

REPORT TO THE LEGISLATURE

Individual Provider Overtime Spending Plan

RCW 74.39A.270 (10)(a) passed by 2016 Legislature

July 1, 2017

Aging and Long Term Support Administration
Home and Community Services

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PURPOSE:

In accordance with RCW 74.39A.270 (10)(a) the Department of Social and Health Services is providing this spending plan and explanation of the system in place to monitor the authorization and cost of Individual Provider personal care and respite hours authorized or paid in excess of forty hours per week. This spending plan is based on the appropriation for State Fiscal Years 2018 and 2019 using the fiscal model provided by legislative committee staff when ESSHB 1725 was passed.

The legislation calls for the following in the spending plan:

(10) (a) Each fiscal year, the department shall establish a spending plan and a system to monitor the authorization and cost of hours in excess of forty hours each workweek from subsections (5) (b) and (9) of this section beginning July 1, 2016, and each fiscal year thereafter. Expenditures for hours in excess of forty hours each workweek under subsections (5) (b) and (9) of this section shall not exceed 8.75 percent of the total average authorized personal care hours for the fiscal year as projected by the caseload forecast council. The caseload forecast council may adopt a temporary adjustment to the 8.75 percent of the total average hours projection for that fiscal year, up to a maximum of 10.0 percent, if it finds a higher percentage of overtime hours is necessitated by a shortage of individual providers to provide adequate client care, taking into consideration factors including the criteria in subsection (9) of this section. If the council elects to temporarily increase the limit, it may do so only upon a majority vote of the council.

SPENDING PLAN:

The spending plan below describes the FY 2017-2019 budget appropriation related to RCW 74.39A.270 (10)(a). DSHS has taken steps to manage the utilization as required by the statute, and provides a quarterly expenditure report accounting for actual costs. If the expenditures exceed the limitation, the department will take additional steps to control the costs within the allocation.

TOTAL	FY18	FY19
State	\$13,555,000	\$13,152,000
Federal	\$17,251,000	\$16,740,000
Total	\$30,806,000	\$29,892,000

ALTSA	FY18	FY19
State	\$7,790,000	\$7,583,000
Federal	\$9,915,000	\$9,652,000
Total	\$17,705,000	\$17,235,000

DDA	FY18	FY19
State	\$5,765,000	\$5,569,000
Federal	\$7,336,000	\$7,088,000
Total	\$13,101,000	\$12,657,000

MONITORING OVERTIME AUTHORIZATION:

The Department established overtime authorization controls as described in RCW 74.39A.270 (10)(a). The process of implementation and monitoring remains consistent to the summary outlined in the initial FY16-17 Spending Plan.

http://app.leg.wa.gov/ReportsToTheLegislature/Home/GetPDF?fileName=1725%20IP%20OT%20spending%20plan%20report%207-1-16_19a9f4d5-ca80-4450-8d4d-3faeb5153763.pdf

In the original Legislative order, IPs with work week limits between 60.25 and 65 hours were to be reduced to 60 hours in FY18 and thereafter. This would have impacted 1800 clients and 1500 providers.

Senate bill 5976, as passed in the third special session of the 2017 Legislature, extended the 65 hour work week limitation through FY18. Therefore, the department will not be implementing actions to reduce work week limit maximums from 65 hours to 60 hours until FY19. The approach for reducing the work week limit in FY19 will be discussed at the next Task Force meeting, to be held in late November 2017.

The department continues to monitor individual provider utilization of overtime, processing contract actions when applicable. A contract action is a notice to the individual provider that s/he claimed overtime service hours in excess of the individual provider's work week limit. Each contract action remains on an individual provider's contract for one year. Three open contract actions may result in contract suspension or termination; however, the department makes an effort to work with individual providers and provide additional training resources whenever possible prior to contract termination.