZZ - Unemployment

(M2) The Department of Social and Health Services (DSHS) requests \$2,893,000 (\$2,245,000 GF-State) in the 2012 Supplemental Budget to offset increased Unemployment Insurance reimbursement to the Employment Security Department (ESD).

Department of Social and Health Services

DP Code/Title: M1-IR Special Commitment Center Workload
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Special Commitment Center (SCC), requests (3.6) FTEs and \$2,077,000 GF-State for expected changes in facility and community population.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 135			
001-1 General Fund - Basic Account-State	697,000	1,380,000	2,077,000
Total Cost	697,000	1,380,000	2,077,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Program 135 FTEs	1.7	(8.9)	(3.6)

Package Description:

This request is for FTEs and funding for the SCC total confinement program on McNeil Island, Pierce and King County Secure Community Transition Facilities (SCTFs), and Less Restrictive Alternative (LRA) program. The request is based on the forecasted continuing growth and operational cost associated with all facilities and the expected population that will reside within each one.

The SCC total confinement facility and the Pierce SCFT are located on McNeil Island. Working on a secure island that is accessible only by a restricted passenger ferry is a factor that causes extraordinary challenges in recruiting and retaining staff and obtaining necessary services needed to manage the program, operate the facility, and maintain island operations. In addition to staff recruitment and retention issues, the need to administer a large total confinement facility on island, along with two SCTFs, and an array of transition and treatment services to SCC residents living in their family homes, requires an infrastructure that can support diverse activities to meet the needs of the program.

SCC provides for the confinement, care, and treatment of persons who have been convicted of or charged with a crime of sexual violence and who suffer from a mental abnormality or personality disorder, which makes these persons likely to engage in predatory acts of violence if not confined. SCC has provided this care and treatment to residents since 1991 and the workload continues to increase annually.

Agency Contact: Debbie Schaub (360) 902-8177
Program Contact: Kelly Cunningham (253) 583-5933

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To keep the residents in SCC care in a healthy, safe, and secure environment and to provide treatment for a successful release back into the community.

Performance Measure Detail

Program: 135

Activity: C013 Civil Commitment Less Restrictive Alternatives

No measures linked to package

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

Department of Social and Health Services

DP Code/Title: M1-IR Special Commitment Center Workload
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

Activity: C014 Civil Commitment-Sexual Predators

Incremental Changes

FY 1

FY 2

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 decision package provides for continued treatment and care with staffing and support services based on historical and anticipated resident populations.

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

Yes, it provides essential support to the priority to improve the safety of people and property and the health of Washingtonians.

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

This request would rate as a high priority in the Priorities of Government (POG), for public safety and health. It is crucial to keep our civilly committed residents safe from each other and confined until their treatment is completed, which supports the Governor's goal of public safety and health by protecting the safety and security of Washington State citizens.

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

This decision package provides for continued confinement, care, and treatment of persons who have been convicted of or charged with a crime of sexual violence and who suffer from a mental abnormality or personality disorder, which makes these persons likely to engage in predatory acts of violence if not confined. All SCC stakeholders will continue to support the confined resident's treatment.

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

Alternatives have been carefully considered, but are limited by RCW 71.09.

What are the consequences of not funding this package?

Without funding, SCC will not be able to provide adequate and appropriate services to its residents. The program could be placed in jeopardy of non-compliance with federal standards of supporting constitutionality of a civil commitment 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: SCC M1-IR Special Commitment Center Workload.xls

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

This request reflects ongoing operational costs for resident care. There are no one-time costs in this request.

Department of Social and Health Services

DP Code/Title: M1-IR Special Commitment Center Workload
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 135 Objects			
A Salaries And Wages	0	20,000	20,000
B Employee Benefits	0	392,000	392,000
E Goods And Services	579,800	664,800	1,244,600
J Capital Outlays	(22,000)	(6,000)	(28,000)
N Grants, Benefits & Client Services	138,200	308,200	446,400
T Intra-Agency Reimbursements	1,000	1,000	2,000
Total Objects	697,000	1,380,000	2,077,000

DSHS Source Code Detail

<u>Program 135</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	697,000	1,380,000	2,077,000
<i>Total for Fund 001-1</i>	697,000	1,380,000	2,077,000
Total Program 135	697,000	1,380,000	2,077,000

**2012 Supplemental Budget
M1-IR Special Commitment Center Workload**

Main Facility MG90			
FTE's Object	FY 12	FY 13	Totals
	1.7	(8.9)	(3.6)
A	0	20,000	20,000
B	0	392,000	392,000
C	0	0	0
E	511,000	614,000	1,125,000
ED	0	0	0
G	0	0	0
J	0	0	0
N	26,000	105,000	131,000
P	0	0	0
TZ	1,000	1,000	2,000
Total	538,000	1,132,000	1,670,000

Pierce County SCTF MG73			
FTE's Object	FY 12	FY 13	Totals
	0.0	0.0	0.0
A	0	0	0
B	0	0	0
C	0	0	0
E	(38,000)	(46,000)	(84,000)
ED	0	0	0
G	0	0	0
J	(12,000)	4,000	(8,000)
N	(202,000)	(81,000)	(283,000)
P	0	0	0
TZ	0	0	0
Total	(252,000)	(123,000)	(375,000)

King County SCTF MG74			
FTE's Object	FY 12	FY 13	Totals
	0.0	0.0	0.0
A	0	0	0
B	0	0	0
C	0	0	0
E	107,000	97,000	204,000
ED	0	0	0
G	0	0	0
J	(10,000)	(10,000)	(20,000)
N	32,000	15,000	47,000
P	0	0	0
TZ	0	0	0
Total	129,000	102,000	231,000

SCC Community MG72			
FTE's Object	FY 12	FY 13	Totals
	0.0	0.0	0.0
A	0	0	0
B	0	0	0
C	0	0	0
E	(1,200)	(6,200)	(7,400)
ED	0	0	0
G	0	0	0
J	0	0	0
N	282,200	269,200	551,400
P	0	0	0
TZ	0	0	0
Total	281,000	263,000	544,000

SCC Administration MG60			
FTE's Object	FY 12	FY 13	Totals
	0.0	0.0	0.0
A	0	0	0
B	0	0	0
C	0	0	0
E	1,000	6,000	7,000
ED	0	0	0
G	0	0	0
J	0	0	0
N	0	0	0
P	0	0	0
TZ	0	0	0
Total	1,000	6,000	7,000

Rollup -- Main Facility/SCTFs/All Combined			
FTE's Object	FY 12	FY 13	Totals
	1.7	(8.9)	(3.6)
A	0	20,000	20,000
B	0	392,000	392,000
C	0	0	0
E	579,800	664,800	1,244,600
ED	0	0	0
G	0	0	0
J	(22,000)	(6,000)	(28,000)
N	138,200	308,200	446,400
P	0	0	0
TZ	1,000	1,000	2,000
Total	697,000	1,380,000	2,077,000

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests to shift FTEs and funding among programs in the 2012 Supplemental Budget. This transfer will align FTEs and funds within the programs where the costs are incurred. The net impact is zero.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	119,000	0	119,000
Total Cost	119,000	0	119,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	(24.7)	(37.0)	(30.9)

Package Description:

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

Information System Services Division (ISSD) Compensation Adjustment (110 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): Administration and Supporting Services (Administration) will transfer compensation costs for staff in ISSD to other DSHS programs. Compensation steps associated with staff in ISSD are routinely included within the budget steps for Administration. Administration will distribute \$383,000 (\$303,000 GF-State) of ISSD's costs to the programs. These steps include: 1) savings from ending automatic benefit increases from the Public Employees' Retirement System Plan 1; 2) health insurance decrease in Fiscal Year 2013 to reflect the expected decrease of state employees in 2011-13, (the decrease in the carry forward level has already been adjusted in Fiscal Year 2012); 3) 3 percent cost savings in employee salaries; and 4) employer contributions adjusted to levels adopted by the Pension Funding Council. ISSD's budget resides in programs' budgets at Sub-Object TZ.

Department of Information Services (DIS) Rate Reduction (145 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): Payments to Other Agencies (PTOA) will distribute \$2,130,000 (\$1,494,000 GF-State) of DIS rate adjustment costs to the various programs. DIS reduced their 2011-13 rates in technology leasing services, storage, and mainframe computing. Also, the Central Service Model reduced the department's funding for DIS services. PTOA does not pay these DIS costs for the entire department; rather, they are paid out of the programs' budgets at the Sub-Object EL levels.

Medicaid Purchasing Administration (MPA) Funding (110 to 010, 020, 030, 040, 050, 060, 070, 100, 135): Administration will distribute \$456,000 (\$296,000 GF-State) in costs to DSHS programs for the funding of positions that were transferred to the Health Care Authority (HCA). The negotiation for the DSHS and MPA transfer required DSHS to provide additional staff funding to HCA. Administration distributes this cost to the programs in this request. (Economic Services Administration (ESA) agreed to provide 3.0 FTEs, which were transferred out of the ESA 2011-13 Biennial Budget.) This distribution will give each program a share of the cost without Administration carrying the full cost as this was the original intent.

Department of Labor and Industries (L&I) Funding from PTOA to Programs (145 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150):

L&I funding for the various DSHS programs was provided in PTOA's budget and will need to transfer to the respective programs. PTOA will transfer \$9,341,000 (\$6,725,000 GF-State) to the programs.

ISSD Transfer of Email and Blackberry services to DIS (All DSHS Programs):

ISSD will no longer provide email and blackberry services for the department and will transfer these services to DIS. Program's

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

funding for these services are in Sub-Object TZ and will need to transfer to Sub-Object EL. The estimated transfer amount is \$624,000 total funds for Fiscal Year 2012 and \$1,208,000 total funds for Fiscal Year 2013. Amounts in the first year are estimates because the transfer timeline may change.

ISSD Staff Transfer to Administration (150 or 020, 030, 040, 050, 060, 070, 100, 135 to 110):
ISSD will transfer 1.0 FTE and \$216,000 (\$126,000 GF-State) to Administration, which fits with the current organizational reporting structure. As mentioned above, because of ISSD's budget residing in the programs' Sub-Object TZ costs, programs will transfer \$176,000 of their ISSD's costs to Administration, which will also reduce their share of ISSD's costs by \$40,000.

Mental Health Category Transfers (030 8000 to 030 9000):
DSHS, Mental Health (MH), is a categorically appropriated program. Thus, MH requests to move 8.6 FTEs and \$671,000 (\$74,000 GF-State) from Category 8000 to Category 9000 to align appropriations where costs are incurred.

Consolidated Field Services FTE Transfer (010, 020, 030, 040, 050, 060, 135 to 110 & 160):
Program 160 - Consolidated Field Services (CFS) will consolidate 343.1 FTEs in Fiscal Year 2012 and 540.2 FTEs in Fiscal Year 2013 from various DSHS Programs, which is designed to centralize services and maximize efficiencies in order to support business functions and maintenance for the regional centers and the institutions. CFS will operate as a chargeback to programs in order to maintain the maximum federal participation rate that DSHS Programs receive. Part of this consolidation is a transfer of 8.0 FTEs and \$704,000 (\$490,000 GF-State) in Fiscal Year 2012 and 13.0 FTEs and \$1,021,000 (\$714,000 GF-State) in Fiscal Year 2013 for payroll staff, Facility Planners and a Fiscal Coordinator from the various programs to Program 110. The consolidation will phase in from November 1, 2011, through March 1, 2012, and has been approved by the Legislative Evaluation and Accountability Program (LEAP) Committee.

These transfers will realign the 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?

DSHS accounts for the wise use of public dollars by maximizing federal funding sources.

Performance Measure Detail

Agency Level

Activity: C014 Civil Commitment-Sexual Predators

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?

Yes. This request supports our goal to improve health care quality and access and to improve internal and external partnerships.

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

Yes. This request supports the Governor's priority associated with efficient state government services for the people of Washington State.

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

DP Code/Title: M2-9T Transfers
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

Yes. This request makes key contributions to the Governor's statewide results to "strengthen government's ability to achieve results efficiently and effectively."

This package will rate high in the Priorities of Government (POG) process as it will assist us in ensuring that needed support and funds are in the correct programs. In addition, it will allow DSHS to monitor costs and services efficiently and effectively.

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, 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 resulting in the funding being in the correct programs. Then, all costs associated with these transfers will be ongoing and will carry-forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	(39,000)	(58,000)	(97,000)
B Employee Benefits	168,000	69,000	237,000
E Goods And Services	(6,000)	(6,000)	(12,000)
T Intra-Agency Reimbursements	(4,000)	(5,000)	(9,000)
Total Objects	119,000	0	119,000

State of Washington
Decision Package
Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	119,000	0	119,000
<i>Total for Fund 001-1</i>		119,000	0	119,000
Total Overall Funding		119,000	0	119,000

2012 Supplemental Budget
M2-9T Transfers

	FTEs			FY 2012			FY 2013			2011-13 Biennium		
	FY12	FY13	Total	001-1	Other	Total	001-1	Other	Total	001-1	Other	Total
010 Children's Administration												
ISSD compensation adjustments from Admin			0.0	(19,000)	(9,000)	(28,000)	(23,000)	(13,000)	(36,000)	(42,000)	(22,000)	(64,000)
DIS reductions from PTOA			0.0	(103,000)	(44,000)	(147,000)	(100,000)	(43,000)	(143,000)	(203,000)	(87,000)	(290,000)
MPA costs from Admin			0.0	(24,000)	(13,000)	(37,000)	(24,000)	(13,000)	(37,000)	(48,000)	(26,000)	(74,000)
L&I Funding from PTOA			0.0	192,000	63,000	255,000	80,000	26,000	106,000	272,000	89,000	361,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	(6,000)	(9,000)	(15,000)	(6,000)	(9,000)	(15,000)	(12,000)	(18,000)	(30,000)
FTE Consolidation Transfer	(10.9)	(26.2)	(18.6)	(37,000)	(41,000)	(78,000)	(52,000)	(59,000)	(111,000)	(89,000)	(100,000)	(189,000)
			0.0			0			0	0	0	0
010 Total	(10.9)	(26.2)	(18.6)	3,000	(53,000)	(50,000)	(125,000)	(111,000)	(236,000)	(122,000)	(164,000)	(286,000)
020 Juvenile Rehabilitation												
ISSD compensation adjustments from Admin			0.0	(5,000)		(5,000)	(7,000)		(7,000)	(12,000)	0	(12,000)
DIS reductions from PTOA			0.0	(8,000)		(8,000)	(8,000)		(8,000)	(16,000)	0	(16,000)
MPA costs from Admin			0.0	(8,000)	(4,000)	(12,000)	(8,000)	(4,000)	(12,000)	(16,000)	(8,000)	(24,000)
L&I Funding from PTOA			0.0	382,000		382,000	179,000		179,000	561,000	0	561,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	(3,000)	0	(3,000)	(3,000)	0	(3,000)	(6,000)	0	(6,000)
FTE Consolidation Transfer	(36.0)	(55.1)	(45.6)	(11,000)	0	(11,000)	(15,000)	0	(15,000)	(26,000)	0	(26,000)
			0.0			0			0	0	0	0
020 Total	(36.0)	(55.1)	(45.6)	347,000	(4,000)	343,000	138,000	(4,000)	134,000	485,000	(8,000)	477,000
030 Mental Health												
ISSD compensation adjustments from Admin			0.0	(12,000)	1,000	(11,000)	(15,000)	1,000	(14,000)	(27,000)	2,000	(25,000)
DIS reductions from PTOA			0.0	(19,000)	4,000	(15,000)	(18,000)	4,000	(14,000)	(37,000)	8,000	(29,000)
MPA costs from Admin			0.0	(26,000)	(14,000)	(40,000)	(26,000)	(14,000)	(40,000)	(52,000)	(28,000)	(80,000)
L&I Funding from PTOA			0.0	2,011,000	249,000	2,260,000	893,000	110,000	1,003,000	2,904,000	359,000	3,263,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	(6,000)	0	(6,000)	(6,000)	0	(6,000)	(12,000)	0	(12,000)
Category 8000	(8.6)	(8.6)	(8.6)	(296,000)	(38,000)	(334,000)	(301,000)	(36,000)	(337,000)	(597,000)	(74,000)	(671,000)
Category 9000	8.6	8.6	8.6	296,000	38,000	334,000	301,000	36,000	337,000	597,000	74,000	671,000
FTE Consolidation Transfer	(119.2)	(178.9)	(149.1)	(239,000)	0	(239,000)	(353,000)	0	(353,000)	(592,000)	0	(592,000)
			0.0			0			0	0	0	0
030 Total	(119.2)	(178.9)	(149.1)	1,709,000	240,000	1,949,000	475,000	101,000	576,000	2,184,000	341,000	2,525,000
040 Division of Developmental Disabilities												
ISSD compensation adjustments from Admin			0.0	(9,000)	(2,000)	(11,000)	(10,000)	(3,000)	(13,000)	(19,000)	(5,000)	(24,000)
DIS reductions from PTOA			0.0	(27,000)	(1,000)	(28,000)	(26,000)		(26,000)	(53,000)	(1,000)	(54,000)
MPA costs from Admin			0.0	(31,000)	(17,000)	(48,000)	(31,000)	(17,000)	(48,000)	(62,000)	(34,000)	(96,000)
L&I Funding from PTOA			0.0	1,366,000	1,311,000	2,677,000	670,000	644,000	1,314,000	2,036,000	1,955,000	3,991,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	(5,000)	(1,000)	(6,000)	(5,000)	(1,000)	(6,000)	(10,000)	(2,000)	(12,000)
FTE Consolidation Transfer	(144.9)	(219.7)	(182.3)	(62,000)	(105,000)	(167,000)	(92,000)	(152,000)	(244,000)	(154,000)	(257,000)	(411,000)
			0.0			0			0	0	0	0
040 Total	(144.9)	(219.7)	(182.3)	1,232,000	1,185,000	2,417,000	506,000	471,000	977,000	1,738,000	1,656,000	3,394,000
050 Long Term Care												
ISSD compensation adjustments from Admin			0.0	(11,000)	(3,000)	(14,000)	(14,000)	(4,000)	(18,000)	(25,000)	(7,000)	(32,000)
DIS reductions from PTOA			0.0	(44,000)	(15,000)	(59,000)	(44,000)	(14,000)	(58,000)	(88,000)	(29,000)	(117,000)
MPA costs from Admin			0.0	(12,000)	(7,000)	(19,000)	(12,000)	(7,000)	(19,000)	(24,000)	(14,000)	(38,000)
L&I Funding from PTOA			0.0	77,000	51,000	128,000	33,000	21,000	54,000	110,000	72,000	182,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	(4,000)	(3,000)	(7,000)	(4,000)	(3,000)	(7,000)	(8,000)	(6,000)	(14,000)
FTE Consolidation Transfer	(3.9)	(9.1)	(6.5)	(15,000)	(13,000)	(28,000)	(22,000)	(18,000)	(40,000)	(37,000)	(31,000)	(68,000)
			0.0			0			0	0	0	0
050 Total	(3.9)	(9.1)	(6.5)	(9,000)	10,000	1,000	(63,000)	(25,000)	(88,000)	(72,000)	(15,000)	(87,000)
060 Economic Services Administration												
ISSD compensation adjustments from Admin			0.0	(76,000)	(16,000)	(92,000)	(91,000)	(27,000)	(118,000)	(167,000)	(43,000)	(210,000)
DIS reductions from PTOA			0.0	(530,000)	(260,000)	(790,000)	(519,000)	(255,000)	(774,000)	(1,049,000)	(515,000)	(1,564,000)
MPA costs from Admin			0.0	(39,000)	(21,000)	(60,000)	(39,000)	(21,000)	(60,000)	(78,000)	(42,000)	(120,000)
L&I Funding from PTOA			0.0	325,000	90,000	415,000	140,000	39,000	179,000	465,000	129,000	594,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	(25,000)	(22,000)	(47,000)	(25,000)	(22,000)	(47,000)	(50,000)	(44,000)	(94,000)
FTE Consolidation Transfer	(11.5)	(27.2)	(19.4)	(72,000)	(55,000)	(127,000)	(101,000)	(78,000)	(179,000)	(173,000)	(133,000)	(306,000)
			0.0			0			0	0	0	0
060 Total	(11.5)	(27.2)	(19.4)	(417,000)	(284,000)	(701,000)	(635,000)	(364,000)	(999,000)	(1,052,000)	(648,000)	(1,700,000)
070 Division of Alcohol and Substance Abuse												
ISSD compensation adjustments from Admin			0.0	(1,000)		(1,000)	(1,000)		(1,000)	(2,000)	0	(2,000)
DIS reductions from PTOA			0.0		(1,000)	(1,000)		(1,000)	(1,000)	0	(2,000)	(2,000)
MPA costs from Admin			0.0	(1,000)		(1,000)	(1,000)		(1,000)	(2,000)	0	(2,000)
L&I Funding from PTOA			0.0	6,000	1,000	7,000	3,000		3,000	9,000	1,000	10,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	(1,000)	0	(1,000)	(1,000)	0	(1,000)	(2,000)		(2,000)
			0.0			0			0	0	0	0
070 Total	0.0	0.0	0.0	3,000	0	3,000	0	(1,000)	(1,000)	3,000	(1,000)	2,000

**2012 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
100	Division of Voc. Rehabilitation												
	ISSD compensation adjustments from Admin			0.0	(2,000)	(2,000)	(4,000)	(2,000)	(3,000)	(5,000)	(4,000)	(5,000)	(9,000)
	DIS reductions from PTOA			0.0	(2,000)	(5,000)	(7,000)	(2,000)	(5,000)	(7,000)	(4,000)	(10,000)	(14,000)
	MPA costs from Admin			0.0	(1,000)	(4,000)	(5,000)	(1,000)	(4,000)	(5,000)	(2,000)	(8,000)	(10,000)
	L&I Funding from PTOA			0.0	30,000		30,000	12,000		12,000	42,000	0	42,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	0	(2,000)	(2,000)	0	(2,000)	(2,000)	0	(4,000)	(4,000)
				0.0			0			0	0	0	0
	100 Total	0.0	0.0	0.0	25,000	(13,000)	12,000	7,000	(14,000)	(7,000)	32,000	(27,000)	5,000
110	Administration & Supporting Services												
	ISSD compensation adjustments from Admin			0.0	137,000	31,000	168,000	166,000	49,000	215,000	303,000	80,000	383,000
	DIS reductions from PTOA			0.0	(21,000)		(21,000)	(21,000)		(21,000)	(42,000)	0	(42,000)
	MPA costs from Admin			0.0	148,000	80,000	228,000	148,000	80,000	228,000	296,000	160,000	456,000
	L&I Funding from PTOA			0.0	37,000	8,000	45,000	16,000	3,000	19,000	53,000	11,000	64,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	51,000	37,000	88,000	51,000	37,000	88,000	102,000	74,000	176,000
	FTE Consolidation Transfer	1.0	1.0	1.0	490,000	214,000	704,000	714,000	307,000	1,021,000	1,204,000	521,000	1,725,000
				0.0			0			0	0	0	0
	110 Total	9.0	14.0	11.5	842,000	370,000	1,212,000	1,074,000	476,000	1,550,000	1,916,000	846,000	2,762,000
135	Special Commitment Center												
	ISSD compensation adjustments from Admin			0.0	(2,000)		(2,000)	(3,000)		(3,000)	(5,000)	0	(5,000)
	DIS reductions from PTOA			0.0	(1,000)		(1,000)	(1,000)		(1,000)	(2,000)	0	(2,000)
	MPA costs from Admin			0.0	(6,000)		(6,000)	(6,000)		(6,000)	(12,000)	0	(12,000)
	L&I Funding from PTOA			0.0	183,000		183,000	90,000		90,000	273,000	0	273,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(1,000)	0	(1,000)	(1,000)	0	(1,000)	(2,000)	0	(2,000)
	FTE Consolidation Transfer	(24.7)	(37.0)	(30.9)	(54,000)	0	(54,000)	(79,000)	0	(79,000)	(133,000)	0	(133,000)
				0.0			0			0	0	0	0
	135 Total	(24.7)	(37.0)	(30.9)	119,000	0	119,000	0	0	0	119,000	0	119,000
145	Payments to Other Agencies												
	DIS reductions from PTOA			0.0	755,000	322,000	1,077,000	739,000	314,000	1,053,000	1,494,000	636,000	2,130,000
	L&I Funding from PTOA			0.0	(4,609,000)	(1,773,000)	(6,382,000)	(2,116,000)	(843,000)	(2,959,000)	(6,725,000)	(2,616,000)	(9,341,000)
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	145 Total	0.0	0.0	0.0	(3,854,000)	(1,451,000)	(5,305,000)	(1,377,000)	(529,000)	(1,906,000)	(5,231,000)	(1,980,000)	(7,211,000)
150	Information System Services Division												
	Email & BB to DIS from ISSD	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin	(1.0)	(1.0)	(1.0)	0	0	0	0	0	0	0	0	0
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	145 Total	(1.0)	(1.0)	(1.0)	0	0	0	0	0	0	0	0	0
160	Consolidated Field Services												
	FTE Consolidation Transfer	343.1	540.2	441.7	0	0	0	0	0	0	0	0	0
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	150 Total	343.1	540.2	441.7	0	0	0	0	0	0	0	0	0
	Agency-Wide:	0	0	0.0	0	0	0	0	0	0	0	0	0

notes:

- Information System Services Division (ISSD) compensation adjustments from Administration & Supporting Services (Admin).
- Department of Information Services (DIS) rate & central service reductions from Payments to Other Agencies (PTOA).
- Additional Medicaid Purchasing Administration (MPA) costs to transfer from Admin.
- L&I funding from PTOA to programs.
- Email and Blackberry (BB) services transfer from ISSD to DIS. Net impact to the programs is zero; however, ISSD's funding will decrease by the amount programs reduce/transfer their TZ costs.
- ISSD Staff Transfer to Admin.
- In Mental Health, move FTEs and funding from Category 8000 to 9000 to align appropriations where costs are incurred.
- FTE Transfer related to the Regional Business Centers, Institutional Business Offices, and Maintenance Operations are consolidated in Program 160.

Department of Social and Health Services

DP Code/Title: M2-ME Fund McNeil Island Operations
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Special Commitment Center (SCC), requests \$2,300,000 GF-State and 17.8 FTE's in the 2012 Supplemental Budget to support the cost of sustaining operation on McNeil Island.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 135			
001-1 General Fund - Basic Account-State	840,000	1,460,000	2,300,000
Total Cost	840,000	1,460,000	2,300,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Program 135 FTEs	12.8	22.8	17.8

Package Description:

The transition of McNeil Island from the Department of Corrections (DOC) authority to DSHS has brought about the need for staff that was not initially identified in the 2011 Supplemental Budget or the 2011-13 Biennial Budget.

- Additional staff to run the ferries and tug boats to remain certified by the United States Coast Guard; 9.1 FTE's.
- One additional FTE for the fire department to provided for full 24/7 island coverage for safety of staff, residents and state resources.
- One additional FTE for the wastewater treatment systems maintenance and operation.
- 11.7 FTE's to replace supports that DOC provided to SCC and to the operation of the island. This includes escorting SCC residents off island, security, communication, boat maintenance, and the island and facility operations.

DSHS, SCC, took on the responsibility of all island infrastructure on July 1, 2011. Examples of these new responsibilities include the following:

- Marine Operations
- Fire Department
- Wastewater collection, transportation and treatment
- Domestic water creation, storage and distribution
- Island wide electrical transmission
- Boiler plants
- Fuel storage and distribution
- Warehouses and specific use buildings
- External lighting and irrigation system

Agency Contact: Debbie Schaub (360) 902-8177
Program Contact: Kelly Cunningham (253) 583-5933

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To keep the SCC residents and staff in a healthy, safe, and secure environment.

Department of Social and Health Services

DP Code/Title: M2-ME Fund McNeil Island Operations

Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

Performance Measure Detail

Program: 135

Activity: C014 Civil Commitment-Sexual Predators

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?

The transfer of McNeil Island to DSHS is a new development and has not been included in the agency's strategic plan.

This decision package requests the staff that are required to maintain island operations that had historically been performed by DOC. These include operating and maintaining the marine department, fire department, and island functionality.

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

Yes, improve the safety of people and property and to improve the quality of Washington's natural resources.

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

Contributes to the safety of people and the protection of property.

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

The staff requested in this decision package are essential to staff movement to and from the island, essential to maintaining a fire department, and to adequately support the operation of an island institution.

Without the requested level of marine, fire and island support, the welfare of SCC residents and staff would be vulnerable in a fire or other natural disaster situation, utility outage, and limit operations of the marine department.

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

Alternatives are still being considered, these include contracting for marine and fire services with local government or private entities and relocating SCC off of McNeil Island.

What are the consequences of not funding this package?

Without funding, SCC will not be able to provide adequate and appropriate supports to its staff and residents. The program could be placed in jeopardy of non-compliance with the Coast Guard and other federal and state requirements.

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: SCC M2-ME Fund McNeil Island Operations.xls

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

Department of Social and Health Services

DP Code/Title: M2-ME Fund McNeil Island Operations
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

All costs are ongoing.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 135 Objects			
A Salaries And Wages	526,000	910,000	1,436,000
B Employee Benefits	211,000	357,000	568,000
E Goods And Services	91,000	169,000	260,000
T Intra-Agency Reimbursements	12,000	24,000	36,000
Total Objects	840,000	1,460,000	2,300,000

DSHS Source Code Detail

Program 135	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	840,000	1,460,000	2,300,000
<i>Total for Fund 001-1</i>	840,000	1,460,000	2,300,000
Total Program 135	840,000	1,460,000	2,300,000

**2012 Supplemental Budget
M2-ME Fund McNeil Island Operations**

	FY 2012		FY 2013		FY 2012		FY 2013		FY 2012		FY 2013	
	FTE	FTE	Salary	Benefits	Salary	Benefits	Salary	Benefits	Salary	Benefits	G & S	ISSD
Marine												
Marine/Tug Boat Operator	0.7	0.7	38,859	15,544	38,859	15,544	4,931	720	38,859	15,544	4,931	720
Ferry Operator	0.7	0.7	46,957	18,783	46,957	18,783	4,931	720	46,957	18,783	4,931	720
Ferry Operator Assistant	7.7	7.7	254,570	101,828	254,570	101,828	54,239	7,921	254,570	101,828	54,239	7,921
	9.1	9.1	340,386	136,154	340,386	136,154	64,100	9,362	340,386	136,154	64,100	9,362
Other												
Electronic Comm System Tech	1.0	1.0	58,316	23,326	58,316	23,326	7,044	1,029	58,316	23,326	7,044	1,029
Electrician Lead - High Voltage	0.3	1.0	11,972	4,789	11,972	4,789	1,761	257	47,887	19,155	7,044	1,029
Maintenance Mechanic 2	0.7	2.0	60,012	24,005	60,012	24,005	4,755	694	88,906	35,563	14,088	2,058
Locksmith	0.3	1.0	10,066	4,026	10,066	4,026	1,761	257	40,263	16,105	7,044	1,029
Customer Service Spec 3	0.3	1.0	7,397	2,959	7,397	2,959	1,761	257	29,589	11,836	7,044	1,029
Stationary Engineer 2	0.3	0.7	14,017	5,607	14,017	5,607	2,113	309	32,706	13,082	4,931	720
Security Guard 2	2.0	8.0	82,632	33,053	82,632	33,053	14,088	2,058	330,528	125,601	56,352	8,230
	3.7	13.7	186,095	74,438	186,095	74,438	33,283	4,861	569,879	221,341	103,547	15,123
	12.8	22.8	526,481	210,592	526,481	210,592	90,339	12,345	910,265	357,495	167,647	24,484
Per Fiscal Year Rounded												
2011 - 13 Biennium								840,000				1,460,000
												2,300,000

Note: Salaries are at the 3 percent reduction levels

Department of Social and Health Services

DP Code/Title: M2-ZZ Unemployment
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests \$2,893,000 (\$2,245,000 GF-State) in the 2012 Supplemental Budget to offset increased Unemployment Insurance reimbursement to the Employment Security Department (ESD).

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	91,000	57,000	148,000
Total Cost	91,000	57,000	148,000

Staffing

Package Description:

Unemployment expenditures have increased significantly since 2008. DSHS has not been funded for this increase costs attributed to reductions to overall staffing levels. This decision package request funds related to the increase from 2008 which cannot be absorbed.

DSHS is self-insured for its unemployment insurance obligations, reimbursing the ESD for all unemployment benefits paid out to former employees. As DSHS has reduced its staffing level, its most current ESD quarterly bill, 2nd Quarter Calendar Year 2011, shows a 60 percent increase above its average quarterly ESD reimbursement from State Fiscal Year 2008. DSHS has reduced its FTEs by 2,400 or 13 percent since 2008 with no additional funding provided for its unemployment insurance obligations.

Agency contact: Edd Giger (360) 902-8067

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This request is necessary to ensure DSHS has adequate funds to reimburse the ESD for increased Unemployment Insurance billings due to mandated staff reduction.

Performance Measure Detail

Agency Level

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

This request contributes to the agency goal of strong management to increase public trust.

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

Yes. This request supports priority for economic security to promote practices and programs that protect workers.

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 makes key contributions to the following statewide results: Commitment to promote practices and programs that protect workers.

Department of Social and Health Services

DP Code/Title: M2-ZZ Unemployment
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

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

All DSHS programs are impacted by this request.

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

None. Given the large reductions undertaken by DSHS, the department is no longer able to absorb the increase costs associated with unemployment insurance compensation above funded levels.

What are the consequences of not funding this package?

If this decision package is not funded, then DSHS will have to divert funds for client services to offset this expense.

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 - ZZ Unemployment.xls

To develop the Unemployment model, the department looked at the Unemployment Rate Forecast completed by the state of Washington Revenue Forecast Council. The Unemployment Rate Forecast predicts unemployment will decline by an average of 0.6 percent each year. The department assumption is to dampened the trend by 75 percent given the current unemployment rate and the potential of additional reductions in Fiscal Year 2012 and Fiscal Year 2013.

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

These costs are ongoing.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
B Employee Benefits	91,000	57,000	148,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	91,000	57,000	148,000
Total for Fund 001-1	91,000	57,000	148,000
Total Overall Funding	91,000	57,000	148,000

2012 Supplemental Budget
M2-ZZ Unemployment

Program	2012			2013			BIENNIUM 2011-13			
	State	Federal	Total	State	Federal	Total	State	Federal	Total	Total
	010	\$ 254,000	\$ 85,000	\$ 339,000	\$ 174,000	\$ 58,000	\$ 232,000	\$ 428,000	\$ 143,000	\$ 571,000
020	\$ 337,000	\$ -	\$ 337,000	\$ 248,000	\$ -	\$ 248,000	\$ 585,000	\$ -	\$ 585,000	\$ 585,000
030	\$ 199,000	\$ 24,000	\$ 223,000	\$ 107,000	\$ 13,000	\$ 120,000	\$ 306,000	\$ 37,000	\$ 343,000	\$ 343,000
030 - 2000	\$ 197,000	\$ 24,000	\$ 221,000	\$ 106,000	\$ 13,000	\$ 119,000	\$ 303,000	\$ 37,000	\$ 340,000	\$ 340,000
030 - 9000	\$ 2,000	\$ -	\$ 2,000	\$ 1,000	\$ -	\$ 1,000	\$ 3,000	\$ -	\$ 3,000	\$ 3,000
040	\$ 258,000	\$ 233,000	\$ 491,000	\$ 180,000	\$ 162,000	\$ 342,000	\$ 438,000	\$ 395,000	\$ 833,000	\$ 833,000
040 - 1000	\$ 53,000	\$ 35,000	\$ 88,000	\$ 37,000	\$ 25,000	\$ 62,000	\$ 90,000	\$ 60,000	\$ 150,000	\$ 150,000
040 - 2000	\$ 203,000	\$ 195,000	\$ 398,000	\$ 141,000	\$ 136,000	\$ 277,000	\$ 344,000	\$ 331,000	\$ 675,000	\$ 675,000
040 - 9000	\$ 3,000	\$ 2,000	\$ 5,000	\$ 2,000	\$ 2,000	\$ 4,000	\$ 5,000	\$ 4,000	\$ 9,000	\$ 9,000
050	\$ 9,000	\$ 6,000	\$ 15,000	\$ (3,000)	\$ (2,000)	\$ (5,000)	\$ 6,000	\$ 4,000	\$ 10,000	\$ 10,000
060	\$ 28,000	\$ 23,000	\$ 51,000	\$ (18,000)	\$ (15,000)	\$ (33,000)	\$ 10,000	\$ 8,000	\$ 18,000	\$ 18,000
070	\$ 15,000	\$ 2,000	\$ 17,000	\$ 11,000	\$ 2,000	\$ 13,000	\$ 26,000	\$ 4,000	\$ 30,000	\$ 30,000
100	\$ 33,000	\$ -	\$ 33,000	\$ 22,000	\$ -	\$ 22,000	\$ 55,000	\$ -	\$ 55,000	\$ 55,000
110	\$ 139,000	\$ 33,000	\$ 172,000	\$ 104,000	\$ 24,000	\$ 128,000	\$ 243,000	\$ 57,000	\$ 300,000	\$ 300,000
135	\$ 91,000	\$ -	\$ 91,000	\$ 57,000	\$ -	\$ 57,000	\$ 148,000	\$ -	\$ 148,000	\$ 148,000
Total	\$ 1,363,000	\$ 406,000	\$ 1,769,000	\$ 882,000	\$ 242,000	\$ 1,124,000	\$ 2,245,000	\$ 648,000	\$ 2,893,000	\$ 2,893,000

Department of Social and Health Services

DP Code/Title: PL-MJ General Service Reduction
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Special Commitment Center (SCC), reduces (\$1,146,000) GF-State and (2.8) FTE in the 2012 Supplemental Budget. SCC will reduce staff, eliminate one contract, and reduce medical contracts.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 135			
001-1 General Fund - Basic Account-State	(509,000)	(637,000)	(1,146,000)
Total Cost	(509,000)	(637,000)	(1,146,000)

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Program 135 FTEs	(2.1)	(3.4)	(2.8)

Package Description:

SCC will eliminate (2.8) FTE positions that provide resident services directly or indirectly, to include two positions from the resident recreation department, one supervisory nursing position, and one WMS management position that oversees staff training. Staff costs savings are GF-State (\$496,000).

SCC will eliminate a juvenile services contract, which provides treatment services out of state for underage individuals detained under RCW 71.09. Savings are GF-State (\$250,000).

SCC will reduce existing resident medical services contracts. Savings are GF-State (\$400,000).

Agency Contact: Debbie Schaub (360) 902-8177
Program Contact: Kelly Cunningham (253) 583-5933

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To achieve savings to meet the 10 percent reduction targets set by the Office of Financial Management for the 2012 Supplemental Budget.

Performance Measure Detail

Program: 135

Activity: C014 Civil Commitment-Sexual Predators

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?

No

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

Yes, this decision package helps the agency meet the 10 percent reduction targets set by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

Department of Social and Health Services

DP Code/Title: PL-MJ General Service Reduction
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

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

No

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

These reductions are achievable without significantly affecting critical services to the resident population or the mission of SCC under RCW 71.09.

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

Elimination of other staff positions and services were evaluated and it was determined these had the least detrimental effects on safety and the overall mission.

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

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?

The juvenile services contract was terminated June 30, 2011. The medical contracts will need to be amended before January 2012.

Expenditure and revenue calculations and assumptions

See the attachment: SCC PL-MJ General Service Reduction.xls

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

All savings would be ongoing.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 135 Objects			
A Salaries And Wages	(139,000)	(236,000)	(375,000)
B Employee Benefits	(44,000)	(75,000)	(119,000)
E Goods And Services	(1,000)	(1,000)	(2,000)
N Grants, Benefits & Client Services	(325,000)	(325,000)	(650,000)
Total Objects	(509,000)	(637,000)	(1,146,000)

Department of Social and Health Services

DP Code/Title: PL-MJ General Service Reduction
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 135		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	(509,000)	(637,000)	(1,146,000)
<i>Total for Fund 001-1</i>		<u>(509,000)</u>	<u>(637,000)</u>	<u>(1,146,000)</u>
Total Program 135		(509,000)	(637,000)	(1,146,000)

**2012 Supplemental Budget
PL-MJ General Services Reduction**

	FY 2012	FY 2013	Total
FTE	(2.1)	(3.4)	(2.8)
Salary	(139,000)	(236,000)	(375,000)
Benefits	(44,000)	(75,000)	(119,000)
Goods & Services	(1,000)	(1,000)	(2,000)
Grants & Benefits	(325,000)	(325,000)	(650,000)
	<u>(509,000)</u>	<u>(637,000)</u>	<u>(1,146,000)</u>

Department of Social and Health Services

DP Code/Title: PL-MP Incarcerated Resident Annual Review
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Special Commitment Center (SCC), reduces (\$35,000) GF-State in the 2012 Supplemental Budget. This reduction will be achieved by suspending the requirement for an annual examination during any period of time an SCC resident is incarcerated.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	(35,000)	(35,000)
Total Cost	0	(35,000)	(35,000)

Staffing

Package Description:

In the past two years, several residents civilly committed to the SCC have been convicted of crimes and sentenced in federal or state courts. Because the committed persons are incarcerated in the state or federal penal systems, they are no longer in the legal or physical custody of DSHS.

During these periods of incarceration (and pre-trial detention), DSHS no longer has physical access to the person and does not have ready access to his/her medical or treatment records. Section 71.09.070 RCW imposes an obligation on SCC to conduct an annual examination of the person's mental condition to determine whether he/she still meets the criteria for commitment under Chapter 71.09 RCW.

Persons now serving criminal sentences in federal or state prisons are filing motions to dismiss their civil commitment cases under Chapter 71.09 RCW based on DSHS's failure to provide the required annual examination. If successful in their motions to dismiss, these individuals would not be returned to the SCC at the completion of their criminal sentences or alternatively it would require the re-filing of the Chapter 71.09 case and a new commitment trial with the attendant costs associated with that trial. SCC estimates seven residents per year will be impacted.

Agency Contact: Debbie Schaub (360) 902-8177
Program Contact: Kelly Cunningham (253) 583-5933

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To achieve savings to meet the 10 percent reduction targets set by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

Performance Measure Detail

Agency Level

Activity: C014 Civil Commitment-Sexual Predators

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?

Department of Social and Health Services

DP Code/Title: PL-MP Incarcerated Resident Annual Review
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

No

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

Yes, this decision package helps the agency meet the 10 percent reduction targets set by OFM for the 2012 Supplemental Budget.

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

No

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

The civil commitment cases of person committed under Chapter 71.09 may be dismissed or required to be re-filed.

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

No other alternatives were explored. This has been a recent development in the civil commitment program and not suspending the annual examinations could be more costly to the state.

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

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?

RCW 71.09.112 will need to be amended to suspend the annual review process when a civilly committed person is detained or incarcerated before July 1, 2012.

Expenditure and revenue calculations and assumptions

An estimated seven residents per year at a cost of \$5,000 per annual examination.

$7 \times 5,000 = 35,000$

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

Savings would be ongoing at \$35,000 per year.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods And Services	0	(35,000)	(35,000)

Department of Social and Health Services

DP Code/Title: PL-MP Incarcerated Resident Annual Review
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	0	(35,000)	(35,000)
<i>Total for Fund 001-1</i>		0	(35,000)	(35,000)
Total Overall Funding		0	(35,000)	(35,000)

Department of Social and Health Services

**DP Code/Title: PL-MR Population Management
Program Level - 135 Special Commitment Program**

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Special Commitment Center (SCC), reduces (\$1,825,000) GF-State in the 2012 Supplemental Budget. SCC will reduce legal and operating costs by identifying residents that are deemed to be at low risk of reoffending, performing an assessment sooner than required, and if the resident meets specific criteria, advance them to the courts for consideration of unconditional release.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	(312,000)	(1,513,000)	(1,825,000)
Total Cost	(312,000)	(1,513,000)	(1,825,000)

Staffing

Package Description:

DSHS, SCC, can reduce current legal and operating costs by identifying residents over the age of 60 that have shown to be at a low risk of reoffending and advancing them to the courts for consideration for unconditional release. Current empirical evidence supports substantially reduced recidivism rates in this category of offenders.

Agency Contact: Debbie Schaub (360) 902-8177
Program Contact: Kelly Cunningham (253) 583-5933

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Achieve savings to help the agency meet the 10 percent reduction targets set by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

Performance Measure Detail

Agency Level

Activity: C014 Civil Commitment-Sexual Predators

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?

No

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

Yes, this decision package helps the agency meet the 10 percent reduction targets set by OFM for the 2012 Supplemental Budget.

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

Department of Social and Health Services

**DP Code/Title: PL-MR Population Management
Program Level - 135 Special Commitment Program**

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

No

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

This reduction will have stakeholder effects although the agency believes it is achievable without significantly affecting the public safety mission of the SCC under RCW 71.09.

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

None

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

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

This proposal would not directly affect current capital plans; however, it could postpone capital needs by freeing up space at the current facility.

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

None

Expenditure and revenue calculations and assumptions

Fiscal Year 2012

Release 7 residents with an average cost of \$178,000 per year for an average savings of 3 months each.

$$(7 \times 178,000) / 12 \times 3 = \$312,000$$

Fiscal Year 2013

2nd year savings of first 7 residents released

$$(7 \times 178,000) = 1,246,000$$

Release an additional 3 residents for an average savings of 6 month each.

$$(3 \times 178,000) / 12 \times 6 = \$267,000$$

Biennial savings \$1,825,000

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

This reduction would be ongoing.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods And Services	(80,000)	(400,000)	(480,000)
N Grants, Benefits & Client Services	(232,000)	(1,113,000)	(1,345,000)
Total Objects	(312,000)	(1,513,000)	(1,825,000)

Department of Social and Health Services

DP Code/Title: PL-MR Population Management
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

DSHS Source Code Detail

Overall Funding

Fund 001-1, General Fund - Basic Account-State

Sources Title

0011 General Fund State

Total for Fund 001-1

Total Overall Funding

FY 1

FY 2

Total

(312,000)

(1,513,000)

(1,825,000)

(312,000)

(1,513,000)

(1,825,000)

(312,000)

(1,513,000)

(1,825,000)

Department of Social and Health Services

DP Code/Title: PL-MT SCC Food Cost Savings
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Special Commitment Center (SCC), reduces (\$54,000) GF-State in the 2012 Supplemental Budget by reducing food expenditures.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	(18,000)	(36,000)	(54,000)
Total Cost	(18,000)	(36,000)	(54,000)

Staffing

Package Description:

DSHS, SCC, reduces (\$54,000) GF-State in the 2012 Supplemental Budget by reducing food expenditures. Fiscal Year 2011 food costs were \$2.34 per meal. SCC will reduce food costs for the SCC Total Confinement Facility by 5 percent. SCC will continue to provide nutritionally adequate meals sufficient to keep a resident in good health, that meets federally mandated caloric and nutritional counts, and accommodates dietary needs for religious beliefs.

Agency contact: Debbie Schaub (360) 902-8177
Program contact: Kelly Cunningham (253) 583-5933

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To achieve savings to meet the 10 percent reduction targets set by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

Performance Measure Detail

Agency Level

Activity: C014 Civil Commitment-Sexual Predators

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?

No

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

Yes, this decision package helps the agency meet the 10 percent reduction targets set by OFM for the 2012 Supplemental Budget.

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

No

Department of Social and Health Services

**DP Code/Title: PL-MT SCC Food Cost Savings
Program Level - 135 Special Commitment Program**

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

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?

The agency will not meet its budget reduction targets.

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

Total Fiscal Year 2011 food expenditures at SCC was \$721,378 resulting in food costs of \$2.34 per meal. A 5 percent reduction per year is \$36,000 per year. Effective date is January 1, 2012 for a total reduction of \$54,000.

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

These cost savings are ongoing.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods And Services	(18,000)	(36,000)	(54,000)

DSHS Source Code Detail

<u>Overall Funding</u>		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	(18,000)	(36,000)	(54,000)
<i>Total for Fund 001-1</i>		<u>(18,000)</u>	<u>(36,000)</u>	<u>(54,000)</u>
Total Overall Funding		(18,000)	(36,000)	(54,000)

Department of Social and Health Services

DP Code/Title: PL-MU SCC Legal Costs
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Special Commitment Center (SCC), reduces (\$1,316,000) GF-State in the 2012 Supplemental Budget. SCC will reduce legal cost associated with civilly committing sexually violent predators under Chapter 71.09 RCW.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	(391,000)	(925,000)	(1,316,000)
Total Cost	(391,000)	(925,000)	(1,316,000)

Staffing

Package Description:

DSHS, SCC, provides three options for reducing SCC legal costs. Total reduction for the three options is (\$1,316,000) GF-State. Implementation will be January 1, 2012.

Option 1

DSHS, SCC, will reduce the cost of defending civil commitment cases under Chapter 71.09 RCW by 10 percent (\$842,000) GF-State. This will be done through the request for proposal (RFP) contracting process. The RFP needs to be released before the end of October 2011 in order for the contract to be executed January 1, 2012.

Option 2

DSHS, SCC, a one time reduction in defense cost, (\$250,000) GF-State, by strengthening the criteria in granting exceptions to the rules under Washington Administrative Code (WAC) 388-885-030. Under this WAC, a county administration or an entity of county government may request an exception.

This WAC allows the Secretary of DSHS to allow exceptions on a case-by-case basis for (a) unanticipated expenditures; (b) evaluation related cap relief, related to a single commitment proceeding deemed truly unique in nature; and (c) or for a new type of case.

Option 3

DSHS, SCC, will reduce the cost of prosecuting civil commitment cases under Chapter 71.09 RCW by 10 percent, (\$224,000) GF-State. This will be done by requiring all cases to be prosecuted by the Attorney General Office (AGO). Currently, the AGO does the prosecution on 68 percent of all SCC civil commitment cases.

Agency Contact: Debbie Schaub (360) 902-8177
Program Contact: Kelly Cunningham (253) 583-5933

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To achieve savings to meet the 10 percent reduction targets set by OFM for the 2012 Supplemental Budget.

Department of Social and Health Services

DP Code/Title: PL-MU SCC Legal Costs
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

Performance Measure Detail

Agency Level

Activity: C014 Civil Commitment-Sexual Predators

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?

No

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

Yes, this decision package helps the agency meet the 10 percent reduction targets set by OFM for the 2012 Supplemental Budget.

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

No

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

This reduction is achievable without significantly affecting the public safety mission of the SCC under RCW 71.09.

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

None

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

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?

Option 1: Requires a RFP and new contract by January 2012.

Option 2: Requires changes to WAC 388-885-030 by January 2012.

Option 3: Requires changes to RCW 71.09 and requires a new contract by January 2012.

Expenditure and revenue calculations and assumptions

See attachment: SCC PL-MU SCC Legal Cost.xls

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

Reductions would be ongoing.

Department of Social and Health Services

DP Code/Title: PL-MU SCC Legal Costs
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
N Grants, Benefits & Client Services	(391,000)	(925,000)	(1,316,000)

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	(391,000)	(925,000)	(1,316,000)
<i>Total for Fund 001-1</i>	<u>(391,000)</u>	<u>(925,000)</u>	<u>(1,316,000)</u>
Total Overall Funding	(391,000)	(925,000)	(1,316,000)

**2012 Supplemental Budget
PL-MU SCC Legal Costs**

	FY 2012	FY 2013	Total
Legal Cost Budget	7,014,000	7,146,000	14,160,000
Defense			
Option 1	5,541,000	5,645,000	11,186,000
Balance	(277,000)	(565,000)	(842,000)
	<u>5,264,000</u>	<u>5,080,000</u>	<u>10,344,000</u>
Option 2	(40,000)	(210,000)	(250,000)
Balance	<u>5,224,000</u>	<u>4,870,000</u>	<u>10,094,000</u>
Prosecution			
Option 3	1,473,000	1,501,000	2,974,000
Balance	(74,000)	(150,000)	(224,000)
	<u>1,399,000</u>	<u>1,351,000</u>	<u>2,750,000</u>
Total Legal Cost Budget	6,623,000	6,221,000	12,844,000
Total Legal Cost Reduction	(391,000)	(925,000)	(1,316,000)

Effective January 1, 2012

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Information System Services Division (ISSD), requests \$512,000 (\$291,000 GF-State) in the 2012 Supplemental Budget for startup equipment required to migrate systems from the Office Building 2 (OB2) to the new State Data Center (SDC) located in the 1500 Jefferson Building.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	1,000	3,000	4,000
Total Cost	1,000	3,000	4,000

Staffing

Package Description:

The Washington State Legislature enacted Engrossed Substitute Senate Bill 5931, during the 2011 Legislative Session, to address the high costs of Information Technology (IT) services. This legislation requires certain IT equipment to be housed in the new SDC located in the 1500 Jefferson Building complex. This investment facilitates the migration and consolidation of IT assets into the SDC in support of this legislation and the Governor's directive to consolidate data centers.

DSHS has a large computer equipment presence in the OB2 Data Center (approximately 85 server racks with 600 devices). Migrating this equipment to the new SDC building located in the 1500 Jefferson Building complex is part of a statewide initiative in support of the legislation.

To enable the migration of some systems, startup equipment is necessary. This startup equipment supports network operations and provides a landing pad for systems in the SDC. Existing equipment supporting these systems cannot be shutdown and physically moved for various reasons:

1. Shutting down and moving the hardware has a high risk of long outages of critical systems.
2. Data storage shared across many systems cannot be shut down and moved without significant system outages. These systems are critical to business operations and impact service to citizens.
3. Virtual host platforms need a starting point (e.g., landing pad) in the State Data Center. This equipment would be supplemented with existing hardware as virtual systems are migrated off the hardware freeing up capacity. Initial servers are needed to start the process.
4. Network components are needed to maintain performance and operations. These network components are needed during the migration period of dual operations and will be used ongoing after the migration.

The funding provides servers, storage and network equipment. DSHS has evaluated existing equipment and is only requesting new equipment where existing equipment will not work or makes business/financial sense (too old, not enough capacity, incompatible, etc.). The vast majority of existing DSHS equipment will be used or replaced by virtual capacity without additional funding. This request represents the exceptions where existing equipment is either not available or impractical to use.

The implementation schedule is driven by the Consolidated Technology Services OB2 Move project. This equipment is targeted for procurement approximately June 2012.

If the funding request is not approved, then more of the computer systems and equipment will be dependent on a Physical Move approach, which will increase the duration and risk of outages. There will be a higher probability that application availability will be impacted by the migration.

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

Agency contact: Tula Habb (360) 902-8182

Program contact: Cheryl Adams (360) 902-7551

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Desired Results:

1. The computer servers and storage equipment will allow the agency to increase the number of systems using a virtual to virtual migration approach. This approach is significantly quicker and less risky than physically moving equipment, which can impact services to clients/citizens.
2. The network equipment supports optimization, monitoring and trouble shooting. The desired result of the optimization is to keep network traffic, for 35 DSHS field offices across the state, flowing with the same performance as completed currently. Without this equipment, the network lines will become saturated causing work slowdowns and stoppages.
3. The desired results of the equipment for monitoring and trouble shooting is to resolve system problems quickly. In many cases, problems can be resolved before they become major problems causing work stoppage. Without tools to monitor and trouble shoot production problems, work stoppages will increase in duration causing productivity loss and service impacts to clients/citizens.

Overall, this funding will minimize business disruption (unplanned outages) caused from moving systems and equipment from OB2 to the SDC.

Negative Consequences, if this request is not funded:

1. Without computer servers and storage, systems will require longer outages to move to the SDC causing impacts to worker productivity and service to clients/citizens.
2. Without optimization equipment, the network lines will become saturated causing work slowdowns and stoppages.
3. Without tools to monitor and trouble shoot production problems, work stoppages will increase in duration causing productivity loss and service impacts to clients/citizens.
4. Impact to clients and citizens.
5. Moving equipment into the SDC has positive impacts including:
 - a. Leveraging a state-of-the-art facility.
 - b. Leveraging new shared services.
 - c. Reducing the cost of IT.

Performance Measure Detail

Agency Level

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

This decision package supports the agency's strategic plan as follows:

Goal H: Reinforce strong management to increase public trust

Objective 1: Improve information technology capacity to support management needs

Strategy: Maintain and update existing or implement new core applications, systems, and infrastructure to meet changing needs and take advantage of changes in technology (DSHS).

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

The funding obtained by this decision package will allow the department to minimize impacts to existing systems performance and operations. Moving into the SDC will take advantage of a state-of-the-art facility and position the department to take advantage of future shared services.

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

This funding supports the new legislation and the consolidation of data centers into the SDC. This supports the statewide result to "improve state government efficiency" by reducing the overall cost of information technology.

The OB2 Move project is one of several phases in Washington State's IT Transformation Initiative. The other components of the IT initiative include implementation of shared services and data center consolidation.

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 supports the Priorities of Government (POG) critical value statement to improve state government efficiency. SDC has three mandated outcomes that align with this statewide result:

1. Improve security.
2. Reduce operational costs.
3. Improve service quality, availability, and performance.

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

This is related to new Legislation, ESSB 5931, requiring consolidation of data centers and moving all servers into the SDC building.

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

The department is using multiple options for migrating computer equipment and systems from OB2 to SDC. These are listed below and align with a study performed by INX Metagyre Inc. (INX) for DIS. The INX study included an analysis of alternatives for moving equipment out of OB2. One alternative looked at Physical Relocation of all systems. This alternative was dismissed due to the long system outage it would require and the risks of breaking systems. The other alternative looked at Individualize System Moves based on each system's requirements and interrelationships. This alternative was recommended as it has the least risk and allows better management of risks, resources, testing, problem resolution, and ability to fallback.

The three primary move scenarios that DSHS will use include:

1. Virtual to Virtual: Migrating virtual systems in OB2 to a virtual platform in the SDC. This requires seed equipment or some form of existing hardware platform (e.g., landing pad) in the SDC to work.
2. Physical Move: Unplugging existing equipment, moving, and installing it in the SDC. This is higher risk and requires a system outage.
3. Logical Move: Installing startup equipment in the SDC, loading systems on the equipment, and doing a cut-over. This is lower risk and can be done quicker than a physical move. This option requires startup equipment.

Each system is examined to determine which migration option best meets the business need and level of risk. The agency also put stringent requirements around what could be requested in this decision package. Equipment at end-of-life was not allowed on the funding list as these should already have a funding source for them (required regardless of the move). Only items required to make the move happen without a funding source were put on the list.

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 135 Special Commitment Program

Budget Period: 2011-13 Version: M2 135 - 2012 Sup Agency Request

What are the consequences of not funding this package?

If the funding request is not approved, then more of the computer systems and equipment will be dependent on a Physical Move approach, which will increase the duration and risk of system outages. These would cause work stoppages and impact service to clients/citizens.

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

Costs estimates are based on vendor budgetary quotes.

See attachments: ISSD PL-PF State Data Center equipment.xlsx and ISSD PL PF State Data Center Transition IT Addendum.doc

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

The costs are one-time costs. Once equipment reaches end-of-life, the agency intends to migrate to a statewide shared service to provide this function.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
T Intra-Agency Reimbursements	1,000	3,000	4,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	1,000	3,000	4,000
<i>Total for Fund 001-1</i>	1,000	3,000	4,000
Total Overall Funding	1,000	3,000	4,000

**2012 Supplemental Budget
PL-PF State Data Center equipment**

**Department of Social & Health Services
COST SUMMARY**

	FY 2012	FY 2013	TOTAL
STORAGE		\$250,000	\$250,000
SERVERS		\$75,000	\$75,000
NETWORK	\$187,000		\$187,000
TOTAL	\$187,000	\$325,000	\$512,000

Total Funds	State	Federal
\$512,000	\$291,000	\$221,000

Biennial Total		All Objects			Object J			Object TZ		
DSHS Programs		State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA	30,000	41,000	71,000			-	30,000	41,000	71,000
020	JRA	13,000	-	13,000			-	13,000	-	13,000
030	MH	27,000	-	27,000			-	27,000	-	27,000
040	DD	21,000	6,000	27,000			-	21,000	6,000	27,000
050	LTC	17,000	16,000	33,000			-	17,000	16,000	33,000
060	ESA	119,000	107,000	226,000			-	119,000	107,000	226,000
070	ASA	2,000	1,000	3,000			-	2,000	1,000	3,000
100	VR	1,000	9,000	10,000			-	1,000	9,000	10,000
110	ADMIN	57,000	41,000	98,000			-	57,000	41,000	98,000
135	SCC	4,000	-	4,000			-	4,000	-	4,000
150	ISSD	-	-	-			-			-
		<u>291,000</u>	<u>221,000</u>	<u>512,000</u>	<u>512,000</u>		<u>512,000</u>	<u>(512,000)</u>		<u>(512,000)</u>
		57%	43%					<u>(221,000)</u>	<u>221,000</u>	<u>-</u>

Total Funds	State	Federal
\$187,000	\$106,000	\$81,000

FY 2012		All Objects			Object J			Object TZ		
DSHS Programs		State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA	11,000	15,000	26,000			-	11,000	15,000	26,000
020	JRA	5,000	-	5,000			-	5,000	-	5,000
030	MH	10,000	-	10,000			-	10,000	-	10,000
040	DD	8,000	2,000	10,000			-	8,000	2,000	10,000
050	LTC	6,000	6,000	12,000			-	6,000	6,000	12,000
060	ESA	43,000	39,000	82,000			-	43,000	39,000	82,000
070	ASA	1,000	-	1,000			-	1,000	-	1,000
100	VR	-	4,000	4,000			-	-	4,000	4,000
110	ADMIN	21,000	15,000	36,000			-	21,000	15,000	36,000
135	SCC	1,000	-	1,000			-	1,000	-	1,000
150	ISSD	-	-	-			-			-
		<u>106,000</u>	<u>81,000</u>	<u>187,000</u>	<u>187,000</u>		<u>187,000</u>	<u>(187,000)</u>		<u>(187,000)</u>
		57%	43%					<u>(81,000)</u>	<u>81,000</u>	<u>-</u>

Total Funds	State	Federal
\$325,000	\$185,000	\$140,000

FY 2013		All Objects			Object J			Object TZ		
DSHS Programs		State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA	19,000	26,000	45,000			-	19,000	26,000	45,000
020	JRA	8,000	-	8,000			-	8,000	-	8,000
030	MH	17,000	-	17,000			-	17,000	-	17,000
040	DD	13,000	4,000	17,000			-	13,000	4,000	17,000
050	LTC	11,000	10,000	21,000			-	11,000	10,000	21,000
060	ESA	76,000	68,000	144,000			-	76,000	68,000	144,000
070	ASA	1,000	1,000	2,000			-	1,000	1,000	2,000
100	VR	1,000	5,000	6,000			-	1,000	5,000	6,000
110	ADMIN	36,000	26,000	62,000			-	36,000	26,000	62,000
135	SCC	3,000	-	3,000			-	3,000	-	3,000
150	ISSD	-	-	-			-			-
		<u>185,000</u>	<u>140,000</u>	<u>325,000</u>	<u>325,000</u>		<u>325,000</u>	<u>(325,000)</u>		<u>(325,000)</u>
		57%	43%					<u>(140,000)</u>	<u>140,000</u>	<u>-</u>

2012 Supplemental Budget
PL-PF State Data Center equipment
Department of Social & Health Services
Estimated Costs Breakout

Item	Area	Description	Total
1	ISSD Storage	This device will replicate the Storage Area Network (SAN) used by the Information Systems Services Division (ISSD). The existing Net App storage device cannot be moved to the State Data Center (SDC) until all the systems data is migrated off the device. Once all the systems data is migrated, the existing equipment can be repurposed by another group to avoid another purchase.	\$250,000
2	ISSD Servers	Three physical servers are needed to support the initial virtual platform at the SDC. Once virtual servers in the A-la-Carte 2 computer room are migrated to the SDC, the existing compute infrastructure (physical servers) can be used (i.e. repurposed) for the next round of system migrations.	\$45,000
3	ISSD Shared SQL database	Two servers are needed to support the ISSD Shared SQL environment. One for Production and one for the Quality Assurance (QA) environment.	\$30,000
4	ISSD Network	One Steelhead device to support Wide Area Network (WAN) optimization. This is a second device that will support the migration to the SDC reducing risk to local office disruption. This will also provide some redundancy in the architecture.	\$127,000
5	ISSD Network	Devices that tap into networks in support of network traffic monitoring (also known as TAPs), are needed to support DSHS network operations during the migration. Some of the existing TAPs equipment needs to remain attached to the DSHS Core network in OB2 during the migration. DSHS needs additional TAP equipment to monitor components on the SDC side of the network.	\$60,000
	TOTAL		\$512,000

Recommendation Summary

Budget Period: 2011-13
Budget Level Criteria: ALL

Version: N2 - 145 - 2012 Sup Agency Request

Dollars in Thousands	Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
Program 145 - Payment to Other Agencies					
CB - Current Biennium					
00	Current Biennium Base	0	129,714	60,313	190,027
	SubTotal CB	<u>0.0</u>	<u>129,714</u>	<u>60,313</u>	<u>190,027</u>
	Cumulative Total Thru CB	<u>0.0</u>	<u>129,714</u>	<u>60,313</u>	<u>190,027</u>
M2 - Inflation and Other Rate Changes					
9T	Transfers	0	(5,231)	(1,980)	(7,211)
NT	Children's Mental Health Litigation	0	444	134	578
	SubTotal M2	<u>0.0</u>	<u>(4,787)</u>	<u>(1,846)</u>	<u>(6,633)</u>
	Cumulative Total Thru M2	<u>0.0</u>	<u>124,927</u>	<u>58,467</u>	<u>183,394</u>
PL - Performance Level					
NS	Reduce-Payments to Other Agencies	0	(5,397)	(2,516)	(7,913)
	SubTotal PL	<u>0.0</u>	<u>(5,397)</u>	<u>(2,516)</u>	<u>(7,913)</u>
	Cumulative Total Thru PL	<u>0.0</u>	<u>119,530</u>	<u>55,951</u>	<u>175,481</u>
Total Proposed Budget for Program 145 - Payment to Other Agencies		<u>0.0</u>	<u>119,530</u>	<u>55,951</u>	<u>175,481</u>

Recommendation Summary Text

9T - Transfers

(M2) The Department of Social and Health Services (DSHS) requests to shift FTEs and funding among programs in the 2012 Supplemental Budget. This transfer will align FTEs and funds within the programs where the costs are incurred. The net impact is zero.

NS - Reduce-Payments to Other Agencies

(PL) The Department of Social and Health Services (DSHS), Payment to Other Agencies (PTOA) reduces (\$7,913,000), (\$5,397,000) GF-State, in the 2012 Supplemental Budget by decreasing the Central Services costs beginning January 1, 2012.

NT - Children's Mental Health Litigation

(M2) The Department of Social and Health Services (DSHS), Payment to Other Agencies (PTOA), requests \$578,000 (\$444,000 GF-State) in the 2012 Supplemental Budget for additional legal services from the Office of the Attorney General (AGO) associated with Children's Mental Health litigation (T.R. v Dreyfus).

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 145 Payment to Other Agencies

Budget Period: 2011-13 Version: N2 145 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests to shift FTEs and funding among programs in the 2012 Supplemental Budget. This transfer will align FTEs and funds within the programs where the costs are incurred. The net impact is zero.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 145			
001-1 General Fund - Basic Account-State	(3,854,000)	(1,377,000)	(5,231,000)
001-C General Fund - Basic Account-Medicaid Federal	(1,451,000)	(529,000)	(1,980,000)
Total Cost	(5,305,000)	(1,906,000)	(7,211,000)

Staffing

Package Description:

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

Information System Services Division (ISSD) Compensation Adjustment (110 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): Administration and Supporting Services (Administration) will transfer compensation costs for staff in ISSD to other DSHS programs. Compensation steps associated with staff in ISSD are routinely included within the budget steps for Administration. Administration will distribute \$383,000 (\$303,000 GF-State) of ISSD's costs to the programs. These steps include: 1) savings from ending automatic benefit increases from the Public Employees' Retirement System Plan 1; 2) health insurance decrease in Fiscal Year 2013 to reflect the expected decrease of state employees in 2011-13, (the decrease in the carry forward level has already been adjusted in Fiscal Year 2012); 3) 3 percent cost savings in employee salaries; and 4) employer contributions adjusted to levels adopted by the Pension Funding Council. ISSD's budget resides in programs' budgets at Sub-Object TZ.

Department of Information Services (DIS) Rate Reduction (145 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): Payments to Other Agencies (PTOA) will distribute \$2,130,000 (\$1,494,000 GF-State) of DIS rate adjustment costs to the various programs. DIS reduced their 2011-13 rates in technology leasing services, storage, and mainframe computing. Also, the Central Service Model reduced the department's funding for DIS services. PTOA does not pay these DIS costs for the entire department; rather, they are paid out of the programs' budgets at the Sub-Object EL levels.

Medicaid Purchasing Administration (MPA) Funding (110 to 010, 020, 030, 040, 050, 060, 070, 100, 135): Administration will distribute \$456,000 (\$296,000 GF-State) in costs to DSHS programs for the funding of positions that were transferred to the Health Care Authority (HCA). The negotiation for the DSHS and MPA transfer required DSHS to provide additional staff funding to HCA. Administration distributes this cost to the programs in this request. (Economic Services Administration (ESA) agreed to provide 3.0 FTEs, which were transferred out of the ESA 2011-13 Biennial Budget.) This distribution will give each program a share of the cost without Administration carrying the full cost as this was the original intent.

Department of Labor and Industries (L&I) Funding from PTOA to Programs (145 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): L&I funding for the various DSHS programs was provided in PTOA's budget and will need to transfer to the respective programs. PTOA will transfer \$9,341,000 (\$6,725,000 GF-State) to the programs.

ISSD Transfer of Email and Blackberry services to DIS (All DSHS Programs): ISSD will no longer provide email and blackberry services for the department and will transfer these services to DIS. Program's

Department of Social and Health Services

DP Code/Title: M2-9T Transfers

Program Level - 145 Payment to Other Agencies

Budget Period: 2011-13 Version: N2 145 - 2012 Sup Agency Request

funding for these services are in Sub-Object TZ and will need to transfer to Sub-Object EL. The estimated transfer amount is \$624,000 total funds for Fiscal Year 2012 and \$1,208,000 total funds for Fiscal Year 2013. Amounts in the first year are estimates because the transfer timeline may change.

ISSD Staff Transfer to Administration (150 or 020, 030, 040, 050, 060, 070, 100, 135 to 110):

ISSD will transfer 1.0 FTE and \$216,000 (\$126,000 GF-State) to Administration, which fits with the current organizational reporting structure. As mentioned above, because of ISSD's budget residing in the programs' Sub-Object TZ costs, programs will transfer \$176,000 of their ISSD's costs to Administration, which will also reduce their share of ISSD's costs by \$40,000.

Mental Health Category Transfers (030 8000 to 030 9000):

DSHS, Mental Health (MH), is a categorically appropriated program. Thus, MH requests to move 8.6 FTEs and \$671,000 (\$74,000 GF-State) from Category 8000 to Category 9000 to align appropriations where costs are incurred.

Consolidated Field Services FTE Transfer (010, 020, 030, 040, 050, 060, 135 to 110 & 160):

Program 160 - Consolidated Field Services (CFS) will consolidate 343.1 FTEs in Fiscal Year 2012 and 540.2 FTEs in Fiscal Year 2013 from various DSHS Programs, which is designed to centralize services and maximize efficiencies in order to support business functions and maintenance for the regional centers and the institutions. CFS will operate as a chargeback to programs in order to maintain the maximum federal participation rate that DSHS Programs receive. Part of this consolidation is a transfer of 8.0 FTEs and \$704,000 (\$490,000 GF-State) in Fiscal Year 2012 and 13.0 FTEs and \$1,021,000 (\$714,000 GF-State) in Fiscal Year 2013 for payroll staff, Facility Planners and a Fiscal Coordinator from the various programs to Program 110. The consolidation will phase in from November 1, 2011, through March 1, 2012, and has been approved by the Legislative Evaluation and Accountability Program (LEAP) Committee.

These transfers will realign the 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?

DSHS accounts for the wise use of public dollars by maximizing federal funding sources.

Performance Measure Detail

Program: 145

Activity: N073 Payment to Other Agencies

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?

Yes. This request supports our goal to improve health care quality and access and to improve internal and external partnerships.

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

Yes. This request supports the Governor's priority associated with efficient state government services for the people of Washington State.

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

Department of Social and Health Services

DP Code/Title: M2-9T Transfers

Program Level - 145 Payment to Other Agencies

Budget Period: 2011-13 Version: N2 145 - 2012 Sup Agency Request

Yes. This request makes key contributions to the Governor's statewide results to "strengthen government's ability to achieve results efficiently and effectively."

This package will rate high in the Priorities of Government (POG) process as it will assist us in ensuring that needed support and funds are in the correct programs. In addition, it will allow DSHS to monitor costs and services efficiently and effectively.

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, 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 resulting in the funding being in the correct programs. Then, all costs associated with these transfers will be ongoing and will carry-forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 145 Objects			
E Goods And Services	(5,305,000)	(1,906,000)	(7,211,000)

Department of Social and Health Services

DP Code/Title: M2-9T Transfers

Program Level - 145 Payment to Other Agencies

Budget Period: 2011-13 Version: N2 145 - 2012 Sup Agency Request

DSHS Source Code Detail

		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 145				
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	(3,854,000)	(1,377,000)	(5,231,000)
<i>Total for Fund 001-1</i>		<u>(3,854,000)</u>	<u>(1,377,000)</u>	<u>(5,231,000)</u>
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u>	<u>Title</u>			
19UL	Title XIX Admin (50%)	(1,451,000)	(529,000)	(1,980,000)
<i>Total for Fund 001-C</i>		<u>(1,451,000)</u>	<u>(529,000)</u>	<u>(1,980,000)</u>
Total Program 145		<u>(5,305,000)</u>	<u>(1,906,000)</u>	<u>(7,211,000)</u>

**2012 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
010	Children's Administration												
	ISSD compensation adjustments from Admin			0.0	(19,000)	(9,000)	(28,000)	(23,000)	(13,000)	(36,000)	(42,000)	(22,000)	(64,000)
	DIS reductions from PTOA			0.0	(103,000)	(44,000)	(147,000)	(100,000)	(43,000)	(143,000)	(203,000)	(87,000)	(290,000)
	MPA costs from Admin			0.0	(24,000)	(13,000)	(37,000)	(24,000)	(13,000)	(37,000)	(48,000)	(26,000)	(74,000)
	L&I Funding from PTOA			0.0	192,000	63,000	255,000	80,000	26,000	106,000	272,000	89,000	361,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(6,000)	(9,000)	(15,000)	(6,000)	(9,000)	(15,000)	(12,000)	(18,000)	(30,000)
	FTE Consolidation Transfer	(10.9)	(26.2)	(18.6)	(37,000)	(41,000)	(78,000)	(52,000)	(59,000)	(111,000)	(89,000)	(100,000)	(189,000)
				0.0			0			0	0	0	0
	010 Total	(10.9)	(26.2)	(18.6)	3,000	(53,000)	(50,000)	(125,000)	(111,000)	(236,000)	(122,000)	(164,000)	(286,000)
020	Juvenile Rehabilitation												
	ISSD compensation adjustments from Admin			0.0	(5,000)		(5,000)	(7,000)		(7,000)	(12,000)	0	(12,000)
	DIS reductions from PTOA			0.0	(8,000)		(8,000)	(8,000)		(8,000)	(16,000)	0	(16,000)
	MPA costs from Admin			0.0	(8,000)	(4,000)	(12,000)	(8,000)	(4,000)	(12,000)	(16,000)	(8,000)	(24,000)
	L&I Funding from PTOA			0.0	382,000		382,000	179,000		179,000	561,000	0	561,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(3,000)	0	(3,000)	(3,000)	0	(3,000)	(6,000)	0	(6,000)
	FTE Consolidation Transfer	(36.0)	(55.1)	(45.6)	(11,000)	0	(11,000)	(15,000)	0	(15,000)	(26,000)	0	(26,000)
				0.0			0			0	0	0	0
	020 Total	(36.0)	(55.1)	(45.6)	347,000	(4,000)	343,000	138,000	(4,000)	134,000	485,000	(8,000)	477,000
030	Mental Health												
	ISSD compensation adjustments from Admin			0.0	(12,000)	1,000	(11,000)	(15,000)	1,000	(14,000)	(27,000)	2,000	(25,000)
	DIS reductions from PTOA			0.0	(19,000)	4,000	(15,000)	(18,000)	4,000	(14,000)	(37,000)	8,000	(29,000)
	MPA costs from Admin			0.0	(26,000)	(14,000)	(40,000)	(26,000)	(14,000)	(40,000)	(52,000)	(28,000)	(80,000)
	L&I Funding from PTOA			0.0	2,011,000	249,000	2,260,000	893,000	110,000	1,003,000	2,904,000	359,000	3,263,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(6,000)	0	(6,000)	(6,000)	0	(6,000)	(12,000)	0	(12,000)
	Category 8000	(8.6)	(8.6)	(8.6)	(296,000)	(38,000)	(334,000)	(301,000)	(36,000)	(337,000)	(597,000)	(74,000)	(671,000)
	Category 9000	8.6	8.6	8.6	296,000	38,000	334,000	301,000	36,000	337,000	597,000	74,000	671,000
	FTE Consolidation Transfer	(119.2)	(178.9)	(149.1)	(239,000)	0	(239,000)	(353,000)	0	(353,000)	(592,000)	0	(592,000)
				0.0			0			0	0	0	0
	030 Total	(119.2)	(178.9)	(149.1)	1,709,000	240,000	1,949,000	475,000	101,000	576,000	2,184,000	341,000	2,525,000
040	Division of Developmental Disabilities												
	ISSD compensation adjustments from Admin			0.0	(9,000)	(2,000)	(11,000)	(10,000)	(3,000)	(13,000)	(19,000)	(5,000)	(24,000)
	DIS reductions from PTOA			0.0	(27,000)	(1,000)	(28,000)	(26,000)		(26,000)	(53,000)	(1,000)	(54,000)
	MPA costs from Admin			0.0	(31,000)	(17,000)	(48,000)	(31,000)	(17,000)	(48,000)	(62,000)	(34,000)	(96,000)
	L&I Funding from PTOA			0.0	1,366,000	1,311,000	2,677,000	670,000	644,000	1,314,000	2,036,000	1,955,000	3,991,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(5,000)	(1,000)	(6,000)	(5,000)	(1,000)	(6,000)	(10,000)	(2,000)	(12,000)
	FTE Consolidation Transfer	(144.9)	(219.7)	(182.3)	(62,000)	(105,000)	(167,000)	(92,000)	(152,000)	(244,000)	(154,000)	(257,000)	(411,000)
				0.0			0			0	0	0	0
	040 Total	(144.9)	(219.7)	(182.3)	1,232,000	1,185,000	2,417,000	506,000	471,000	977,000	1,738,000	1,656,000	3,394,000
050	Long Term Care												
	ISSD compensation adjustments from Admin			0.0	(11,000)	(3,000)	(14,000)	(14,000)	(4,000)	(18,000)	(25,000)	(7,000)	(32,000)
	DIS reductions from PTOA			0.0	(44,000)	(15,000)	(59,000)	(44,000)	(14,000)	(58,000)	(88,000)	(29,000)	(117,000)
	MPA costs from Admin			0.0	(12,000)	(7,000)	(19,000)	(12,000)	(7,000)	(19,000)	(24,000)	(14,000)	(38,000)
	L&I Funding from PTOA			0.0	77,000	51,000	128,000	33,000	21,000	54,000	110,000	72,000	182,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(4,000)	(3,000)	(7,000)	(4,000)	(3,000)	(7,000)	(8,000)	(6,000)	(14,000)
	FTE Consolidation Transfer	(3.9)	(9.1)	(6.5)	(15,000)	(13,000)	(28,000)	(22,000)	(18,000)	(40,000)	(37,000)	(31,000)	(68,000)
				0.0			0			0	0	0	0
	050 Total	(3.9)	(9.1)	(6.5)	(9,000)	10,000	1,000	(63,000)	(25,000)	(88,000)	(72,000)	(15,000)	(87,000)
060	Economic Services Administration												
	ISSD compensation adjustments from Admin			0.0	(76,000)	(16,000)	(92,000)	(91,000)	(27,000)	(118,000)	(167,000)	(43,000)	(210,000)
	DIS reductions from PTOA			0.0	(530,000)	(260,000)	(790,000)	(519,000)	(255,000)	(774,000)	(1,049,000)	(515,000)	(1,564,000)
	MPA costs from Admin			0.0	(39,000)	(21,000)	(60,000)	(39,000)	(21,000)	(60,000)	(78,000)	(42,000)	(120,000)
	L&I Funding from PTOA			0.0	325,000	90,000	415,000	140,000	39,000	179,000	465,000	129,000	594,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(25,000)	(22,000)	(47,000)	(25,000)	(22,000)	(47,000)	(50,000)	(44,000)	(94,000)
	FTE Consolidation Transfer	(11.5)	(27.2)	(19.4)	(72,000)	(55,000)	(127,000)	(101,000)	(78,000)	(179,000)	(173,000)	(133,000)	(306,000)
				0.0			0			0	0	0	0
	060 Total	(11.5)	(27.2)	(19.4)	(417,000)	(284,000)	(701,000)	(635,000)	(364,000)	(999,000)	(1,052,000)	(648,000)	(1,700,000)
070	Division of Alcohol and Substance Abuse												
	ISSD compensation adjustments from Admin			0.0	(1,000)		(1,000)	(1,000)		(1,000)	(2,000)	0	(2,000)
	DIS reductions from PTOA			0.0		(1,000)	(1,000)		(1,000)	(1,000)	0	(2,000)	(2,000)
	MPA costs from Admin			0.0	(1,000)		(1,000)	(1,000)		(1,000)	(2,000)	0	(2,000)
	L&I Funding from PTOA			0.0	6,000	1,000	7,000	3,000		3,000	9,000	1,000	10,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(1,000)	0	(1,000)	(1,000)	0	(1,000)	(2,000)		(2,000)
				0.0			0			0	0	0	0
	070 Total	0.0	0.0	0.0	3,000	0	3,000	0	(1,000)	(1,000)	3,000	(1,000)	2,000

**2012 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
100	Division of Voc. Rehabilitation												
	ISSD compensation adjustments from Admin			0.0	(2,000)	(2,000)	(4,000)	(2,000)	(3,000)	(5,000)	(4,000)	(5,000)	(9,000)
	DIS reductions from PTOA			0.0	(2,000)	(5,000)	(7,000)	(2,000)	(5,000)	(7,000)	(4,000)	(10,000)	(14,000)
	MPA costs from Admin			0.0	(1,000)	(4,000)	(5,000)	(1,000)	(4,000)	(5,000)	(2,000)	(8,000)	(10,000)
	L&I Funding from PTOA			0.0	30,000		30,000	12,000		12,000	42,000	0	42,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	0	(2,000)	(2,000)	0	(2,000)	(2,000)	0	(4,000)	(4,000)
				0.0			0			0	0	0	0
	100 Total	0.0	0.0	0.0	25,000	(13,000)	12,000	7,000	(14,000)	(7,000)	32,000	(27,000)	5,000
110	Administration & Supporting Services												
	ISSD compensation adjustments from Admin			0.0	137,000	31,000	168,000	166,000	49,000	215,000	303,000	80,000	383,000
	DIS reductions from PTOA			0.0	(21,000)		(21,000)	(21,000)		(21,000)	(42,000)	0	(42,000)
	MPA costs from Admin			0.0	148,000	80,000	228,000	148,000	80,000	228,000	296,000	160,000	456,000
	L&I Funding from PTOA			0.0	37,000	8,000	45,000	16,000	3,000	19,000	53,000	11,000	64,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	51,000	37,000	88,000	51,000	37,000	88,000	102,000	74,000	176,000
	FTE Consolidation Transfer	8.0	13.0	10.5	490,000	214,000	704,000	714,000	307,000	1,021,000	1,204,000	521,000	1,725,000
				0.0			0			0	0	0	0
	110 Total	9.0	14.0	11.5	842,000	370,000	1,212,000	1,074,000	476,000	1,550,000	1,916,000	846,000	2,762,000
135	Special Commitment Center												
	ISSD compensation adjustments from Admin			0.0	(2,000)		(2,000)	(3,000)		(3,000)	(5,000)	0	(5,000)
	DIS reductions from PTOA			0.0	(1,000)		(1,000)	(1,000)		(1,000)	(2,000)	0	(2,000)
	MPA costs from Admin			0.0	(6,000)		(6,000)	(6,000)		(6,000)	(12,000)	0	(12,000)
	L&I Funding from PTOA			0.0	183,000		183,000	90,000		90,000	273,000	0	273,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(1,000)	0	(1,000)	(1,000)	0	(1,000)	(2,000)	0	(2,000)
	FTE Consolidation Transfer	(24.7)	(37.0)	(30.9)	(54,000)	0	(54,000)	(79,000)	0	(79,000)	(133,000)	0	(133,000)
				0.0			0			0	0	0	0
	135 Total	(24.7)	(37.0)	(30.9)	119,000	0	119,000	0	0	0	119,000	0	119,000
145	Payments to Other Agencies												
	DIS reductions from PTOA			0.0	755,000	322,000	1,077,000	739,000	314,000	1,053,000	1,494,000	636,000	2,130,000
	L&I Funding from PTOA			0.0	(4,609,000)	(1,773,000)	(6,382,000)	(2,116,000)	(843,000)	(2,959,000)	(6,725,000)	(2,616,000)	(9,341,000)
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	145 Total	0.0	0.0	0.0	(3,854,000)	(1,451,000)	(5,305,000)	(1,377,000)	(529,000)	(1,906,000)	(5,231,000)	(1,980,000)	(7,211,000)
150	Information System Services Division												
	Email & BB to DIS from ISSD	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin	(1.0)	(1.0)	(1.0)	0	0	0	0	0	0	0	0	0
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	145 Total	(1.0)	(1.0)	(1.0)	0	0	0	0	0	0	0	0	0
160	Consolidated Field Services												
	FTE Consolidation Transfer	343.1	540.2	441.7	0	0	0	0	0	0	0	0	0
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	160 Total	343.1	540.2	441.7	0	0	0	0	0	0	0	0	0
	Agency-Wide:	0	0	0.0	0	0	0	0	0	0	0	0	0

notes:

- Information System Services Division (ISSD) compensation adjustments from Administration & Supporting Services (Admin).
- Department of Information Services (DIS) rate & central service reductions from Payments to Other Agencies (PTOA).
- Additional Medicaid Purchasing Administration (MPA) costs to transfer from Admin.
- L&I funding from PTOA to programs.
- Email and Blackberry (BB) services transfer from ISSD to DIS. Net impact to the programs is zero; however, ISSD's funding will decrease by the amount programs reduce/transfer their TZ costs.
- ISSD Staff Transfer to Admin.
- In Mental Health, move FTEs and funding from Category 8000 to 9000 to align appropriations where costs are incurred.
- FTE Transfer related to the Regional Business Centers, Institutional Business Offices, and Maintenance Operations are consolidated in Program 160.

Department of Social and Health Services

DP Code/Title: M2-NT Children's Mental Health Litigation
Program Level - 145 Payment to Other Agencies

Budget Period: 2011-13 Version: N2 145 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Payment to Other Agencies (PTOA), requests \$578,000 (\$444,000 GF-State) in the 2012 Supplemental Budget for additional legal services from the Office of the Attorney General (AGO) associated with Children's Mental Health litigation (T.R. v Dreyfus).

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 145			
001-1 General Fund - Basic Account-State	222,000	222,000	444,000
001-2 General Fund - Basic Account-Federal	1,000	1,000	2,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	38,000	38,000	76,000
001-C General Fund - Basic Account-Medicaid Federal	28,000	28,000	56,000
Total Cost	289,000	289,000	578,000

Staffing

Package Description:

DSHS, PTOA, requests \$578,000 (\$444,000 GF-State) for additional legal services from the AGO associated with Children's Mental Health Litigation (T.R. v Dreyfus).

The request will cover the following AGO costs: 1.0 FTE Assistant Attorney General (AAG), 1.0 FTE Paralegal (PL), and 0.5 FTE Legal Assistant (LA) in the 2011-13 Biennium, plus \$250,000 for direct litigation costs to provide proper defense of this lawsuit. Direct costs are attributed for necessary expert witnesses and electronic document processing costs.

This funding is needed, above and beyond the regular volume of the DSHS legal work, in order to properly defend the state in T.R. vs. Dreyfus, a class action lawsuit filed in federal court seeking to "enforce the rights of Washington's Medicaid eligible children under the age of 21 with mental health needs, to receive the intensive home and community-based mental health services necessary to correct or ameliorate their mental health conditions."

Agency contact: Tula Habb (360) 902-8182

Program contact: Bill Jordan (360) 902-8323

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This request is for funding that is critical to the continued defense of this class action lawsuit. The outcome of this case will have major fiscal implications for the state and could create a long lasting precedent. The AGO will perform essential legal services to defend the state in this lawsuit. The AGO is working to protect the interests of DSHS and the taxpaying citizens of the state.

Performance Measure Detail

Program: 145

Activity: P001 Information Systems Services

Incremental Changes
FY 1

FY 2

Department of Social and Health Services

DP Code/Title: M2-NT Children's Mental Health Litigation

Program Level - 145 Payment to Other Agencies

Budget Period: 2011-13 Version: N2 145 - 2012 Sup Agency Request

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?

Yes. This request supports the goal to "improve children's safety and well being". Having sufficient funds to pay the AGO for costs associated with this litigation allows for consistent and high quality representation to DSHS and helps to achieve timely and appropriate outcomes.

For the AGO, this budget request implements Goal #1 of the AGO Strategic Plan - "Provide efficient and effective representation to our client agencies." The AGO provides a broad range of legal services to over 230 state agencies to enable them to achieve their missions.

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

Yes, this request supports the Governor's Priorities of Government (POG) under "strengthening government's ability to achieve results efficiently and effectively." Providing legal services to state agencies is an element of "providing data information, and analysis to support decision making."

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

Yes, this funding requirement contributes to state-wide results as it is identified in the Governor's POG Purchases Strategies as "legal services to state agencies" under "strengthening government's ability to achieve results efficiently and effectively."

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

It is also important to note that this request is for a continuation of ongoing litigation.

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

Given the potential impact of adverse rulings in this case, there is no reasonable alternative than to vigorously defend the state.

The AGO and DSHS have been engaged for the last year in a mediated effort to develop a settlement agreement that sets forth agreed upon program changes, with a phased in implementation schedule and a plan for how program improvements will be funded. This settlement negotiation process is still underway with a court imposed deadline of October 31, 2011. There are severe limits on what the state can accomplish in the negotiations, as the legal mandates for mental health services to children are imposed in federal Medicaid law, and the constraints in the state budget allow for minimal funding options for program improvements. If a settlement is not reached by October 31, 2011, the case will proceed on a full litigation track.

There is no alternative source of income.

What are the consequences of not funding this package?

Failure to adequately fund this lawsuit will result in either an inability to adequately defend the state or an over expenditure of the DSHS legal services budget.

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-NT Children's Mental Health Litigation
Program Level - 145 Payment to Other Agencies

Budget Period: 2011-13 Version: N2 145 - 2012 Sup Agency Request

None

Expenditure and revenue calculations and assumptions

Expenditure information was provided by the AGO and assumes costs associated with 1.0 FTE AAG, 1.0 FTE PL, and 0.5 LA plus \$250,000 in direct litigation costs needed for the necessary expert witnesses and electronic document processing costs.

These staffing levels and direct litigation costs are necessary for the proper defense of the lawsuit.

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

It is expected that this litigation will be substantially completed in the 2011-13 Biennium, but it is not possible to predict how the litigation may be protracted by changes in the trial scheduling, appeals, monitored settlements, or other factors.

The AGO has a similar budget request.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 145 Objects			
E Goods And Services	289,000	289,000	578,000
<u>DSHS Source Code Detail</u>			
Program 145	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	222,000	222,000	444,000
<i>Total for Fund 001-1</i>	222,000	222,000	444,000
Fund 001-2, General Fund - Basic Account-Federal			
<u>Sources</u> <u>Title</u>			
E61L Food Stamp Program (50%)	1,000	1,000	2,000
<i>Total for Fund 001-2</i>	1,000	1,000	2,000
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi			
<u>Sources</u> <u>Title</u>			
658L Title IV-E-Foster Care (50%)	33,000	33,000	66,000
659L Title IV-E Adoption Assistance (50%)	5,000	5,000	10,000
<i>Total for Fund 001-A</i>	38,000	38,000	76,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources</u> <u>Title</u>			
19UL Title XIX Admin (50%)	28,000	28,000	56,000
<i>Total for Fund 001-C</i>	28,000	28,000	56,000
Total Program 145	289,000	289,000	578,000

Department of Social and Health Services

DP Code/Title: PL-NS Reduce-Payments to Other Agencies

Program Level - 145 Payment to Other Agencies

Budget Period: 2011-13 Version: N2 145 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Payment to Other Agencies (PTOA) reduces (\$7,913,000), (\$5,397,000) GF-State, in the 2012 Supplemental Budget by decreasing the Central Services costs beginning January 1, 2012.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 145			
001-1 General Fund - Basic Account-State	(1,804,000)	(3,593,000)	(5,397,000)
001-2 General Fund - Basic Account-Federal	(156,000)	(315,000)	(471,000)
001-A General Fund - Basic Account-DSHS Fam Support/Chi	(279,000)	(563,000)	(842,000)
001-C General Fund - Basic Account-Medicaid Federal	(397,000)	(806,000)	(1,203,000)
Total Cost	(2,636,000)	(5,277,000)	(7,913,000)

Staffing

Package Description:

The department reduces (\$7,913,000), (\$5,397,000) GF-State, for the Central Services performed by agencies such as the Office of Financial Management (Self Insurance Premium), Auditor, Department of Personnel, Department of General Administration, and other central service agencies.

DSHS has identified this reduction for services we obtain from Central Services Agencies. If the budget for those agencies is also reduced, then a double reduction will occur.

Agency contact: Tula Habb (360) 902-8182
Program contact: Bill Jordan (360) 902-8323

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Achieve savings to help the agency meet the 10 percent targets set by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

Performance Measure Detail

Program: 145

Activity: N073 Payment to Other Agencies

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?

No

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

Yes, this decision package helps the agency meet the 10 percent reduction targets set by OFM for the 2012 Supplemental

Department of Social and Health Services

DP Code/Title: PL-NS Reduce-Payments to Other Agencies
Program Level - 145 Payment to Other Agencies

Budget Period: 2011-13 Version: N2 145 - 2012 Sup Agency Request

Budget.

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

No

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

Not applicable

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

Not applicable

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

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

Not applicable

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

None

Expenditure and revenue calculations and assumptions

Assumptions were based on the agency's need to meet its reduction target.

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

It is assumed that these proposed reductions would be ongoing and would be expected to carry into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 145 Objects			
E Goods And Services	(2,636,000)	(5,277,000)	(7,913,000)

Department of Social and Health Services

DP Code/Title: PL-NS Reduce-Payments to Other Agencies
Program Level - 145 Payment to Other Agencies

Budget Period: 2011-13 Version: N2 145 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 145		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	(1,804,000)	(3,593,000)	(5,397,000)
<i>Total for Fund 001-1</i>		(1,804,000)	(3,593,000)	(5,397,000)
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources</u>	<u>Title</u>			
001B	Social Security Disability Ins (100%)	(67,000)	(135,000)	(202,000)
E61L	Food Stamp Program (50%)	(89,000)	(180,000)	(269,000)
<i>Total for Fund 001-2</i>		(156,000)	(315,000)	(471,000)
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi				
<u>Sources</u>	<u>Title</u>			
563I	Title IV-D Child Support Enforcement (A) (66%)	(155,000)	(313,000)	(468,000)
658L	Title IV-E-Foster Care (50%)	(107,000)	(216,000)	(323,000)
659L	Title IV-E Adoption Assistance (50%)	(17,000)	(34,000)	(51,000)
<i>Total for Fund 001-A</i>		(279,000)	(563,000)	(842,000)
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u>	<u>Title</u>			
19UL	Title XIX Admin (50%)	(397,000)	(806,000)	(1,203,000)
<i>Total for Fund 001-C</i>		(397,000)	(806,000)	(1,203,000)
Total Program 145		(2,636,000)	(5,277,000)	(7,913,000)

Recommendation Summary

Version: P2 - 150 - 2012 Sup Agency Request

Budget Period:2011-13
Budget Level Criteria: ALL

Dollars in Thousands		Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
Program 150 - Info SYS Svcs Div						
CB - Current Biennium						
00	Current Biennium Base	0	199.6	0	0	0
SubTotal CB			<u>199.6</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cumulative Total Thru CB			<u>199.6</u>	<u>0</u>	<u>0</u>	<u>0</u>
M1 - Mandatory Caseload and Enrollment Changes						
94	Mandatory Workload Adjustments	0	0.0	0	0	0
IR	Special Commitment Center Workload	0	0.0	0	0	0
SubTotal M1			<u>0.0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cumulative Total Thru M1			<u>199.6</u>	<u>0</u>	<u>0</u>	<u>0</u>
M2 - Inflation and Other Rate Changes						
9T	Transfers	0	(1.0)	0	0	0
KN	SSPS Maintenance Resources	0	2.7	0	0	0
ME	Fund McNeil Island Operations	0	0.0	0	0	0
PC	Implementing ITA Changes	0	0.0	0	0	0
PG	SSPS Transition & Data Conversion	0	1.0	0	0	0
WK	FAMLINK	0	0.0	0	0	0
SubTotal M2			<u>2.7</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cumulative Total Thru M2			<u>202.3</u>	<u>0</u>	<u>0</u>	<u>0</u>
PL - Performance Level						
28	Mail EBT Cards	0	0.0	0	0	0
29	TANF/WorkFirst Reductions	0	0.0	0	0	0
2C	Increase Retained Child Support	0	0.0	0	0	0
BV	Institution Closure	0	0.0	0	0	0
FU	Elimin ABD and PWA Cash Progs	0	0.0	0	0	0
FV	Elimin State Food Assistance Prog	0	0.0	0	0	0
KP	Staffing & Efficiency Savings	0	0.0	0	0	0
PD	Delay Implementation of ITA Changes	0	0.0	0	0	0
PF	State Data Center Equipment	0	0.0	0	0	0
WD	Major Eligibility/ Prgm Reductions	0	0.0	0	0	0
WH	Hospital Re-sizing	0	0.0	0	0	0
WL	Transfer Fostering Well-Being	0	0.0	0	0	0
WP	Crisis Stabilization Costs	0	0.0	0	0	0
WU	Supp Living Investigators and Fee	0	0.0	0	0	0
SubTotal PL			<u>0.0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cumulative Total Thru PL			<u>202.3</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Proposed Budget for Program			<u>202.3</u>	<u>0</u>	<u>0</u>	<u>0</u>
150 - Info SYS Svcs Div			<u>202.3</u>	<u>0</u>	<u>0</u>	<u>0</u>

Recommendation Summary Text

9T - Transfers

(M2) The Department of Social and Health Services (DSHS) requests to shift FTEs and funding among programs in the 2012

Recommendation Summary

Budget Period: 2011-13
Budget Level Criteria: ALL

Version: P2 - 150 - 2012 Sup Agency Request

Dollars in Thousands	Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
----------------------	---------------------	--------------------	-----------------------	-------------	-------------

9T - Transfers

Supplemental Budget. This transfer will align FTEs and funds within the programs where the costs are incurred. The net impact is zero.

KN - SSPS Maintenance Resources

(M2) The Department of Social and Health Services (DSHS), Information System Services Division (ISSD) requests 3.0 FTEs and \$1,237,000 (\$619,000 GF-State) in the 2012 Supplemental Budget to support the Social Service Payment System (SSPS) for the remainder of the biennium or until ProviderOne Phase 2 is funded.

PF - State Data Center Equipment

(PL) The Department of Social and Health Services (DSHS), Information System Services Division (ISSD), requests \$512,000 (\$291,000 GF-State) in the 2012 Supplemental Budget for startup equipment required to migrate systems from the Office Building 2 (OB2) to the new State Data Center (SDC) located in the 1500 Jefferson Building.

PG - SSPS Transition & Data Conversion

(M2) The Department of Social and Health Services (DSHS), Information System Services Division (ISSD) requests \$599,000 (\$300,000 GF-State) and 1.0 FTE in the 2012 Supplemental Budget to support the Social Service Payment System (SSPS) data conversion and transition.

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 150 Info SYS Svcs Div

Budget Period: 2011-13 Version: P2 150 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests to shift FTEs and funding among programs in the 2012 Supplemental Budget. This transfer will align FTEs and funds within the programs where the costs are incurred. The net impact is zero.

Fiscal Detail:

Operating Expenditures

FY 1

FY 2

Total

Program Cost

Total Cost

Staffing

FY 1

FY 2

Annual Avg

Program 150 FTEs

(1.0)

(1.0)

(1.0)

Package Description:

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

Information System Services Division (ISSD) Compensation Adjustment (110 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): Administration and Supporting Services (Administration) will transfer compensation costs for staff in ISSD to other DSHS programs. Compensation steps associated with staff in ISSD are routinely included within the budget steps for Administration. Administration will distribute \$383,000 (\$303,000 GF-State) of ISSD's costs to the programs. These steps include: 1) savings from ending automatic benefit increases from the Public Employees' Retirement System Plan 1; 2) health insurance decrease in Fiscal Year 2013 to reflect the expected decrease of state employees in 2011-13, (the decrease in the carry forward level has already been adjusted in Fiscal Year 2012); 3) 3 percent cost savings in employee salaries; and 4) employer contributions adjusted to levels adopted by the Pension Funding Council. ISSD's budget resides in programs' budgets at Sub-Object TZ.

Department of Information Services (DIS) Rate Reduction (145 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): Payments to Other Agencies (PTOA) will distribute \$2,130,000 (\$1,494,000 GF-State) of DIS rate adjustment costs to the various programs. DIS reduced their 2011-13 rates in technology leasing services, storage, and mainframe computing. Also, the Central Service Model reduced the department's funding for DIS services. PTOA does not pay these DIS costs for the entire department; rather, they are paid out of the programs' budgets at the Sub-Object EL levels.

Medicaid Purchasing Administration (MPA) Funding (110 to 010, 020, 030, 040, 050, 060, 070, 100, 135): Administration will distribute \$456,000 (\$296,000 GF-State) in costs to DSHS programs for the funding of positions that were transferred to the Health Care Authority (HCA). The negotiation for the DSHS and MPA transfer required DSHS to provide additional staff funding to HCA. Administration distributes this cost to the programs in this request. (Economic Services Administration (ESA) agreed to provide 3.0 FTEs, which were transferred out of the ESA 2011-13 Biennial Budget.) This distribution will give each program a share of the cost without Administration carrying the full cost as this was the original intent.

Department of Labor and Industries (L&I) Funding from PTOA to Programs (145 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150):

L&I funding for the various DSHS programs was provided in PTOA's budget and will need to transfer to the respective programs. PTOA will transfer \$9,341,000 (\$6,725,000 GF-State) to the programs.

Department of Social and Health Services

DP Code/Title: **M2-9T Transfers**

Program Level - 150 Info SYS Svcs Div

Budget Period: 2011-13 Version: P2 150 - 2012 Sup Agency Request

ISSD Transfer of Email and Blackberry services to DIS (All DSHS Programs):

ISSD will no longer provide email and blackberry services for the department and will transfer these services to DIS. Program's funding for these services are in Sub-Object TZ and will need to transfer to Sub-Object EL. The estimated transfer amount is \$624,000 total funds for Fiscal Year 2012 and \$1,208,000 total funds for Fiscal Year 2013. Amounts in the first year are estimates because the transfer timeline may change.

ISSD Staff Transfer to Administration (150 or 020, 030, 040, 050, 060, 070, 100, 135 to 110):

ISSD will transfer 1.0 FTE and \$216,000 (\$126,000 GF-State) to Administration, which fits with the current organizational reporting structure. As mentioned above, because of ISSD's budget residing in the programs' Sub-Object TZ costs, programs will transfer \$176,000 of their ISSD's costs to Administration, which will also reduce their share of ISSD's costs by \$40,000.

Mental Health Category Transfers (030 8000 to 030 9000):

DSHS, Mental Health (MH), is a categorically appropriated program. Thus, MH requests to move 8.6 FTEs and \$671,000 (\$74,000 GF-State) from Category 8000 to Category 9000 to align appropriations where costs are incurred.

Consolidated Field Services FTE Transfer (010, 020, 030, 040, 050, 060, 135 to 110 & 160):

Program 160 - Consolidated Field Services (CFS) will consolidate 343.1 FTEs in Fiscal Year 2012 and 540.2 FTEs in Fiscal Year 2013 from various DSHS Programs, which is designed to centralize services and maximize efficiencies in order to support business functions and maintenance for the regional centers and the institutions. CFS will operate as a chargeback to programs in order to maintain the maximum federal participation rate that DSHS Programs receive. Part of this consolidation is a transfer of 8.0 FTEs and \$704,000 (\$490,000 GF-State) in Fiscal Year 2012 and 13.0 FTEs and \$1,021,000 (\$714,000 GF-State) in Fiscal Year 2013 for payroll staff, Facility Planners and a Fiscal Coordinator from the various programs to Program 110. The consolidation will phase in from November 1, 2011, through March 1, 2012, and has been approved by the Legislative Evaluation and Accountability Program (LEAP) Committee.

These transfers will realign the 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?

DSHS accounts for the wise use of public dollars by maximizing federal funding sources.

Performance Measure Detail

Program: 150

Activity: P001 Information Systems 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?

Yes. This request supports our goal to improve health care quality and access and to improve internal and external partnerships.

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

Yes. This request supports the Governor's priority associated with efficient state government services for the people of Washington State.

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 150 Info SYS Svcs Div

Budget Period: 2011-13 Version: P2 150 - 2012 Sup Agency Request

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

Yes. This request makes key contributions to the Governor's statewide results to "strengthen government's ability to achieve results efficiently and effectively."

This package will rate high in the Priorities of Government (POG) process as it will assist us in ensuring that needed support and funds are in the correct programs. In addition, it will allow DSHS to monitor costs and services efficiently and effectively.

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, 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 resulting in the funding being in the correct programs. Then, all costs associated with these transfers will be ongoing and will carry-forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 150 Objects			
A Salaries And Wages	(82,000)	(82,000)	(164,000)
B Employee Benefits	(24,000)	(24,000)	(48,000)
E Goods And Services	(470,000)	(956,000)	(1,426,000)
T Intra-Agency Reimbursements	576,000	1,062,000	1,638,000
Total Objects	0	0	0

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 150 Info SYS Svcs Div

Budget Period: 2011-13 Version: P2 150 - 2012 Sup Agency Request

DSHS Source Code Detail

Fund ,		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<u>Sources</u>	<u>Title</u>			

Total for Fund

Total

Totals for all funds

**2012 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
010	Children's Administration												
	ISSD compensation adjustments from Admin			0.0	(19,000)	(9,000)	(28,000)	(23,000)	(13,000)	(36,000)	(42,000)	(22,000)	(64,000)
	DIS reductions from PTOA			0.0	(103,000)	(44,000)	(147,000)	(100,000)	(43,000)	(143,000)	(203,000)	(87,000)	(290,000)
	MPA costs from Admin			0.0	(24,000)	(13,000)	(37,000)	(24,000)	(13,000)	(37,000)	(48,000)	(26,000)	(74,000)
	L&I Funding from PTOA			0.0	192,000	63,000	255,000	80,000	26,000	106,000	272,000	89,000	361,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(6,000)	(9,000)	(15,000)	(6,000)	(9,000)	(15,000)	(12,000)	(18,000)	(30,000)
	FTE Consolidation Transfer	(10.9)	(26.2)	(18.6)	(37,000)	(41,000)	(78,000)	(52,000)	(59,000)	(111,000)	(89,000)	(100,000)	(189,000)
				0.0			0			0	0	0	0
	010 Total	(10.9)	(26.2)	(18.6)	3,000	(53,000)	(50,000)	(125,000)	(111,000)	(236,000)	(122,000)	(164,000)	(286,000)
020	Juvenile Rehabilitation												
	ISSD compensation adjustments from Admin			0.0	(5,000)		(5,000)	(7,000)		(7,000)	(12,000)	0	(12,000)
	DIS reductions from PTOA			0.0	(8,000)		(8,000)	(8,000)		(8,000)	(16,000)	0	(16,000)
	MPA costs from Admin			0.0	(8,000)	(4,000)	(12,000)	(8,000)	(4,000)	(12,000)	(16,000)	(8,000)	(24,000)
	L&I Funding from PTOA			0.0	382,000		382,000	179,000		179,000	561,000	0	561,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(3,000)	0	(3,000)	(3,000)	0	(3,000)	(6,000)	0	(6,000)
	FTE Consolidation Transfer	(36.0)	(55.1)	(45.6)	(11,000)	0	(11,000)	(15,000)	0	(15,000)	(26,000)	0	(26,000)
				0.0			0			0	0	0	0
	020 Total	(36.0)	(55.1)	(45.6)	347,000	(4,000)	343,000	138,000	(4,000)	134,000	485,000	(8,000)	477,000
030	Mental Health												
	ISSD compensation adjustments from Admin			0.0	(12,000)	1,000	(11,000)	(15,000)	1,000	(14,000)	(27,000)	2,000	(25,000)
	DIS reductions from PTOA			0.0	(19,000)	4,000	(15,000)	(18,000)	4,000	(14,000)	(37,000)	8,000	(29,000)
	MPA costs from Admin			0.0	(26,000)	(14,000)	(40,000)	(26,000)	(14,000)	(40,000)	(52,000)	(28,000)	(80,000)
	L&I Funding from PTOA			0.0	2,011,000	249,000	2,260,000	893,000	110,000	1,003,000	2,904,000	359,000	3,263,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(6,000)	0	(6,000)	(6,000)	0	(6,000)	(12,000)	0	(12,000)
	Category 8000	(8.6)	(8.6)	(8.6)	(296,000)	(38,000)	(334,000)	(301,000)	(36,000)	(337,000)	(597,000)	(74,000)	(671,000)
	Category 9000	8.6	8.6	8.6	296,000	38,000	334,000	301,000	36,000	337,000	597,000	74,000	671,000
	FTE Consolidation Transfer	(119.2)	(178.9)	(149.1)	(239,000)	0	(239,000)	(353,000)	0	(353,000)	(592,000)	0	(592,000)
				0.0			0			0	0	0	0
	030 Total	(119.2)	(178.9)	(149.1)	1,709,000	240,000	1,949,000	475,000	101,000	576,000	2,184,000	341,000	2,525,000
040	Division of Developmental Disabilities												
	ISSD compensation adjustments from Admin			0.0	(9,000)	(2,000)	(11,000)	(10,000)	(3,000)	(13,000)	(19,000)	(5,000)	(24,000)
	DIS reductions from PTOA			0.0	(27,000)	(1,000)	(28,000)	(26,000)		(26,000)	(53,000)	(1,000)	(54,000)
	MPA costs from Admin			0.0	(31,000)	(17,000)	(48,000)	(31,000)	(17,000)	(48,000)	(62,000)	(34,000)	(96,000)
	L&I Funding from PTOA			0.0	1,366,000	1,311,000	2,677,000	670,000	644,000	1,314,000	2,036,000	1,955,000	3,991,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(5,000)	(1,000)	(6,000)	(5,000)	(1,000)	(6,000)	(10,000)	(2,000)	(12,000)
	FTE Consolidation Transfer	(144.9)	(219.7)	(182.3)	(62,000)	(105,000)	(167,000)	(92,000)	(152,000)	(244,000)	(154,000)	(257,000)	(411,000)
				0.0			0			0	0	0	0
	040 Total	(144.9)	(219.7)	(182.3)	1,232,000	1,185,000	2,417,000	506,000	471,000	977,000	1,738,000	1,656,000	3,394,000
050	Long Term Care												
	ISSD compensation adjustments from Admin			0.0	(11,000)	(3,000)	(14,000)	(14,000)	(4,000)	(18,000)	(25,000)	(7,000)	(32,000)
	DIS reductions from PTOA			0.0	(44,000)	(15,000)	(59,000)	(44,000)	(14,000)	(58,000)	(88,000)	(29,000)	(117,000)
	MPA costs from Admin			0.0	(12,000)	(7,000)	(19,000)	(12,000)	(7,000)	(19,000)	(24,000)	(14,000)	(38,000)
	L&I Funding from PTOA			0.0	77,000	51,000	128,000	33,000	21,000	54,000	110,000	72,000	182,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(4,000)	(3,000)	(7,000)	(4,000)	(3,000)	(7,000)	(8,000)	(6,000)	(14,000)
	FTE Consolidation Transfer	(3.9)	(9.1)	(6.5)	(15,000)	(13,000)	(28,000)	(22,000)	(18,000)	(40,000)	(37,000)	(31,000)	(68,000)
				0.0			0			0	0	0	0
	050 Total	(3.9)	(9.1)	(6.5)	(9,000)	10,000	1,000	(63,000)	(25,000)	(88,000)	(72,000)	(15,000)	(87,000)
060	Economic Services Administration												
	ISSD compensation adjustments from Admin			0.0	(76,000)	(16,000)	(92,000)	(91,000)	(27,000)	(118,000)	(167,000)	(43,000)	(210,000)
	DIS reductions from PTOA			0.0	(530,000)	(260,000)	(790,000)	(519,000)	(255,000)	(774,000)	(1,049,000)	(515,000)	(1,564,000)
	MPA costs from Admin			0.0	(39,000)	(21,000)	(60,000)	(39,000)	(21,000)	(60,000)	(78,000)	(42,000)	(120,000)
	L&I Funding from PTOA			0.0	325,000	90,000	415,000	140,000	39,000	179,000	465,000	129,000	594,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(25,000)	(22,000)	(47,000)	(25,000)	(22,000)	(47,000)	(50,000)	(44,000)	(94,000)
	FTE Consolidation Transfer	(11.5)	(27.2)	(19.4)	(72,000)	(55,000)	(127,000)	(101,000)	(78,000)	(179,000)	(173,000)	(133,000)	(306,000)
				0.0			0			0	0	0	0
	060 Total	(11.5)	(27.2)	(19.4)	(417,000)	(284,000)	(701,000)	(635,000)	(364,000)	(999,000)	(1,052,000)	(648,000)	(1,700,000)
070	Division of Alcohol and Substance Abuse												
	ISSD compensation adjustments from Admin			0.0	(1,000)		(1,000)	(1,000)		(1,000)	(2,000)	0	(2,000)
	DIS reductions from PTOA			0.0		(1,000)	(1,000)		(1,000)	(1,000)	0	(2,000)	(2,000)
	MPA costs from Admin			0.0	(1,000)		(1,000)	(1,000)		(1,000)	(2,000)	0	(2,000)
	L&I Funding from PTOA			0.0	6,000	1,000	7,000	3,000	3,000	6,000	9,000	1,000	10,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(1,000)	0	(1,000)	(1,000)	0	(1,000)	(2,000)	0	(2,000)
				0.0			0			0	0	0	0
	070 Total	0.0	0.0	0.0	3,000	0	3,000	0	(1,000)	(1,000)	3,000	(1,000)	2,000

**2012 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
100	Division of Voc. Rehabilitation												
	ISSD compensation adjustments from Admin			0.0	(2,000)	(2,000)	(4,000)	(2,000)	(3,000)	(5,000)	(4,000)	(5,000)	(9,000)
	DIS reductions from PTOA			0.0	(2,000)	(5,000)	(7,000)	(2,000)	(5,000)	(7,000)	(4,000)	(10,000)	(14,000)
	MPA costs from Admin			0.0	(1,000)	(4,000)	(5,000)	(1,000)	(4,000)	(5,000)	(2,000)	(8,000)	(10,000)
	L&I Funding from PTOA			0.0	30,000		30,000	12,000		12,000	42,000	0	42,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	0	(2,000)	(2,000)	0	(2,000)	(2,000)	0	(4,000)	(4,000)
				0.0			0			0	0	0	0
	100 Total	0.0	0.0	0.0	25,000	(13,000)	12,000	7,000	(14,000)	(7,000)	32,000	(27,000)	5,000
110	Administration & Supporting Services												
	ISSD compensation adjustments from Admin			0.0	137,000	31,000	168,000	166,000	49,000	215,000	303,000	80,000	383,000
	DIS reductions from PTOA			0.0	(21,000)		(21,000)	(21,000)		(21,000)	(42,000)	0	(42,000)
	MPA costs from Admin			0.0	148,000	80,000	228,000	148,000	80,000	228,000	296,000	160,000	456,000
	L&I Funding from PTOA			0.0	37,000	8,000	45,000	16,000	3,000	19,000	53,000	11,000	64,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin	1.0	1.0	1.0	51,000	37,000	88,000	51,000	37,000	88,000	102,000	74,000	176,000
	FTE Consolidation Transfer	8.0	13.0	10.5	490,000	214,000	704,000	714,000	307,000	1,021,000	1,204,000	521,000	1,725,000
				0.0			0			0	0	0	0
	110 Total	9.0	14.0	11.5	842,000	370,000	1,212,000	1,074,000	476,000	1,550,000	1,916,000	846,000	2,762,000
135	Special Commitment Center												
	ISSD compensation adjustments from Admin			0.0	(2,000)		(2,000)	(3,000)		(3,000)	(5,000)	0	(5,000)
	DIS reductions from PTOA			0.0	(1,000)		(1,000)	(1,000)		(1,000)	(2,000)	0	(2,000)
	MPA costs from Admin			0.0	(6,000)		(6,000)	(6,000)		(6,000)	(12,000)	0	(12,000)
	L&I Funding from PTOA			0.0	183,000		183,000	90,000		90,000	273,000	0	273,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(1,000)	0	(1,000)	(1,000)	0	(1,000)	(2,000)	0	(2,000)
	FTE Consolidation Transfer	(24.7)	(37.0)	(30.9)	(54,000)	0	(54,000)	(79,000)	0	(79,000)	(133,000)	0	(133,000)
				0.0			0			0	0	0	0
	135 Total	(24.7)	(37.0)	(30.9)	119,000	0	119,000	0	0	0	119,000	0	119,000
145	Payments to Other Agencies												
	DIS reductions from PTOA			0.0	755,000	322,000	1,077,000	739,000	314,000	1,053,000	1,494,000	636,000	2,130,000
	L&I Funding from PTOA			0.0	(4,609,000)	(1,773,000)	(6,382,000)	(2,116,000)	(843,000)	(2,959,000)	(6,725,000)	(2,616,000)	(9,341,000)
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	145 Total	0.0	0.0	0.0	(3,854,000)	(1,451,000)	(5,305,000)	(1,377,000)	(529,000)	(1,906,000)	(5,231,000)	(1,980,000)	(7,211,000)
150	Information System Services Division												
	Email & BB to DIS from ISSD	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin	(1.0)	(1.0)	(1.0)	0	0	0	0	0	0	0	0	0
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	145 Total	(1.0)	(1.0)	(1.0)	0	0	0	0	0	0	0	0	0
160	Consolidated Field Services												
	FTE Consolidation Transfer	343.1	540.2	441.7	0	0	0	0	0	0	0	0	0
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	150 Total	343.1	540.2	441.7	0	0	0	0	0	0	0	0	0
Agency-Wide:		0	0	0.0	0	0	0	0	0	0	0	0	0

notes:

1. Information System Services Division (ISSD) compensation adjustments from Administration & Supporting Services (Admin).
2. Department of Information Services (DIS) rate & central service reductions from Payments to Other Agencies (PTOA).
3. Additional Medicaid Purchasing Administration (MPA) costs to transfer from Admin.
4. L&I funding from PTOA to programs.
5. Email and Blackberry (BB) services transfer from ISSD to DIS. Net impact to the programs is zero; however, ISSD's funding will decrease by the amount programs reduce/transfer their TZ costs.
6. ISSD Staff Transfer to Admin.
7. In Mental Health, move FTEs and funding from Category 8000 to 9000 to align appropriations where costs are incurred.
8. FTE Transfer related to the Regional Business Centers, Institutional Business Offices, and Maintenance Operations are consolidated in Program 160.

Department of Social and Health Services

DP Code/Title: M2-KN SSPS Maintenance Resources
Program Level - 150 Info SYS Svcs Div

Budget Period: 2011-13 Version: P2 150 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Information System Services Division (ISSD) requests 3.0 FTEs and \$1,237,000 (\$619,000 GF-State) in the 2012 Supplemental Budget to support the Social Service Payment System (SSPS) for the remainder of the biennium or until ProviderOne Phase 2 is funded.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			

Program Cost

Total Cost

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	2.3	3.0	2.7

Package Description:

DSHS, ISSD requests 3.0 FTEs and associated funding as well as funding for two contracted mainframe developers. Staffing levels must be increased for SSPS to remain viable until decommissioning timelines are determined.

This request is contingent on the funding of ProviderOne Phase 2 implementation. If Phase 2 is funded, this request is not needed and a separate request, M2-PG SSPS Transition & Data Conversion that begins decommissioning of SSPS and its data conversion activities to ProviderOne would be required instead. If Phase 2 is not funded, this request would be required and the M2-PG SSPS Transition & Data Conversion would not.

SSPS issues approximately \$2 billion annually in payments to in-home health care providers, day care providers, foster parents, and other social service providers in support of agency programs.

Staffing levels within SSPS decreased beginning in 2008 and throughout the 2009-11 Biennium in anticipation of a phased decommission resulting from full implementation of ProviderOne. Full implementation of ProviderOne was originally planned to occur in two phases. That plan was subsequently modified to be three phases. In April 2007, there were 53 FTEs supporting SSPS operations. By the end of the 2009-11 Biennium, that number had decreased by 30 percent to 37 FTEs. Most of the reduced FTEs were developers, business analysts, and testing resources supporting the technical operations of the system. Other resources supporting SSPS business operations were also decreased.

SSPS has operated at these reduced staffing levels by providing maintenance level activities only. All but minor changes and routine operational updates within SSPS have been deferred. Both technical and business operations staffs are working at capacity.

ProviderOne Phase 1 implemented in May 2010. This implementation, while delayed beyond the original planning dates, was very successful. Work on Phase 2 began soon after, with planned implementation in late 2012 or early 2013. This implementation would have removed around 60 percent of the payments from SSPS.

In this last legislative session, ProviderOne Phase 2 was not funded due to severe budget constraints. As a result, the eventual decommission of SSPS has been delayed with no alternative decommission date or strategy identified at this time.

SSPS operates on a 1970's technology, Unisys Cobol mainframe platform. It is supplemented by SQL server, .NET and web based technologies added to support requirements resulting from multiple collective bargaining agreements. SSPS is becoming

Department of Social and Health Services

DP Code/Title: M2-KN SSPS Maintenance Resources

Program Level - 150 Info SYS Svcs Div

Budget Period: 2011-13 Version: P2 150 - 2012 Sup Agency Request

increasingly fragile from both a technical and a staffing perspective. It is difficult to locate staff with Unisys Cobol background and on average takes two years or more for a new staff to develop the technical competence on the complex SSPS architecture and applications. In recent months, there has been an increase in system issues which seem to have resulted from stretched resources interacting with this complex application to accomplish maintenance tasks or small enhancements. Additional resources will allow the agency to begin mitigating the staffing risks.

A team of four program manager/business analysts liaison with program staff and business partners to support program area needs and respond to information requests. These staff currently support day to day operations and lack the capacity to support larger or more complex efforts that SSPS will likely need to support until ProviderOne Phase 2 resumes or other decommission plans are made.

SSPS has no dedicated test staff and no dedicated test environment. The testing staff adds needed capability to the team. The expectation would be for this position to lead the creation of a dedicated test environment that would support a wider array of testing, including routine regression testing. The position would also manage the associated test program within SSPS.

Agency Contact: Tula Habb (360) 902-8182
Program Contact: Cheryl Adams (360) 902-7551

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

With these added resources, DSHS expects to be able to:

1. Reduce the risk associated with anticipated staff losses by bringing on qualified Unisys Cobol and .NET staff.
2. Sustain or improve ability to support program and collective bargaining requirements as well as implement other efficiency measures, such as print and mail cost reductions and to implement change resulting from budget reductions.
3. Reduce the number and severity of production system issues by improving requirements, analysis, testing, and system documentation.

Performance Measure Detail

Agency Level

Activity: **P001 Information Systems 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?

Yes. This request supports DSHS's goal to increase public trust through strong management practices that ensure quality and leverage all resources by ensuring high-performing IT solutions and services that support agency priorities and minimize risk.

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

Yes. Sustaining SSPS is critical to the purchasing strategies for goals related to improving the security for vulnerable adults and children and improving the economic vitality of businesses and individuals.

Department of Social and Health Services

DP Code/Title: M2-KN SSPS Maintenance Resources

Program Level - 150 Info SYS Svcs Div

Budget Period: 2011-13 Version: P2 150 - 2012 Sup Agency Request

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

SSPS is the payment system for services provided to:

1. Elderly and disabled citizens receiving services paid by Medicaid or other state funded long term care programs.
2. Child care providers for clients using Working Connections and similar child care programs.
3. Foster parents, parents receiving adoption subsidies and other child welfare/child protective services.

To the extent that SSPS is not resourced at a level to ensure operational integrity, the ability to make timely and accurate payments may be compromised. This is especially true when SSPS changes are made to support mandated priorities. The age, complexity and relative fragility of the system makes error more likely.

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

Internal and external stakeholders are supportive of measures to keep SSPS functioning effectively until decommission.

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

The primary alternative was to evaluate whether existing resources could be redeployed to meet this need. There are three other Unisys Cobol systems within DSHS but each of them also suffers from similar risks - a scarcity of Unisys Cobol qualified staff. This was determined to not be a viable alternative as it would simply pull resources from another critical agency system.

Also evaluated was the option of redeploying FTEs to meet this need. Available SSPS FTEs are currently working at capacity offering provider registration and customer support services that had previously been centralized as an efficiency measure. It is not an option to reduce or discontinue this centralized support without impacting field operations and/or timely payments.

What are the consequences of not funding this package?

SSPS would be unlikely to be able to support major system changes, including those that are mandated by change in law or policy. As possible staff losses occur; day to day operations may be negatively impacted.

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: ISSD M2-KN SSPS Maintenance Resources Table.docx

Additional Attachment: ISSD M2-KN SSPS Maintenance Resources IT Addendum.doc

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

Department of Social and Health Services

DP Code/Title: M2-KN SSPS Maintenance Resources

Program Level - 150 Info SYS Svcs Div

Budget Period: 2011-13 Version: P2 150 - 2012 Sup Agency Request

Except for the \$3,000 one time equipment request, all of the requested costs are ongoing until such time as a firm timeline on SSPS decommission has been made. It is anticipated that these added resources would be needed for the current biennium and at least two more biennia (Fiscal Year 2012 through Fiscal Year 2017).

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	173,000	231,000	404,000
B Employee Benefits	52,000	69,000	121,000
E Goods And Services	304,000	405,000	709,000
J Capital Outlays	3,000	0	3,000
T Intra-Agency Reimbursements	(532,000)	(705,000)	(1,237,000)
Total Objects	0	0	0

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund ,			
<u>Sources Title</u>			

Total for Fund

Total Overall Funding

Totals for all funds

2012 Supplemental Budget M2-KN SSPS Maintenance Resources

Department of Social and Health Services

Expenditure and revenue calculations and assumptions:

- Three Information Technology Specialist 5 positions (business analyst, test manager and .NET/SQL Developer)
- Two contracted Unisys Cobol Programmers (calculations assume \$95 per hour for full time resources).

	FY2012	FY2013	Biennium
FTEs	2.3	3.0	2.6
A Salaries	173,000	231,000	404,000
B Benefits	52,000	69,000	121,000
E Purchased Services	288,000	384,000	672,000
E Goods & Services	16,000	21,000	37,000
J Equipment	3,000	0	3,000
	<u>532,000</u>	<u>705,000</u>	<u>1,237,000</u>
State	266,000	353,000	619,000
Federal	<u>266,000</u>	<u>352,000</u>	<u>618,000</u>
	532,000	705,000	1,237,000

Note: DSHS Program 150 – Information System Services Division is a chargeback program, therefore, costs reside in sub-object TZ of Program 110 – Administration & Supporting Services. However, FTE authority resides in Program 150.

Information Technology (IT) Addendum

I. Complete questions 1 through 9 for every IT-related Decision Package:

1. Provide a brief description of the Information Technology (IT) components of this decision package (e.g., the project or commodity investment):

This request will fund three FTEs and two contracted resources to support the Social Service Payment System (SSPS) at a cost of \$1,237,000 (\$619,000 GF-S) for the remainder of the biennium. Staffing levels must be increased for SSPS to remain viable until decommissioning timelines are determined.

2. Is the project or commodity investment in the agency's IT Portfolio: Yes No

3. What is the oversight level for this project or commodity investment?

This proposed investment has been assessed as a Level 1 investment.

4. What common services will be utilized for this project or commodity investment?

Contracted resources will be procured using the IT Professional Services (ITPS) Master Contract.

5. Is a 904 consultation e-mail confirmation for this project or commodity investment attached to the decision package? Yes No (This is required.)

904 Consults are no longer required.

6. Breakdown of Implementation Costs/FTEs of the IT Project or Commodity Investment:

There are no implementation costs for this decision package request.

7. Breakdown of Ongoing Maintenance and Support Costs for the Project or Commodity Investment:

Cost Breakdown (maintenance)						
	Year 1 FY2012	Year 2 FY2013	Year 3 FY2014	Year 4 FY2015	Year 5 FY2016	Totals
IT FTEs – (For each job type, list the number of staff and the total salary and benefits) <i>Examples:</i> <ul style="list-style-type: none"> ▪ <i>WMS Band 2</i> ▪ <i>ITAS6</i> ▪ <i>ITAS4</i> ▪ <i>Other (specify)</i> 	ITAS5 2.3 \$225,000	ITAS5 3.0 \$300,000	ITAS5 3.0 \$300,000	ITAS5 3.0 \$300,000	ITAS5 3.0 \$300,000	\$1,425,000
Purchased Services Contracts	\$288,000	\$384,000	\$384,000	\$384,000	\$384,000	\$1,824,000
Personal Services Contracts						
Hardware Purchase or Upgrades	\$3,000					\$3,000
Hardware Maintenance						
Software License Purchase or Upgrades						

2012 Supplemental Budget
M2-KN SSPS Maintenance Resources

Software Maintenance						
Hardware Lease or Finance (including servers)						
Maintenance & Operations (including DIS)	\$16,000	\$21,000	\$21,000	\$21,000	\$21,000	\$100,000
Training						
Travel						
Other (specify)						
Annual Total	\$532,000	\$705,000	\$705,000	\$705,000	\$705,000	\$3,352,000

8. Was a quote provided to you for this project or commodity investment? Yes No
If yes, who provided the quote and when? Please attach a copy of the quote.

State staff costs were calculated based on existing salary ranges. The cost of contracted resources was based on the average of ITPS rates for mainframe developers.

9. Is this investment an e-commerce investment? Yes No

II. Continue completing questions 10 through 14 if the IT request pertains to a project (versus a commodity investment):

10. Is this a new project or a continuation of an existing project?
New Continuation

This investment would support maintenance operations, it is not related to a project

11. Describe how the Project Manager and Quality Assurance will be acquired (i.e., existing state employees, hire new staff, or contract with vendor)

Not applicable

12. Describe your project management approach.

Not applicable

13. Provide the estimated project duration and estimated start date.

Not applicable

14. Where will the system be hosted?

Not applicable

2012 Supplemental Budget
M2-KN SSPS Maintenance Resources

Severity Level Criteria Categories				
Levels	Impact on Clients	Visibility	Impact on State Operations	Failure or Nil Consequences
High	<ul style="list-style-type: none"> Direct contact with citizens, political subdivisions, and service providers – including benefits payments and transactions. 	<ul style="list-style-type: none"> Highly visible to public, trading partners, political subdivisions and Legislature. Likely subject to hearings. System processes sensitive / confidential data (e.g. medical, SSN, credit card #'s). 	<ul style="list-style-type: none"> Statewide or multiple agency involvement / impact. Initial mainframe acquisitions or network acquisitions. 	<ul style="list-style-type: none"> Inability to meet legislative mandate or agency mission. Loss of significant federal funding.
Medium	<ul style="list-style-type: none"> Indirect impacts on citizens through management systems that support decisions that are viewed as important by the public. Access by citizens for information and research purposes. 	<ul style="list-style-type: none"> Some visibility to the Legislature, trading partners, or public the system / program supports. May be subject to legislative hearing. 	<ul style="list-style-type: none"> Multiple divisions or programs within agency. 	<ul style="list-style-type: none"> Potential failure of aging systems.
Low	<ul style="list-style-type: none"> Agency operations only. 	<ul style="list-style-type: none"> Internal agency only. 	<ul style="list-style-type: none"> Single division. Improve or expand existing networks or mainframes with similar technology. 	<ul style="list-style-type: none"> Loss of opportunity for improved service delivery or efficiency. Failure to resolve customer service complaints or requests.
Risk Level Criteria Categories				
Levels	Functional Impact on Business Processes or Rules	Development Effort & Resources	Technology	Capability & Management
High	<ul style="list-style-type: none"> Significant change to business rules. Replacement of a mission critical system. Multiple organizations involved. Requires extensive and substantial job training for work groups. 	<ul style="list-style-type: none"> Over \$5 million. Development and implementation exceeds 24 months.* Requires a second decision package. <p>* Clock starts after feasibility study or project approval and release of funding.</p>	<ul style="list-style-type: none"> Emerging. Unproven. Two or more of the following are new for agency technology staff or integrator, or are new to the agency architecture: programming language; operating systems; database products; development tools; data communications technology. Requires PKI certificate. Complex architecture – greater than 2 tier. 	<ul style="list-style-type: none"> Minimal executive sponsorship. Agency uses ad-hoc processes. Agency and/or vendor track record suggests inability to mitigate risk on project requiring a given level of development effort.
Medium	<ul style="list-style-type: none"> Moderate change to business rules. Major enhancement or moderate change of mission critical system. Medium complexity business process(es). Requires moderate job training. 	<ul style="list-style-type: none"> Under \$5 million but over agency delegated authority. 12 to 24 months for development and implementation.* <p>* Clock starts after feasibility study or project approval and release of funding.</p>	<ul style="list-style-type: none"> New in agency with 3rd party expertise and knowledge transfer. One of the technologies listed above is new for agency development staff. 	<ul style="list-style-type: none"> Executive sponsor knowledgeable but not actively engaged. System integrator under contract with agency technical participation. Agency and/or vendor record indicates good level of success but without the structure for repeatability.
Low	<ul style="list-style-type: none"> Insignificant or no change to business 	<ul style="list-style-type: none"> Within agency delegated authority. 	<ul style="list-style-type: none"> Standard, proven agency technology. 	<ul style="list-style-type: none"> Strong executive sponsorship.

2012 Supplemental Budget
M2-KN SSPS Maintenance Resources

	<p>rules.</p> <ul style="list-style-type: none"> • Low complexity business process(es). • Some job training could be required. (technical) 	<ul style="list-style-type: none"> • Under 12 months for development and implementation.* <p>* Clock starts after feasibility study or project approval and release of funding.</p>		<ul style="list-style-type: none"> • Agency and vendor have strong ability to mitigate risk on a development project. • Project staff uses documented and repeatable processes for tracking status, problems, and change. • Agency or vendor is CMM Level 3 equivalent or above.
--	--	--	--	---

Project Approval and Oversight Matrix:

Project Approval and Oversight Matrix			
<i>High Severity</i>	Level 2	Level 2	Level 3
<i>Medium Severity</i>	Level 1	Level 2	Level 2
<i>Low Severity</i>	Level 1	Level 1	Level 1
	<i>Low Risk</i>	<i>Medium Risk</i>	<i>High Risk</i>

Department of Social and Health Services

DP Code/Title: M2-PG SSPS Transition & Data Conversion

Program Level - 150 Info SYS Svcs Div

Budget Period: 2011-13 Version: P2 150 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Information System Services Division (ISSD) requests \$599,000 (\$300,000 GF-State) and 1.0 FTE in the 2012 Supplemental Budget to support the Social Service Payment System (SSPS) data conversion and transition.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			

Program Cost

Total Cost

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	1.0	1.0	1.0

Package Description:

Currently, SSPS manages the authorizations, claims and payment processing for in-home providers for long term care and developmentally disabled clients paid through Medicaid and waived programs. These providers will migrate from SSPS to ProviderOne with the implementation of the ProviderOne Phase 2 project.

Additional resources are required to support activities necessary to accomplish the transition of these providers from SSPS to ProviderOne. Existing SSPS resources are insufficient to support this added work.

This request will fund 1.0 FTE and 1.0 contracted staff to:

- Support SSPS data readiness, data migration, and data conversion activities.
- Coordinate transition activities between the ProviderOne project and SSPS operations.
- Support SSPS system cutover activities as required for the ProviderOne Phase 2 implementation.

The ProviderOne, Phase 2 project will initiate decommission activities for the SSPS system. SSPS will not be fully decommissioned until ProviderOne Phase 3 is completed. This phase has not been planned or funded.

These costs are in addition to and not duplicative of the core ProviderOne Phase 2 requests by the Health Care Authority and the Department of Social and Health Services.

This request is contingent on the funding of ProviderOne Phase 2. If Phase 2 is not funded, then the data conversion activities will not begin but the request to maintain SSPS resources (M2-KN SSPS Maintenance Resources) will be required instead. If Phase 2 is funded, then this request is required and M2-KN SSPS Maintenance Resources is not.

Agency Contact: Tula Habb (360) 902-8182
Program Contact: Cheryl Adams (360) 902-7551

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Department of Social and Health Services

DP Code/Title: M2-PG SSPS Transition & Data Conversion
Program Level - 150 Info SYS Svcs Div

Budget Period: 2011-13 Version: P2 150 - 2012 Sup Agency Request

Funding will provide support for successful migration of in-home providers from SSPS to ProviderOne.

Performance Measure Detail

Agency Level

Activity: P001 Information Systems 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?

Yes. This request supports DSHS's goal to increase public trust through strong management practices that ensure quality and leverage all resources by ensuring high-performing IT solutions and services that support agency priorities and minimize risk.

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

Yes. This request supports the Governor's priority associated with Human Services and government accountability. Full implementation of ProviderOne is critical to the purchasing strategies for goals related to improving the security for vulnerable adults and children and improving the economic vitality of businesses and individuals.

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

Yes. This request makes key contributions to strengthen government's ability to achieve results efficiently and effectively. It facilitates the goal of the state to provide accountability for all Medicaid dollars expended by state government.

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

When Phase 2 is complete, ProviderOne will support all Medicaid claim and payment processing activities for DSHS.

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

An assessment was made as to whether existing SSPS staff could be reassigned to complete these functions. SSPS is currently funded and staffed at maintenance only levels. Existing staff are at capacity. Reassignment of staff is not feasible without negative impacts to the system including disruption of service and inability to comply with state and federal policy changes.

What are the consequences of not funding this package?

The ProviderOne Phase 2 project cannot be successfully implemented without conversion of existing and historic data from SSPS. If additional resources are not identified, existing legacy system resources would be considered for reassignment. This reassignment would leave the legacy system understaffed. The result would be high likelihood of disrupted service delivery, inability to comply with state and federal policy, collective bargaining agreement changes or to support operational efficiencies. Additionally, day to day maintenance of the mission critical legacy system would be placed at significant risk.

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

Department of Social and Health Services

DP Code/Title: M2-PG SSPS Transition & Data Conversion
Program Level - 150 Info SYS Svcs Div

Budget Period: 2011-13 Version: P2 150 - 2012 Sup Agency Request

Expenditure and revenue calculations and assumptions

See attachment: ISSD M2-PG SSPS Transition & Data Conversion Table.docx

Additional attachment: ISSD M2-PG SSPS Transition and Data Conversion IT Addendum.doc

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

These are one-time costs and end with the full implementation of ProviderOne Phase 2.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	77,000	77,000	154,000
B Employee Benefits	23,000	23,000	46,000
E Goods And Services	199,000	199,000	398,000
J Capital Outlays	1,000	0	1,000
T Intra-Agency Reimbursements	(300,000)	(299,000)	(599,000)
Total Objects	0	0	0

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund ,			
<u>Sources Title</u>			

Total for Fund

Total Overall Funding

Totals for all funds

2012 Supplemental Budget M2-PG SSPS Transition & Data Conversion

Department of Social & Health Services

Expenditure and revenue calculations and assumptions:

- One Information Technology Specialist 5 position (.NET/SQL Developer)
- One contracted mainframe developer (calculations assume \$95 per hour for full time resources).

	FY2012	FY2013	Biennium
FTEs	1.0	1.0	1.0
A Salaries	77,000	77,000	154,000
B Benefits	23,000	23,000	46,000
E Goods & Services	7,000	7,000	14,000
E Purchased Services	192,000	192,000	384,000
J Equipment	1,000	0	1,000
	<u>300,000</u>	<u>299,000</u>	<u>599,000</u>
State	150,000	150,000	300,000
Federal	150,000	149,000	299,000
	<u>300,000</u>	<u>299,000</u>	<u>599,000</u>

Note: DSHS Program 150 – Information System Services Division is a chargeback program, therefore, costs reside in sub-object TZ of Program 110 – Administration & Supporting Services. However, FTE authority resides in Program 150.

Information Technology (IT) Addendum

I. Complete questions 1 through 9 for every IT-related Decision Package:

1. Provide a brief description of the Information Technology (IT) components of this decision package (e.g., the project or commodity investment):

The Department of Social and Health Services (DSHS) requests \$599,000 (\$300,000 GF-State) support for the Social Service Payment System (SSPS) data conversion and transition. This money will fund one ITS5 and a contracted technical resource.

2. Is the project or commodity investment in the agency's IT Portfolio: Yes No

3. What is the oversight level for this project or commodity investment?

This proposed investment has been assessed as a Level 1 investment.

4. What common services will be utilized for this project or commodity investment?

Contracted resources will be procured using the IT Professional Services (ITPS) Master Contract.

5. Is a 904 consultation e-mail confirmation for this project or commodity investment attached to the decision package? Yes No (This is required.)

904 Consults are no longer required.

6. Breakdown of Implementation Costs/FTEs of the IT Project or Commodity Investment:

There are no implementation costs for this decision package request.

7. Breakdown of Ongoing Maintenance and Support Costs for the Project or Commodity Investment:

Cost Breakdown (maintenance)						
	Year 1 FY2012	Year 2 FY2013	Year 3 FY2014	Year 4 FY2015	Year 5 FY2016	Totals
IT FTEs – (For each job type, list the number of staff and the total salary and benefits) <i>Examples:</i> <ul style="list-style-type: none"> ▪ WMS Band 2 ▪ ITAS6 ▪ ITAS4 ▪ Other (specify) 	ITAS5 1.0 \$100,000	ITAS5 1.0 \$100,000				\$200,000
Purchased Services Contracts	\$192,000	\$192,000				\$384,000
Personal Services Contracts						
Hardware Purchase or Upgrades	\$1,000					\$1,000
Hardware Maintenance						
Software License Purchase or						

2012 Supplemental Budget
M2-PG SSPS Transition & Data Conversion

Upgrades					
Software Maintenance					
Hardware Lease or Finance (including servers)					
Maintenance & Operations (including DIS)	\$7,000	\$7,000			\$14,000
Training					
Travel					
Other (specify)					
Annual Total	\$300,000	\$299,000			\$599,000

8. Was a quote provided to you for this project or commodity investment? Yes No
If yes, who provided the quote and when? Please attach a copy of the quote.

State staff costs were calculated based on existing salary ranges. The cost of contracted resources was based on the average of ITPS rates for mainframe developers.

9. Is this investment an e-commerce investment? Yes No

II. Continue completing questions 10 through 14 if the IT request pertains to a project (versus a commodity investment):

10. Is this a new project or a continuation of an existing project?
New Continuation

This investment would support maintenance operations; it is not related to a project.

11. Describe how the Project Manager and Quality Assurance will be acquired (i.e., existing state employees, hire new staff, or contract with vendor)

Not applicable

12. Describe your project management approach.

Not applicable

13. Provide the estimated project duration and estimated start date.

Not applicable

14. Where will the system be hosted?

Not applicable

2012 Supplemental Budget
M2-PG SSPS Transition & Data Conversion

Severity Level Criteria Categories				
Levels	Impact on Clients	Visibility	Impact on State Operations	Failure or Nil Consequences
High	<ul style="list-style-type: none"> Direct contact with citizens, political subdivisions, and service providers – including benefits payments and transactions. 	<ul style="list-style-type: none"> Highly visible to public, trading partners, political subdivisions and Legislature. Likely subject to hearings. System processes sensitive / confidential data (e.g. medical, SSN, credit card #'s). 	<ul style="list-style-type: none"> Statewide or multiple agency involvement / impact. Initial mainframe acquisitions or network acquisitions. 	<ul style="list-style-type: none"> Inability to meet legislative mandate or agency mission. Loss of significant federal funding.
Medium	<ul style="list-style-type: none"> Indirect impacts on citizens through management systems that support decisions that are viewed as important by the public. Access by citizens for information and research purposes. 	<ul style="list-style-type: none"> Some visibility to the Legislature, trading partners, or public the system / program supports. May be subject to legislative hearing. 	<ul style="list-style-type: none"> Multiple divisions or programs within agency. 	<ul style="list-style-type: none"> Potential failure of aging systems.
Low	<ul style="list-style-type: none"> Agency operations only. 	<ul style="list-style-type: none"> Internal agency only. 	<ul style="list-style-type: none"> Single division. Improve or expand existing networks or mainframes with similar technology. 	<ul style="list-style-type: none"> Loss of opportunity for improved service delivery or efficiency. Failure to resolve customer service complaints or requests.
Risk Level Criteria Categories				
Levels	Functional Impact on Business Processes or Rules	Development Effort & Resources	Technology	Capability & Management
High	<ul style="list-style-type: none"> Significant change to business rules. Replacement of a mission critical system. Multiple organizations involved. Requires extensive and substantial job training for work groups. 	<ul style="list-style-type: none"> Over \$5 million. Development and implementation exceeds 24 months.* Requires a second decision package. <p>* Clock starts after feasibility study or project approval and release of funding.</p>	<ul style="list-style-type: none"> Emerging. Unproven. Two or more of the following are new for agency technology staff or integrator, or are new to the agency architecture: programming language; operating systems; database products; development tools; data communications technology. Requires PKI certificate. Complex architecture – greater than 2 tier. 	<ul style="list-style-type: none"> Minimal executive sponsorship. Agency uses ad-hoc processes. Agency and/or vendor track record suggests inability to mitigate risk on project requiring a given level of development effort.
Medium	<ul style="list-style-type: none"> Moderate change to business rules. Major enhancement or moderate change of mission critical system. Medium complexity business process(es). Requires moderate job training. 	<ul style="list-style-type: none"> Under \$5 million but over agency delegated authority. 12 to 24 months for development and implementation.* <p>* Clock starts after feasibility study or project approval and release of funding.</p>	<ul style="list-style-type: none"> New in agency with 3rd party expertise and knowledge transfer. One of the technologies listed above is new for agency development staff. 	<ul style="list-style-type: none"> Executive sponsor knowledgeable but not actively engaged. System integrator under contract with agency technical participation. Agency and/or vendor record indicates good level of success but without the structure for repeatability.

2012 Supplemental Budget
M2-PG SSPS Transition & Data Conversion

Low	<ul style="list-style-type: none"> * Insignificant or no change to business rules. * Low complexity business process(es). * Some job training could be required. (technical) 	<ul style="list-style-type: none"> * Within agency delegated authority. * Under 12 months for development and implementation.* <p>* Clock starts after feasibility study or project approval and release of funding.</p>	<ul style="list-style-type: none"> * Standard, proven agency technology. 	<ul style="list-style-type: none"> * Strong executive sponsorship. * Agency and vendor have strong ability to mitigate risk on a development project. * Project staff uses documented and repeatable processes for tracking status, problems, and change. * Agency or vendor is CMM Level 3 equivalent or above.
------------	---	--	---	--

Project Approval and Oversight Matrix:

Project Approval and Oversight Matrix			
<i>High Severity</i>	Level 2	Level 2	Level 3
<i>Medium Severity</i>	Level 1	Level 2	Level 2
<i>Low Severity</i>	Level 1	Level 1	Level 1
	<i>Low Risk</i>	<i>Medium Risk</i>	<i>High Risk</i>

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 150 Info SYS Svcs Div

Budget Period: 2011-13 Version: P2 150 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Information System Services Division (ISSD), requests \$512,000 (\$291,000 GF-State) in the 2012 Supplemental Budget for startup equipment required to migrate systems from the Office Building 2 (OB2) to the new State Data Center (SDC) located in the 1500 Jefferson Building.

Fiscal Detail:

Operating Expenditures

FY 1

FY 2

Total

Overall Funding

Program Cost

Total Cost

Staffing

Package Description:

The Washington State Legislature enacted Engrossed Substitute Senate Bill 5931, during the 2011 Legislative Session, to address the high costs of Information Technology (IT) services. This legislation requires certain IT equipment to be housed in the new SDC located in the 1500 Jefferson Building complex. This investment facilitates the migration and consolidation of IT assets into the SDC in support of this legislation and the Governor's directive to consolidate data centers.

DSHS has a large computer equipment presence in the OB2 Data Center (approximately 85 server racks with 600 devices). Migrating this equipment to the new SDC building located in the 1500 Jefferson Building complex is part of a statewide initiative in support of the legislation.

To enable the migration of some systems, startup equipment is necessary. This startup equipment supports network operations and provides a landing pad for systems in the SDC. Existing equipment supporting these systems cannot be shutdown and physically moved for various reasons:

1. Shutting down and moving the hardware has a high risk of long outages of critical systems.
2. Data storage shared across many systems cannot be shut down and moved without significant system outages. These systems are critical to business operations and impact service to citizens.
3. Virtual host platforms need a starting point (e.g., landing pad) in the State Data Center. This equipment would be supplemented with existing hardware as virtual systems are migrated off the hardware freeing up capacity. Initial servers are needed to start the process.
4. Network components are needed to maintain performance and operations. These network components are needed during the migration period of dual operations and will be used ongoing after the migration.

The funding provides servers, storage and network equipment. DSHS has evaluated existing equipment and is only requesting new equipment where existing equipment will not work or makes business/financial sense (too old, not enough capacity, incompatible, etc.). The vast majority of existing DSHS equipment will be used or replaced by virtual capacity without additional funding. This request represents the exceptions where existing equipment is either not available or impractical to use.

The implementation schedule is driven by the Consolidated Technology Services OB2 Move project. This equipment is targeted for procurement approximately June 2012.

If the funding request is not approved, then more of the computer systems and equipment will be dependent on a Physical Move approach, which will increase the duration and risk of outages. There will be a higher probability that application availability will

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 150 Info SYS Svcs Div

Budget Period: 2011-13 Version: P2 150 - 2012 Sup Agency Request

be impacted by the migration.

Agency contact: Tula Habb (360) 902-8182
Program contact: Cheryl Adams (360) 902-7551

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Desired Results:

1. The computer servers and storage equipment will allow the agency to increase the number of systems using a virtual to virtual migration approach. This approach is significantly quicker and less risky than physically moving equipment, which can impact services to clients/citizens.
2. The network equipment supports optimization, monitoring and trouble shooting. The desired result of the optimization is to keep network traffic, for 35 DSHS field offices across the state, flowing with the same performance as completed currently. Without this equipment, the network lines will become saturated causing work slowdowns and stoppages.
3. The desired results of the equipment for monitoring and trouble shooting is to resolve system problems quickly. In many cases, problems can be resolved before they become major problems causing work stoppage. Without tools to monitor and trouble shoot production problems, work stoppages will increase in duration causing productivity loss and service impacts to clients/citizens.

Overall, this funding will minimize business disruption (unplanned outages) caused from moving systems and equipment from OB2 to the SDC.

Negative Consequences, if this request is not funded:

1. Without computer servers and storage, systems will require longer outages to move to the SDC causing impacts to worker productivity and service to clients/citizens.
2. Without optimization equipment, the network lines will become saturated causing work slowdowns and stoppages.
3. Without tools to monitor and trouble shoot production problems, work stoppages will increase in duration causing productivity loss and service impacts to clients/citizens.
4. Impact to clients and citizens.
5. Moving equipment into the SDC has positive impacts including:
 - a. Leveraging a state-of-the-art facility.
 - b. Leveraging new shared services.
 - c. Reducing the cost of IT.

Performance Measure Detail

Agency Level

Activity: P001 Information Systems 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 decision package supports the agency's strategic plan as follows:

Goal H: Reinforce strong management to increase public trust

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 150 Info SYS Svcs Div

Budget Period: 2011-13 Version: P2 150 - 2012 Sup Agency Request

Objective 1: Improve information technology capacity to support management needs

Strategy: Maintain and update existing or implement new core applications, systems, and infrastructure to meet changing needs and take advantage of changes in technology (DSHS).

The funding obtained by this decision package will allow the department to minimize impacts to existing systems performance and operations. Moving into the SDC will take advantage of a state-of-the-art facility and position the department to take advantage of future shared services.

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

This funding supports the new legislation and the consolidation of data centers into the SDC. This supports the statewide result to "improve state government efficiency" by reducing the overall cost of information technology.

The OB2 Move project is one of several phases in Washington State's IT Transformation Initiative. The other components of the IT initiative include implementation of shared services and data center consolidation.

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 supports the Priorities of Government (POG) critical value statement to improve state government efficiency. SDC has three mandated outcomes that align with this statewide result:

1. Improve security.
2. Reduce operational costs.
3. Improve service quality, availability, and performance.

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

This is related to new Legislation, ESSB 5931, requiring consolidation of data centers and moving all servers into the SDC building.

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

The department is using multiple options for migrating computer equipment and systems from OB2 to SDC. These are listed below and align with a study performed by INX Metagyre Inc. (INX) for DIS. The INX study included an analysis of alternatives for moving equipment out of OB2. One alternative looked at Physical Relocation of all systems. This alternative was dismissed due to the long system outage it would require and the risks of breaking systems. The other alternative looked at Individualize System Moves based on each system's requirements and interrelationships. This alternative was recommended as it has the least risk and allows better management of risks, resources, testing, problem resolution, and ability to fallback.

The three primary move scenarios that DSHS will use include:

1. Virtual to Virtual: Migrating virtual systems in OB2 to a virtual platform in the SDC. This requires seed equipment or some form of existing hardware platform (e.g., landing pad) in the SDC to work.
2. Physical Move: Unplugging existing equipment, moving, and installing it in the SDC. This is higher risk and requires a system outage.
3. Logical Move: Installing startup equipment in the SDC, loading systems on the equipment, and doing a cut-over. This is lower risk and can be done quicker than a physical move. This option requires startup equipment.

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 150 Info SYS Svcs Div

Budget Period: 2011-13 Version: P2 150 - 2012 Sup Agency Request

Each system is examined to determine which migration option best meets the business need and level of risk. The agency also put stringent requirements around what could be requested in this decision package. Equipment at end-of-life was not allowed on the funding list as these should already have a funding source for them (required regardless of the move). Only items required to make the move happen without a funding source were put on the list.

What are the consequences of not funding this package?

If the funding request is not approved, then more of the computer systems and equipment will be dependent on a Physical Move approach, which will increase the duration and risk of system outages. These would cause work stoppages and impact service to clients/citizens.

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

Costs estimates are based on vendor budgetary quotes.

See attachments: ISSD PL-PF State Data Center equipment.xlsx and ISSD PL PF State Data Center Transition IT Addendum.doc

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

The costs are one-time costs. Once equipment reaches end-of-life, the agency intends to migrate to a statewide shared service to provide this function.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
J Capital Outlays	187,000	325,000	512,000
T Intra-Agency Reimbursements	(187,000)	(325,000)	(512,000)
Total Objects	0	0	0

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund ,			
<u>Sources Title</u>			

Total for Fund

Total Overall Funding

Totals for all funds

**2012 Supplemental Budget
PL-PF State Data Center equipment**

Department of Social & Health Services

COST SUMMARY

	FY 2012	FY 2013	TOTAL
STORAGE		\$250,000	\$250,000
SERVERS		\$75,000	\$75,000
NETWORK	\$187,000		\$187,000
TOTAL	\$187,000	\$325,000	\$512,000

Total Funds	State	Federal
\$512,000	\$291,000	\$221,000

Biennial Total	DSHS Programs		All Objects			Object J			Object TZ		
			State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA		30,000	41,000	71,000	-	-	-	30,000	41,000	71,000
020	JRA		13,000	-	13,000	-	-	-	13,000	-	13,000
030	MH		27,000	-	27,000	-	-	-	27,000	-	27,000
040	DD		21,000	6,000	27,000	-	-	-	21,000	6,000	27,000
050	LTC		17,000	16,000	33,000	-	-	-	17,000	16,000	33,000
060	ESA		119,000	107,000	226,000	-	-	-	119,000	107,000	226,000
070	ASA		2,000	1,000	3,000	-	-	-	2,000	1,000	3,000
100	VR		1,000	9,000	10,000	-	-	-	1,000	9,000	10,000
110	ADMIN		57,000	41,000	98,000	-	-	-	57,000	41,000	98,000
135	SCC		4,000	-	4,000	-	-	-	4,000	-	4,000
150	ISSD		-	-	-	-	-	-	-	-	-
			<u>291,000</u>	<u>221,000</u>	<u>512,000</u>	<u>512,000</u>	<u>512,000</u>	<u>512,000</u>	<u>(512,000)</u>	<u>-</u>	<u>(512,000)</u>
			57%	43%							

Total Funds	State	Federal
\$187,000	\$106,000	\$81,000

FY 2012	DSHS Programs		All Objects			Object J			Object TZ		
			State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA		11,000	15,000	26,000	-	-	-	11,000	15,000	26,000
020	JRA		5,000	-	5,000	-	-	-	5,000	-	5,000
030	MH		10,000	-	10,000	-	-	-	10,000	-	10,000
040	DD		8,000	2,000	10,000	-	-	-	8,000	2,000	10,000
050	LTC		6,000	6,000	12,000	-	-	-	6,000	6,000	12,000
060	ESA		43,000	39,000	82,000	-	-	-	43,000	39,000	82,000
070	ASA		1,000	-	1,000	-	-	-	1,000	-	1,000
100	VR		-	4,000	4,000	-	-	-	-	4,000	4,000
110	ADMIN		21,000	15,000	36,000	-	-	-	21,000	15,000	36,000
135	SCC		1,000	-	1,000	-	-	-	1,000	-	1,000
150	ISSD		-	-	-	-	-	-	-	-	-
			<u>106,000</u>	<u>81,000</u>	<u>187,000</u>	<u>187,000</u>	<u>187,000</u>	<u>187,000</u>	<u>(187,000)</u>	<u>81,000</u>	<u>(187,000)</u>
			57%	43%							

Total Funds	State	Federal
\$325,000	\$185,000	\$140,000

FY 2013	DSHS Programs		All Objects			Object J			Object TZ		
			State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA		19,000	26,000	45,000	-	-	-	19,000	26,000	45,000
020	JRA		8,000	-	8,000	-	-	-	8,000	-	8,000
030	MH		17,000	-	17,000	-	-	-	17,000	-	17,000
040	DD		13,000	4,000	17,000	-	-	-	13,000	4,000	17,000
050	LTC		11,000	10,000	21,000	-	-	-	11,000	10,000	21,000
060	ESA		76,000	68,000	144,000	-	-	-	76,000	68,000	144,000
070	ASA		1,000	1,000	2,000	-	-	-	1,000	1,000	2,000
100	VR		1,000	5,000	6,000	-	-	-	1,000	5,000	6,000
110	ADMIN		36,000	26,000	62,000	-	-	-	36,000	26,000	62,000
135	SCC		3,000	-	3,000	-	-	-	3,000	-	3,000
150	ISSD		-	-	-	-	-	-	-	-	-
			<u>185,000</u>	<u>140,000</u>	<u>325,000</u>	<u>325,000</u>	<u>325,000</u>	<u>325,000</u>	<u>(325,000)</u>	<u>140,000</u>	<u>(325,000)</u>
			57%	43%							

2012 Supplemental Budget
PL-PF State Data Center equipment
Department of Social & Health Services
Estimated Costs Breakout

Item	Area	Description	Total
1	ISSD Storage	This device will replicate the Storage Area Network (SAN) used by the Information Systems Services Division (ISSD). The existing Net App storage device cannot be moved to the State Data Center (SDC) until all the systems data is migrated off the device. Once all the systems data is migrated, the existing equipment can be repurposed by another group to avoid another purchase.	\$250,000
2	ISSD Servers	Three physical servers are needed to support the initial virtual platform at the SDC. Once virtual servers in the A-la-Carte 2 computer room are migrated to the SDC, the existing compute infrastructure (physical servers) can be used (i.e. repurposed) for the next round of system migrations.	\$45,000
3	ISSD Shared SQL database	Two servers are needed to support the ISSD Shared SQL environment. One for Production and one for the Quality Assurance (QA) environment.	\$30,000
4	ISSD Network	One Steelhead device to support Wide Area Network (WAN) optimization. This is a second device that will support the migration to the SDC reducing risk to local office disruption. This will also provide some redundancy in the architecture.	\$127,000
5	ISSD Network	Devices that tap into networks in support of network traffic monitoring (also known as TAPs), are needed to support DSHS network operations during the migration. Some of the existing TAPs equipment needs to remain attached to the DSHS Core network in OB2 during the migration. DSHS needs additional TAP equipment to monitor components on the SDC side of the network.	\$60,000
	TOTAL		\$512,000

Information Technology (IT) Addendum

I. Complete questions 1 through 9 for every IT-related Decision Package:

1. Provide a brief description of the Information Technology (IT) components of this decision package (e.g., the project or commodity investment):

The IT components of the decision package includes servers, storage and network devices in support of moving equipment out of OB2 and into the State Data Center.

2. Is the project or commodity investment in the agency's IT Portfolio: Yes No

3. What is the oversight level for this project or commodity investment? Attach a copy of the completed severity risk matrix

The oversight level for the DSHS OB2 Move project is 1. See Appendix A for the Severity and Risk level assessment.

4. What common services will be utilized for this project or commodity investment?

The SDC facility is a shared service. Moving equipment into the SDC takes advantage of this shared service along with positioning DSHS to leverage other shared services such as:

- Virtual server platforms
- Common storage
- Shared network core

5. Is a 904 consultation e-mail confirmation for this project or commodity investment attached to the decision package? Yes No (This is required.)

Recent Legislation did away with the requirement to perform 904 assessments. DSHS will continue to work with DIS/CTS to leverage shared services.

6. Breakdown of Implementation Costs/FTEs of the IT Project or Commodity Investment:

Cost Breakdown (Implementation Costs)						
	Year 1 FY2012	Year 2 FY2013	Year 3 FY2014	Year 4 FY2015	Year 5 FY2016	Totals
IT FTEs – (For each job type, list the number of staff and the total salary and benefits) <i>Examples:</i>						
▪ WMS Band 2						
▪ ITAS6						
▪ ITAS4						
▪ Other (specify)						
Purchased Services Contracts						
Personal Services Contracts						
Hardware Purchase or Upgrades	\$187,000	\$325,000				\$512,000
Hardware Maintenance						
Software License Purchase or Upgrades						
Software Maintenance						

2012 Supplemental Budget
 PL-PF State Data Center Transition

Hardware Lease or Finance (including servers)						
Maintenance & Operations (including DIS)						
Training						
Travel						
Other (specify)						
Annual Total	\$187,000	\$325,000				\$512,000

7. **Breakdown of Ongoing Maintenance and Support Costs for the Project or Commodity Investment: Provide the IT costs and IT FTE breakdown for ongoing maintenance and support of this project or commodity investment in the table (below). These costs should not duplicate implementation costs provided in Question # 6 (above).**

Not applicable

Cost Breakdown (maintenance)						
	Year 1 FY2012	Year 2 FY2013	Year 3 FY2014	Year 4 FY2015	Year 5 FY2016	Totals
IT FTEs – (For each job type, list the number of staff and the total salary and benefits) <i>Examples:</i> <ul style="list-style-type: none"> ▪ WMS Band 2 ▪ ITAS6 ▪ ITAS4 ▪ Other (specify) 						
Purchased Services Contracts						
Personal Services Contracts						
Hardware Purchase or Upgrades						
Hardware Maintenance						
Software License Purchase or Upgrades						
Software Maintenance						
Hardware Lease or Finance (including servers)						
Maintenance & Operations (including DIS)						
Training						
Travel						
Other (specify)						
Annual Total						\$0.00

8. Was a quote provided to you for this project or commodity investment? Yes No
 If yes, who provided the quote and when? Please attach a copy of the quote.

Budgetary quotes were obtained from product vendors.

9. Is this investment an e-commerce investment? Yes No

If yes, a copy of the approved Economic Feasibility Study must be attached to the decision package.

II. Continue completing questions 10 through 14 if the IT request pertains to a project (versus a commodity investment):

10. Is this a new project or a continuation of an existing project?

New Continuation

This request for funding only covers a portion of the project where unfunded seed equipment is required to migrate systems to the SDC. Most systems will leverage existing equipment and not require additional funding.

11. Describe how the Project Manager and Quality Assurance will be acquired (i.e., existing state employees, hire new staff, or contract with vendor):

Not applicable

12. Describe your project management approach.

Not applicable

13. Provide the estimated project duration and estimated start date.

Not applicable

14. Where will the system be hosted?

Not applicable

Appendix A – Risk Assessment

Based on the assessment, risk is at level 1.

Severity Level Criteria

The severity matrix assesses the proposed project’s impact on citizens and state operations, its visibility to stakeholders, and the consequences of project failure.

Levels	Categories			
	Impact on Clients	Visibility	Impact on State Operations	Failure or Nil Consequences
High	<ul style="list-style-type: none"> Direct contact with citizens, political subdivisions, and service providers – including benefits payments and transactions. 	<ul style="list-style-type: none"> Highly visible to public, trading partners, political subdivisions and Legislature. Likely subject to hearings. System processes sensitive / confidential data (e.g. medical, SSN, credit card #'s). 	<ul style="list-style-type: none"> Statewide or multiple agency involvement / impact. Initial mainframe acquisitions or network acquisitions. 	<ul style="list-style-type: none"> Inability to meet legislative mandate or agency mission. Loss of significant federal funding.
Medium	<ul style="list-style-type: none"> Indirect impacts on citizens through management systems that support decisions that are viewed as important by the public. Access by citizens for information and research purposes. 	<ul style="list-style-type: none"> Some visibility to the Legislature, trading partners, or public the system / program supports. May be subject to legislative hearing. 	<ul style="list-style-type: none"> Multiple divisions or programs within agency. 	<ul style="list-style-type: none"> Potential failure of aging systems.
Low	<ul style="list-style-type: none"> Agency operations only. 	<ul style="list-style-type: none"> Internal agency only. 	<ul style="list-style-type: none"> Single division. Improve or expand existing networks or mainframes with similar technology. 	<ul style="list-style-type: none"> Loss of opportunity for improved service delivery or efficiency. Failure to resolve customer service complaints or requests.

Risk Level Criteria

The risk matrix measures the impact of the project on the organization, the effort needed to complete the project, the stability of the proposed technology, and agency preparedness.

Categories				
Levels	Functional Impact on Business Processes or Rules	Development Effort & Resources	Technology	Capability & Management
High	<ul style="list-style-type: none"> • Significant change to business rules. • Replacement of a mission critical system. • Multiple organizations involved. • Requires extensive and substantial job training for work groups. 	<ul style="list-style-type: none"> • Over \$5 million. • Development and implementation exceeds 24 months.* • Requires a second decision package. <p>* Clock starts after feasibility study or project approval and release of funding.</p>	<ul style="list-style-type: none"> • Emerging. • Unproven. • Two or more of the following are new for agency technology staff or integrator, or are new to the agency architecture: programming language; operating systems; database products; development tools; data communications technology. • Requires PKI certificate. • Complex architecture – greater than 2 tier. 	<ul style="list-style-type: none"> • Minimal executive sponsorship. • Agency uses ad-hoc processes. • Agency and/or vendor track record suggests inability to mitigate risk on project requiring a given level of development effort.
Medium	<ul style="list-style-type: none"> • Moderate change to business rules. • Major enhancement or moderate change of mission critical system. • Medium complexity business process(es). • Requires moderate job training. 	<ul style="list-style-type: none"> • Under \$5 million but over agency delegated authority. • 12 to 24 months for development and implementation. * <p>* Clock starts after feasibility study or project approval and release of funding.</p>	<ul style="list-style-type: none"> • New in agency with 3rd party expertise and knowledge transfer. • One of the technologies listed above is new for agency development staff. 	<ul style="list-style-type: none"> • Executive sponsor knowledgeable but not actively engaged. • System integrator under contract with agency technical participation. • Agency and/or vendor record indicates good level of success but without the structure for repeatability.

Categories				
Levels	Functional Impact on Business Processes or Rules	Development Effort & Resources	Technology	Capability & Management
Low	<ul style="list-style-type: none"> • Insignificant or no change to business rules. • Low complexity business process(es). • Some job training could be required. 	<ul style="list-style-type: none"> • Within agency delegated authority. • Under 12 months for development and implementation.* <p>* Clock starts after feasibility study or project approval and release of funding.</p>	<ul style="list-style-type: none"> • Standard, proven agency technology. 	<ul style="list-style-type: none"> • Strong executive sponsorship. • Agency and vendor have strong ability to mitigate risk on a development project. • Project staff uses documented and repeatable processes for tracking status, problems, and change. • Agency or vendor is CMM Level 3 equivalent or above.

Recommendation Summary

Version: Q2 - 160 - 2012 Sup Agency Request

Budget Period: 2011-13
Budget Level Criteria: ALL

Dollars in Thousands	Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
Program 160 - Consolidated Field Services					
M2 - Inflation and Other Rate Changes					
9T Transfers	0	441.7	0	0	0
	SubTotal M2	441.7	0	0	0
	Cumulative Total Thru M2	441.7	0	0	0
Total Proposed Budget for Program 160 - Consolidated Field Services		441.7	0	0	0

Recommendation Summary Text

9T - Transfers

(M2) The Department of Social and Health Services (DSHS) requests to shift FTEs and funding among programs in the 2012 Supplemental Budget. This transfer will align FTEs and funds within the programs where the costs are incurred. The net impact is zero.

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 160 Consolidated Field Services

Budget Period: 2011-13 Version: Q2 160 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests to shift FTEs and funding among programs in the 2012 Supplemental Budget. This transfer will align FTEs and funds within the programs where the costs are incurred. The net impact is zero.

Fiscal Detail:

Operating Expenditures **FY 1** **FY 2** **Total**

Program Cost

Total Cost

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Program 160 FTEs	343.1	540.2	441.7

Package Description:

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

Information System Services Division (ISSD) Compensation Adjustment (110 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): Administration and Supporting Services (Administration) will transfer compensation costs for staff in ISSD to other DSHS programs. Compensation steps associated with staff in ISSD are routinely included within the budget steps for Administration. Administration will distribute \$383,000 (\$303,000 GF-State) of ISSD's costs to the programs. These steps include: 1) savings from ending automatic benefit increases from the Public Employees' Retirement System Plan 1; 2) health insurance decrease in Fiscal Year 2013 to reflect the expected decrease of state employees in 2011-13, (the decrease in the carry forward level has already been adjusted in Fiscal Year 2012); 3) 3 percent cost savings in employee salaries; and 4) employer contributions adjusted to levels adopted by the Pension Funding Council. ISSD's budget resides in programs' budgets at Sub-Object TZ.

Department of Information Services (DIS) Rate Reduction (145 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): Payments to Other Agencies (PTOA) will distribute \$2,130,000 (\$1,494,000 GF-State) of DIS rate adjustment costs to the various programs. DIS reduced their 2011-13 rates in technology leasing services, storage, and mainframe computing. Also, the Central Service Model reduced the department's funding for DIS services. PTOA does not pay these DIS costs for the entire department; rather, they are paid out of the programs' budgets at the Sub-Object EL levels.

Medicaid Purchasing Administration (MPA) Funding (110 to 010, 020, 030, 040, 050, 060, 070, 100, 135): Administration will distribute \$456,000 (\$296,000 GF-State) in costs to DSHS programs for the funding of positions that were transferred to the Health Care Authority (HCA). The negotiation for the DSHS and MPA transfer required DSHS to provide additional staff funding to HCA. Administration distributes this cost to the programs in this request. (Economic Services Administration (ESA) agreed to provide 3.0 FTEs, which were transferred out of the ESA 2011-13 Biennial Budget.) This distribution will give each program a share of the cost without Administration carrying the full cost as this was the original intent.

Department of Labor and Industries (L&I) Funding from PTOA to Programs (145 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): L&I funding for the various DSHS programs was provided in PTOA's budget and will need to transfer to the respective programs. PTOA will transfer \$9,341,000 (\$6,725,000 GF-State) to the programs.

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 160 Consolidated Field Services

Budget Period: 2011-13 Version: Q2 160 - 2012 Sup Agency Request

ISSD Transfer of Email and Blackberry services to DIS (All DSHS Programs):

ISSD will no longer provide email and blackberry services for the department and will transfer these services to DIS. Program's funding for these services are in Sub-Object TZ and will need to transfer to Sub-Object EL. The estimated transfer amount is \$624,000 total funds for Fiscal Year 2012 and \$1,208,000 total funds for Fiscal Year 2013. Amounts in the first year are estimates because the transfer timeline may change.

ISSD Staff Transfer to Administration (150 or 020, 030, 040, 050, 060, 070, 100, 135 to 110):

ISSD will transfer 1.0 FTE and \$216,000 (\$126,000 GF-State) to Administration, which fits with the current organizational reporting structure. As mentioned above, because of ISSD's budget residing in the programs' Sub-Object TZ costs, programs will transfer \$176,000 of their ISSD's costs to Administration, which will also reduce their share of ISSD's costs by \$40,000.

Mental Health Category Transfers (030 8000 to 030 9000):

DSHS, Mental Health (MH), is a categorically appropriated program. Thus, MH requests to move 8.6 FTEs and \$671,000 (\$74,000 GF-State) from Category 8000 to Category 9000 to align appropriations where costs are incurred.

Consolidated Field Services FTE Transfer (010, 020, 030, 040, 050, 060, 135 to 110 & 160):

Program 160 - Consolidated Field Services (CFS) will consolidate 343.1 FTEs in Fiscal Year 2012 and 540.2 FTEs in Fiscal Year 2013 from various DSHS Programs, which is designed to centralize services and maximize efficiencies in order to support business functions and maintenance for the regional centers and the institutions. CFS will operate as a chargeback to programs in order to maintain the maximum federal participation rate that DSHS Programs receive. Part of this consolidation is a transfer of 8.0 FTEs and \$704,000 (\$490,000 GF-State) in Fiscal Year 2012 and 13.0 FTEs and \$1,021,000 (\$714,000 GF-State) in Fiscal Year 2013 for payroll staff, Facility Planners and a Fiscal Coordinator from the various programs to Program 110. The consolidation will phase in from November 1, 2011, through March 1, 2012, and has been approved by the Legislative Evaluation and Accountability Program (LEAP) Committee.

These transfers will realign the 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?

DSHS accounts for the wise use of public dollars by maximizing federal funding sources.

Performance Measure Detail

Program: 160

Activity: Q001 Consolidated Field 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?

Yes. This request supports our goal to improve health care quality and access and to improve internal and external partnerships.

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

Yes. This request supports the Governor's priority associated with efficient state government services for the people of Washington State.

Department of Social and Health Services

DP Code/Title: M2-9T Transfers

Program Level - 160 Consolidated Field Services

Budget Period: 2011-13 Version: Q2 160 - 2012 Sup Agency Request

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

Yes. This request makes key contributions to the Governor's statewide results to "strengthen government's ability to achieve results efficiently and effectively."

This package will rate high in the Priorities of Government (POG) process as it will assist us in ensuring that needed support and funds are in the correct programs. In addition, it will allow DSHS to monitor costs and services efficiently and effectively.

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, 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 resulting in the funding being in the correct programs. Then, all costs associated with these transfers will be ongoing and will carry-forward into future biennia.

Object Detail

FY 1

FY 2

Total

Program Totals

Department of Social and Health Services

DP Code/Title: M2-9T Transfers

Program Level - 160 Consolidated Field Services

Budget Period: 2011-13 Version: Q2 160 - 2012 Sup Agency Request

DSHS Source Code Detail

Fund ,	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<u>Sources</u> <u>Title</u>			

Total for Fund

Total

Totals for all funds

**2012 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
010 Children's Administration												
ISSD compensation adjustments from Admin			0.0	(19,000)	(9,000)	(28,000)	(23,000)	(13,000)	(36,000)	(42,000)	(22,000)	(64,000)
DIS reductions from PTOA			0.0	(103,000)	(44,000)	(147,000)	(100,000)	(43,000)	(143,000)	(203,000)	(87,000)	(290,000)
MPA costs from Admin			0.0	(24,000)	(13,000)	(37,000)	(24,000)	(13,000)	(37,000)	(48,000)	(26,000)	(74,000)
L&I Funding from PTOA			0.0	192,000	63,000	255,000	80,000	26,000	106,000	272,000	89,000	361,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	(6,000)	(9,000)	(15,000)	(6,000)	(9,000)	(15,000)	(12,000)	(18,000)	(30,000)
FTE Consolidation Transfer	(10.9)	(26.2)	(18.6)	(37,000)	(41,000)	(78,000)	(52,000)	(59,000)	(111,000)	(89,000)	(100,000)	(189,000)
			0.0			0			0	0	0	0
010 Total	(10.9)	(26.2)	(18.6)	3,000	(53,000)	(50,000)	(125,000)	(111,000)	(236,000)	(122,000)	(164,000)	(286,000)
020 Juvenile Rehabilitation												
ISSD compensation adjustments from Admin			0.0	(5,000)		(5,000)	(7,000)		(7,000)	(12,000)	0	(12,000)
DIS reductions from PTOA			0.0	(8,000)		(8,000)	(8,000)		(8,000)	(16,000)	0	(16,000)
MPA costs from Admin			0.0	(8,000)	(4,000)	(12,000)	(8,000)	(4,000)	(12,000)	(16,000)	(8,000)	(24,000)
L&I Funding from PTOA			0.0	382,000		382,000	179,000		179,000	561,000	0	561,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	(3,000)	0	(3,000)	(3,000)	0	(3,000)	(6,000)	0	(6,000)
FTE Consolidation Transfer	(36.0)	(55.1)	(45.6)	(11,000)	0	(11,000)	(15,000)	0	(15,000)	(26,000)	0	(26,000)
			0.0			0			0	0	0	0
020 Total	(36.0)	(55.1)	(45.6)	347,000	(4,000)	343,000	138,000	(4,000)	134,000	485,000	(8,000)	477,000
030 Mental Health												
ISSD compensation adjustments from Admin			0.0	(12,000)	1,000	(11,000)	(15,000)	1,000	(14,000)	(27,000)	2,000	(25,000)
DIS reductions from PTOA			0.0	(19,000)	4,000	(15,000)	(18,000)	4,000	(14,000)	(37,000)	8,000	(29,000)
MPA costs from Admin			0.0	(26,000)	(14,000)	(40,000)	(26,000)	(14,000)	(40,000)	(52,000)	(28,000)	(80,000)
L&I Funding from PTOA			0.0	2,011,000	249,000	2,260,000	893,000	110,000	1,003,000	2,904,000	359,000	3,263,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	(6,000)	0	(6,000)	(6,000)	0	(6,000)	(12,000)	0	(12,000)
Category 8000	(8.6)	(8.6)	(8.6)	(296,000)	(38,000)	(334,000)	(301,000)	(36,000)	(337,000)	(597,000)	(74,000)	(671,000)
Category 9000	8.6	8.6	8.6	296,000	38,000	334,000	301,000	36,000	337,000	597,000	74,000	671,000
FTE Consolidation Transfer	(119.2)	(178.9)	(149.1)	(239,000)	0	(239,000)	(353,000)	0	(353,000)	(592,000)	0	(592,000)
			0.0			0			0	0	0	0
030 Total	(119.2)	(178.9)	(149.1)	1,709,000	240,000	1,949,000	475,000	101,000	576,000	2,184,000	341,000	2,525,000
040 Division of Developmental Disabilities												
ISSD compensation adjustments from Admin			0.0	(9,000)	(2,000)	(11,000)	(10,000)	(3,000)	(13,000)	(19,000)	(5,000)	(24,000)
DIS reductions from PTOA			0.0	(27,000)	(1,000)	(28,000)	(26,000)		(26,000)	(53,000)	(1,000)	(54,000)
MPA costs from Admin			0.0	(31,000)	(17,000)	(48,000)	(31,000)	(17,000)	(48,000)	(62,000)	(34,000)	(96,000)
L&I Funding from PTOA			0.0	1,366,000	1,311,000	2,677,000	670,000	644,000	1,314,000	2,036,000	1,955,000	3,991,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	(5,000)	(1,000)	(6,000)	(5,000)	(1,000)	(6,000)	(10,000)	(2,000)	(12,000)
FTE Consolidation Transfer	(144.9)	(219.7)	(182.3)	(62,000)	(105,000)	(167,000)	(92,000)	(152,000)	(244,000)	(154,000)	(257,000)	(411,000)
			0.0			0			0	0	0	0
040 Total	(144.9)	(219.7)	(182.3)	1,232,000	1,185,000	2,417,000	506,000	471,000	977,000	1,738,000	1,656,000	3,394,000
050 Long Term Care												
ISSD compensation adjustments from Admin			0.0	(11,000)	(3,000)	(14,000)	(14,000)	(4,000)	(18,000)	(25,000)	(7,000)	(32,000)
DIS reductions from PTOA			0.0	(44,000)	(15,000)	(59,000)	(44,000)	(14,000)	(58,000)	(88,000)	(29,000)	(117,000)
MPA costs from Admin			0.0	(12,000)	(7,000)	(19,000)	(12,000)	(7,000)	(19,000)	(24,000)	(14,000)	(38,000)
L&I Funding from PTOA			0.0	77,000	51,000	128,000	33,000	21,000	54,000	110,000	72,000	182,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	(4,000)	(3,000)	(7,000)	(4,000)	(3,000)	(7,000)	(8,000)	(6,000)	(14,000)
FTE Consolidation Transfer	(3.9)	(9.1)	(6.5)	(15,000)	(13,000)	(28,000)	(22,000)	(18,000)	(40,000)	(37,000)	(31,000)	(68,000)
			0.0			0			0	0	0	0
050 Total	(3.9)	(9.1)	(6.5)	(9,000)	10,000	1,000	(63,000)	(25,000)	(88,000)	(72,000)	(15,000)	(87,000)
060 Economic Services Administration												
ISSD compensation adjustments from Admin			0.0	(76,000)	(16,000)	(92,000)	(91,000)	(27,000)	(118,000)	(167,000)	(43,000)	(210,000)
DIS reductions from PTOA			0.0	(530,000)	(260,000)	(790,000)	(519,000)	(255,000)	(774,000)	(1,049,000)	(515,000)	(1,564,000)
MPA costs from Admin			0.0	(39,000)	(21,000)	(60,000)	(39,000)	(21,000)	(60,000)	(78,000)	(42,000)	(120,000)
L&I Funding from PTOA			0.0	325,000	90,000	415,000	140,000	39,000	179,000	465,000	129,000	594,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	(25,000)	(22,000)	(47,000)	(25,000)	(22,000)	(47,000)	(50,000)	(44,000)	(94,000)
FTE Consolidation Transfer	(11.5)	(27.2)	(19.4)	(72,000)	(55,000)	(127,000)	(101,000)	(78,000)	(179,000)	(173,000)	(133,000)	(306,000)
			0.0			0			0	0	0	0
060 Total	(11.5)	(27.2)	(19.4)	(417,000)	(284,000)	(701,000)	(635,000)	(364,000)	(999,000)	(1,052,000)	(648,000)	(1,700,000)
070 Division of Alcohol and Substance Abuse												
ISSD compensation adjustments from Admin			0.0	(1,000)		(1,000)	(1,000)		(1,000)	(2,000)	0	(2,000)
DIS reductions from PTOA			0.0		(1,000)	(1,000)		(1,000)	(1,000)	0	(2,000)	(2,000)
MPA costs from Admin			0.0	(1,000)		(1,000)	(1,000)		(1,000)	(2,000)	0	(2,000)
L&I Funding from PTOA			0.0	6,000	1,000	7,000	3,000		3,000	9,000	1,000	10,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	(1,000)	0	(1,000)	(1,000)	0	(1,000)	(2,000)		(2,000)
			0.0			0			0	0	0	0
070 Total	0.0	0.0	0.0	3,000	0	3,000	0	(1,000)	(1,000)	3,000	(1,000)	2,000

**2012 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
100	Division of Voc. Rehabilitation												
	ISSD compensation adjustments from Admin			0.0	(2,000)	(2,000)	(4,000)	(2,000)	(3,000)	(5,000)	(4,000)	(5,000)	(9,000)
	DIS reductions from PTOA			0.0	(2,000)	(5,000)	(7,000)	(2,000)	(5,000)	(7,000)	(4,000)	(10,000)	(14,000)
	MPA costs from Admin			0.0	(1,000)	(4,000)	(5,000)	(1,000)	(4,000)	(5,000)	(2,000)	(8,000)	(10,000)
	L&I Funding from PTOA			0.0	30,000		30,000	12,000		12,000	42,000	0	42,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	0	(2,000)	(2,000)	0	(2,000)	(2,000)	0	(4,000)	(4,000)
				0.0			0			0	0	0	0
	100 Total	0.0	0.0	0.0	25,000	(13,000)	12,000	7,000	(14,000)	(7,000)	32,000	(27,000)	5,000
110	Administration & Supporting Services												
	ISSD compensation adjustments from Admin			0.0	137,000	31,000	168,000	166,000	49,000	215,000	303,000	80,000	383,000
	DIS reductions from PTOA			0.0	(21,000)		(21,000)	(21,000)		(21,000)	(42,000)	0	(42,000)
	MPA costs from Admin			0.0	148,000	80,000	228,000	148,000	80,000	228,000	296,000	160,000	456,000
	L&I Funding from PTOA			0.0	37,000	8,000	45,000	16,000	3,000	19,000	53,000	11,000	64,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin	1.0	1.0	1.0	51,000	37,000	88,000	51,000	37,000	88,000	102,000	74,000	176,000
	FTE Consolidation Transfer	8.0	13.0	10.5	490,000	214,000	704,000	714,000	307,000	1,021,000	1,204,000	521,000	1,725,000
				0.0			0			0	0	0	0
	110 Total	9.0	14.0	11.5	842,000	370,000	1,212,000	1,074,000	476,000	1,550,000	1,916,000	846,000	2,762,000
135	Special Commitment Center												
	ISSD compensation adjustments from Admin			0.0	(2,000)		(2,000)	(3,000)		(3,000)	(5,000)	0	(5,000)
	DIS reductions from PTOA			0.0	(1,000)		(1,000)	(1,000)		(1,000)	(2,000)	0	(2,000)
	MPA costs from Admin			0.0	(6,000)		(6,000)	(6,000)		(6,000)	(12,000)	0	(12,000)
	L&I Funding from PTOA			0.0	183,000		183,000	90,000		90,000	273,000	0	273,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(1,000)	0	(1,000)	(1,000)	0	(1,000)	(2,000)	0	(2,000)
	FTE Consolidation Transfer	(24.7)	(37.0)	(30.9)	(54,000)	0	(54,000)	(79,000)	0	(79,000)	(133,000)	0	(133,000)
				0.0			0			0	0	0	0
	135 Total	(24.7)	(37.0)	(30.9)	119,000	0	119,000	0	0	0	119,000	0	119,000
145	Payments to Other Agencies												
	DIS reductions from PTOA			0.0	755,000	322,000	1,077,000	739,000	314,000	1,053,000	1,494,000	636,000	2,130,000
	L&I Funding from PTOA			0.0	(4,609,000)	(1,773,000)	(6,382,000)	(2,116,000)	(843,000)	(2,959,000)	(6,725,000)	(2,616,000)	(9,341,000)
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	145 Total	0.0	0.0	0.0	(3,854,000)	(1,451,000)	(5,305,000)	(1,377,000)	(529,000)	(1,906,000)	(5,231,000)	(1,980,000)	(7,211,000)
150	Information System Services Division												
	Email & BB to DIS from ISSD	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin	(1.0)	(1.0)	(1.0)	0	0	0	0	0	0	0	0	0
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	150 Total	(1.0)	(1.0)	(1.0)	0	0	0	0	0	0	0	0	0
160	Consolidated Field Services												
	FTE Consolidation Transfer	343.1	540.2	441.7	0	0	0	0	0	0	0	0	0
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	160 Total	343.1	540.2	441.7	0	0	0	0	0	0	0	0	0
	Agency-Wide	0	0	0.0	0	0	0	0	0	0	0	0	0

notes:

1. Information System Services Division (ISSD) compensation adjustments from Administration & Supporting Services (Admin).
2. Department of Information Services (DIS) rate & central service reductions from Payments to Other Agencies (PTOA).
3. Additional Medicaid Purchasing Administration (MPA) costs to transfer from Admin.
4. L&I funding from PTOA to programs.
5. Email and Blackberry (BB) services transfer from ISSD to DIS. Net impact to the programs is zero; however, ISSD's funding will decrease by the amount programs reduce/transfer their TZ costs.
6. ISSD Staff Transfer to Admin.
7. In Mental Health, move FTEs and funding from Category 8000 to 9000 to align appropriations where costs are incurred.
8. FTE Transfer related to the Regional Business Centers, Institutional Business Offices, and Maintenance Operations are consolidated in Program 160.

