

Agency 300

Department of Social and Health Services Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	17,166.1	6,990,590	8,384,330	15,374,920
Maintenance Other Changes:				
1. Forecast Cost/Utilization	0.0	(28,449)	(13,319)	(41,768)
2. Hospital Revenue Adjustment	0.0	(20,300)	20,300	0
3. Institution Vehicle Replacement	0.0	466	74	540
4. Facility Maintenance Costs	0.0	1,406	417	1,823
5. Mandatory Caseload Adjustments	0.0	(9,844)	(30,278)	(40,122)
6. BHO Rate Adjustment	0.0	76,085	73,638	149,723
7. Mandatory Workload Adjustments	50.9	8,262	3,876	12,138
8. TANF Caseload Adjustment	0.0	(12,238)	0	(12,238)
9. WCCC Caseload Adjustment	0.0	20,745	0	20,745
10. Equipment Replacement Costs	0.0	2,524	16	2,540
11. Adjust Federal Authority	0.0	0	10,000	10,000
12. Delay in APD Approval	0.0	2,008	(2,008)	0
13. Disproportionate Share Hospital	0.0	4,216	(4,216)	0
14. Utilization of Residential Services	0.0	3,634	(252)	3,382
15. Fircrest Laundry Operating Backfill	1.0	162	161	323
16. Utilization of SL Tiered Rates	0.0	623	623	1,246
17. Federal Appropriation	0.0	0	12,400	12,400
18. Medicaid Cost Allocation Correction	0.0	5,541	(5,541)	0
19. Eligibility Requirements	0.0	677	0	677
20. Federal Spending Authority	18.4	0	15,937	15,937
21. Public Disclosure Impacts	8.8	1,162	220	1,382
22. Technical Corrections	(0.5)	30	50,517	50,547
23. Food and Medical Adjustments	0.0	2,630	355	2,985
Maintenance -- Other Total	78.6	59,340	132,920	192,260
Maintenance Comp Changes:				
24. Move Pension Fund Shift to Agencies	0.0	(129,465)	129,465	0
25. Updated PEBB Rate	0.0	(6,872)	(2,795)	(9,667)

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Department of Social and Health Services (cont.)

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Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
26. Wellness \$25 Gift Card	0.0	42	14	56
27. Paid Family Leave--Employer Premium	0.0	91	38	129
28. Compensation Adjustment	0.0	4,924	1,223	6,147
Maintenance -- Comp Total	0.0	(131,280)	127,945	(3,335)
Maintenance Central Services Changes:				
29. Archives/Records Management	0.0	(3)	(2)	(5)
30. Audit Services	0.0	224	128	352
31. Legal Services	0.0	871	368	1,239
32. Administrative Hearings	0.0	(4)	(6)	(10)
33. CTS Central Services	0.0	(252)	(113)	(365)
34. DES Central Services	0.0	17	7	24
35. OFM Central Services	0.0	292	130	422
36. Workers' Compensation	0.0	722	265	987
37. OFM Human Resource Services	0.0	6	3	9
38. DES Rate Compensation Changes	0.0	141	63	204
Maintenance -- Central Svcs Total	0.0	2,014	843	2,857
Total Maintenance Changes	78.6	(69,926)	261,708	191,782
2017-19 Maintenance Level	17,244.7	6,920,664	8,646,038	15,566,702
Policy Other Changes:				
39. CSTC Treatment Staff	2.9	499	0	499
40. RHC Medicaid Compliance	130.9	9,544	9,543	19,087
41. Quality of Residential Care	8.5	668	1,409	2,077
42. Local Expenditure Authority	0.0	0	2,000	2,000
43. Increase BRS Rates	0.0	2,876	59	2,935
44. Opioid Response	1.3	7,785	2,315	10,100
45. Acute Mental Health Staffing	9.5	1,462	0	1,462
46. Relief for Homeless JR Youth	1.9	1,282	0	1,282
47. State IDs for JR Youth	0.0	3	0	3
48. State Hospital Compliance	82.3	20,128	326	20,454

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Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
49. Hospital Operations: Staffing	285.3	32,816	0	32,816
50. Hospital Operations: Locum	0.0	13,852	0	13,852
51. Hospital Operations: Hepatitis C	0.0	963	0	963
52. Hospital Operations: SIA Consultant	0.0	2,436	0	2,436
53. Hospital Operations: City Water	0.0	374	0	374
54. Hospital Staffing Model Adjustment	285.4	42,882	0	42,882
55. Trueblood Lawsuit Fines	0.0	44,743	0	44,743
56. Forensic Mental Health Services	10.5	3,378	0	3,378
57. Forensic Ward Staffing	53.2	10,101	0	10,101
58. Youth Long Term Inpatient Access	0.0	2,352	2,352	4,704
59. Supported Living Investigators	3.8	(1,130)	9,981	8,851
60. Electronic Visit Verification	2.6	3,963	5,351	9,314
61. Individual Provider Management	4.0	940	1,313	2,253
62. ESAR Architectural Development	15.5	4,911	8,307	13,218
63. Federal RISE Grant	0.0	0	5,000	5,000
64. Critical System Risk Mitigation	2.3	1,167	477	1,644
65. ESH/Lakeland Village Policing	0.0	63	0	63
66. Competency Restoration Pilot	1.8	3,500	0	3,500
67. SOLA Community Options	11.1	1,362	1,361	2,723
68. Youth Drug Prevention Services	1.2	0	1,657	1,657
69. Consolidated Maintenance/Operations	16.0	2,180	651	2,831
70. Property Insurance Premiums	0.0	308	103	411
71. DSHS Critical Sites Risk	0.5	713	165	878
72. DCYF Technical Correction	6.0	810	343	1,153
73. Time, Leave, Attendance Scheduling	0.0	2,031	816	2,847
74. Maintain Emergency Response Team	2.5	497	0	497
75. Mentoring Works	0.0	200	0	200
76. Increased WCCC Program Integrity	18.8	4,255	0	4,255
77. SUD Peer Services Plan	1.5	806	0	806
Policy -- Other Total	958.8	224,720	53,529	278,249

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Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
Policy Comp Changes:				
78. PERS & TRS Plan 1 Benefit Increase	0.0	734	295	1,029
Policy -- Comp Total	0.0	734	295	1,029
Policy Transfer Changes:				
79. BH - Integration Transfer	(76.4)	(557,692)	(977,446)	(1,535,138)
Policy -- Transfer Total	(76.4)	(557,692)	(977,446)	(1,535,138)
Policy Central Services Changes:				
80. Archives/Records Management	0.0	3	2	5
81. Audit Services	0.0	2	2	4
82. Legal Services	0.0	165	70	235
83. Administrative Hearings	0.0	145	186	331
84. CTS Central Services	0.0	902	401	1,303
85. DES Central Services	0.0	161	66	227
86. OFM Central Services	0.0	797	345	1,142
87. OFM Human Resource Services	0.0	3	2	5
88. CTS Fee for Service Adjustment	0.0	353	153	506
Policy -- Central Svcs Total	0.0	2,531	1,227	3,758
Total Policy Changes	882.4	(329,707)	(922,395)	(1,252,102)
2017-19 Policy Level	18,127.1	6,590,957	7,723,643	14,314,600

POLICY CHANGES

1. Forecast Cost/Utilization

This item makes expenditure adjustments to reflect changes in the utilization of personal care services within the Developmental Disabilities Administration. (General Fund-State; General Fund-Federal; General Fund-Medicaid)

2. Hospital Revenue Adjustment

An annual funding adjustment is made to maintain funding levels based on 12-month average annual revenue projections of inpatient contributions and Medicaid earnings. (General Fund-State; General Fund-Local; General Fund-Medicaid)

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- 3. Institution Vehicle Replacement**
 Lease-purchase funding is provided to replace passenger vans, nursing vans and facility maintenance vehicles. This step is ongoing. (General Fund-State; General Fund-Medicaid)
- 4. Facility Maintenance Costs**
 One-time funding is provided for equipment, goods and services beyond the scope of ordinary maintenance but lower than the threshold for capital projects. Maintenance projects include, but are not limited to, interior and exterior painting and the replacement of doors and carpets. (General Fund-State; General Fund-Medicaid)
- 5. Mandatory Caseload Adjustments**
 Adjustments reflect forecasted changes in the Special Commitment Center total confinement facility, secure community transition facilities, and the Less Restrictive Alternative populations, based on the November caseload forecasts. (General Fund-State; General Fund-Federal; General Fund-Fam Supt; other accounts)
- 6. BHO Rate Adjustment**
 Appropriations for behavioral health organizations (BHO) are adjusted to reflect cost estimates for community substance use disorder services. The changes in rates are largely due to case mix and utilization factors. (General Fund-State; General Fund-Medicaid)
- 7. Mandatory Workload Adjustments**
 An adjustment is made to reflect the expected population at juvenile rehabilitation institutions and community facilities based on the November 2017 forecast. (General Fund-State; General Fund-Medicaid)
- 8. TANF Caseload Adjustment**
 Funding is adjusted to reflect the November caseload forecast and per capita costs for the Temporary Assistance to Needy Families (TANF) program. (General Fund-State)
- 9. WCCC Caseload Adjustment**
 Funding is adjusted to reflect the November caseload forecast and per capita costs for the Working Connections Child Care (WCCC) program. (General Fund-State)
- 10. Equipment Replacement Costs**
 Funding is provided to replace furniture, medical, kitchen and other equipment necessary to maintain the health, safety and security of residents and staff at the department's institutional programs. (General Fund-State; General Fund-Medicaid)
- 11. Adjust Federal Authority**
 Adjustments are made to the federal expenditure authority for Title IV-E (Foster Care) to accurately reflect the anticipated federal earnings in fiscal year 2018. (General Fund-Fam Supt)

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Recommendation Summary

12. Delay in APD Approval

Each year, the department submits Washington's advanced planning document (APD) to the Centers for Medicare and Medicaid Services (CMS) which requests enhanced federal funding for qualifying activities. While the document is submitted to CMS months in advance of the federal fiscal year start in October 2017, it was not approved until November 2017. Funding is provided to backfill federal funds with state funds for the two months of enhanced federal funding not received due to the delay in approving the APD. (General Fund-State; General Fund-Medicaid)

13. Disproportionate Share Hospital

The federal Affordable Care Act directs changes in federal grants to states for Disproportionate Share Hospitals (DSH). Approximately one-third of the state's DSH grant is appropriated to the state hospitals. State and federal appropriations are adjusted to reflect changes in federal DSH revenue. (General Fund-State; General Fund-Medicaid)

14. Utilization of Residential Services

Funding is provided to address greater utilization of Developmental Disabilities Administration residential services in Adult Supported Living, Child Supported Living, Group Homes, Community Protection, and Intermediate Care for the Intellectually Disabled. (General Fund-State, General Fund-Federal) (General Fund-State; General Fund-Medicaid)

15. Fircrest Laundry Operating Backfill

Funding is provided to replace items not covered by insurance when the Fircrest laundry facility burned down and for the increased costs in transporting laundry to an offsite facility. (General Fund-State; General Fund-Medicaid)

16. Utilization of SL Tiered Rates

Funding is provided to implement a new rate structure for Supported Living, Community Residential, Group Homes and Group Training Homes. The new rate structure will minimize audit findings from the State Auditor and simplify administrative case management workload. (General Fund-State; General Fund-Medicaid)

17. Federal Appropriation

Federal expenditure authority is adjusted to allow the vocational rehabilitation program to meet new program demands and federal grant spending requirements. (General Fund-Federal)

18. Medicaid Cost Allocation Correction

Funding is provided to offset lower than anticipated federal Title XIX earnings. These funds are needed to maintain the activities of the Community Services Division, which is responsible for determining the eligibility of clients for ESA programs. (General Fund-State; General Fund-Federal; General Fund-Medicaid)

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Department of Social and Health Services (cont.)**Recommendation Summary****19. Eligibility Requirements**

Fiscal calculations for Chapter 21, Laws of 2017, 3rd Special Session (eligibility for public assistance programs) assumed a July 1, 2017 implementation date, but the bill itself did not contain an emergency clause. By law, the Economic Services Administration (ESA) was unable to implement the legislation before October 1, 2017, and is unable to achieve all the assumed savings. (General Fund-State)

20. Federal Spending Authority

Expenditure authority is adjusted to align with current federal grant funding and federal grants anticipated to be awarded during the remainder of the biennium. (General Fund-Federal; General Fund-Fam Supt)

21. Public Disclosure Impacts

Funding is provided for additional public disclosure staffing to accommodate the requirements mandated by Chapter 303, Laws of 2017 (public records administration). (General Fund-State; General Fund-Federal; General Fund-Medicaid)

22. Technical Corrections

Adjustments are made for variances found in the reconciliation of multiple budget steps to correct the federal funding source, provide additional federal and local authority, and make net zero, category transfers between agency programs. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

23. Food and Medical Adjustments

Funding is provided to cover increased food and medical costs at the department's institutional programs. Adjustments are based on the five-year historical spending of each facility. (General Fund-State; General Fund-Medicaid)

24. Move Pension Fund Shift to Agencies

In the enacted 2017-19 budget, the legislature shifted a portion of General Fund pension costs to the Pension Funding Stabilization Account, and instructed the Office of Financial Management to allocate this change to agency budgets. This item implements that requirement. (General Fund-State; Pension Funding Stabilization Account-State)

25. Updated PEBB Rate

The funding rate for the Public Employees' Benefits Board (PEBB) insurance program is adjusted for fiscal year 2019 to reflect updated actuarial projections, administrative costs and payments to third-party administrators. The funding is sufficient for a new virtual diabetes prevention program and a change in the waiting period for dental crown replacements in the Uniform Dental Program (UDP) from seven to five years. The change would bring UDP into alignment with the current waiting period in the managed dental plans. This reduces the fiscal year 2019 funding rate from \$957 per month to \$906. (General Fund-State; General Fund-Federal; General Fund-Medicaid)

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Department of Social and Health Services (cont.)**Recommendation Summary**

26. Wellness \$25 Gift Card

Some employees are eligible, under the terms of their collective bargaining agreements, to earn a \$25 gift card after completing a health risk assessment. This item provides funding for agencies to pay the employer's share of Social Security and Medicare taxes on the gift cards. (General Fund-State; General Fund-Federal; General Fund-Medicaid)

27. Paid Family Leave--Employer Premium

A paid family and medical leave program was created by Chapter 5, Laws of 2017, 3rd Special Session. Beginning January 1, 2019, the state, as an employer, will be responsible for payment of employer premiums for employees not covered by a collective bargaining agreement. This item provides funding for this obligation. (General Fund-State; General Fund-Federal; General Fund-Medicaid)

28. Compensation Adjustment

This item makes technical adjustments related to compensation steps that were provided in the enacted 2017-19 biennial budget. Staffing models used to calculate costs for additional staff provided in the biennial budget did not account for 2 percent salary increases, health insurance premium increases, and make targeted increases for certain positions. (General Fund-State; General Fund-Fam Supt; General Fund-Medicaid)

29. Archives/Records Management

Agency budgets are adjusted to reflect each agency's allocated share of charges for the state archives and state records center. (General Fund-State; General Fund-Federal)

30. Audit Services

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (General Fund-State; General Fund-Federal)

31. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State; General Fund-Federal)

32. Administrative Hearings

Agency budgets are adjusted to reflect each agency's anticipated share of charges for administrative hearings. (General Fund-State; General Fund-Federal)

33. CTS Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Consolidated Technology Services Agency (WaTech) for the Office of the Chief Information Officer, Office of Cyber Security, state network, enterprise systems, security gateways and geospatial imaging services. (General Fund-State; General Fund-Federal)

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Department of Social and Health Services (cont.)

Recommendation Summary

34. DES Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Department of Enterprise Services (DES) for campus rent, utilities, parking and contracts; a capital project surcharge; financing cost recovery; public and historic facilities; real estate services; risk management services; small agency financial and human resource services; personnel service rates; the Perry Street child care center; and the department's enterprise applications. (General Fund-State; General Fund-Federal)

35. OFM Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for the One Washington project. (General Fund-State; General Fund-Federal)

36. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State; General Fund-Federal)

37. OFM Human Resource Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for personnel service rates. (General Fund-State; General Fund-Federal)

38. DES Rate Compensation Changes

Funding is provided to cover compensation and central service cost increases that were included in the 2017-19 biennial budget in lines of business at the Department of Enterprise Services that have a fee for service structure. (General Fund-State; General Fund-Federal)

39. CSTC Treatment Staff

Additional treatment staff are provided to support the operations of a newly constructed secure treatment area at the Child Study and Treatment Center (CSTC) Orcas building. The treatment room will be used to provide services to youth who have a significant history of violent behavior and life-threatening self-harm. (General Fund-State)

40. RHC Medicaid Compliance

Funding is provided to hire staff to meet requirements from the Centers for Medicare and Medicaid Services (CMS) concerning continuous, aggressive active treatment in all intermediate care facilities for individuals with intellectual disabilities. (General Fund-State; General Fund-Medicaid)

41. Quality of Residential Care

Funding is provided to hire 8.5 staff investigators to conduct inspections and investigate complaints in assisted living facilities. In the last four years, the number of individuals receiving services has increased from 30,360 to 32,592, a 7.3 percent increase. Funding is also provided to maintain the Residential Care Services quality assurance unit. (General Fund-State; General Fund-Local; General Fund-Medicaid)

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Department of Social and Health Services (cont.)

Recommendation Summary

42. Local Expenditure Authority

Local expenditure authority is increased to allow for full expenditure from private/local contributions and grants expected in the 2017-19 biennium. (General Fund-Local)

43. Increase BRS Rates

Funding is provided to increase the behavioral rehabilitative services (BRS) rate by \$750 per child per month. The rate increase is retroactive to July 2017 for campus facility-based providers and effective October 2017 for all remaining behavioral rehabilitative service providers. Behavioral rehabilitative services are for foster care children who present the highest behavioral needs and who require the highest level of structured care. (General Fund-State; General Fund-Fam Supt)

44. Opioid Response

This step is part of a multi-agency package to expand treatment and prevention services across the state to prevent opioid-related overdose deaths. Specific investments at the Department of Social and Health Services (DSHS) include expanding hub and spoke networks and tribal-specific treatment services, increasing Naloxone distribution, expanding the Parent Child Assistance Program and developing a Medication Assisted Treatment (MAT) capacity tracking tool where providers will report treatment capacity on a regular basis. (General Fund-State; General Fund-Medicaid)

45. Acute Mental Health Staffing

Funding is provided to hire 15.2 FTE staff to operate acute mental health programs for youth at Green Hill School and the Echo Glen Children's Center. Youth committed to juvenile rehabilitation have greater treatment needs than other youth in the state juvenile justice system. (General Fund-State)

46. Relief for Homeless JR Youth

Funding is provided to give homeless juvenile rehabilitation (JR) youth who have been released from incarceration safe, stable placement in the community. Funding is also provided for legal advocacy services and temporary housing for an estimated 131 youth each year. (General Fund-State)

47. State IDs for JR Youth

Youth released from a juvenile rehabilitation (JR) community facility or institution will be provided with a reduced cost, six-year identicaid issued by the Department of Licensing. (General Fund-State)

48. State Hospital Compliance

DSHS entered into a 13-month systems improvement agreement with the Centers for Medicare and Medicaid Services (CMS) in June 2016 after failed hospital recertification surveys at Western State Hospital (WSH). To comply with the plan of correction, entered into with CMS, and continue receiving federal funds, 90 staff will be hired to improve medical care and life and safety conditions at WSH. (General Fund-State; General Fund-Federal)

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Department of Social and Health Services (cont.)

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49. Hospital Operations: Staffing

Western State Hospital (WSH) and Eastern State Hospital (ESH) closed the 2017 state fiscal year with a combined deficit of \$34.5 million, largely due to efforts to address insufficient staffing. Funding is provided in fiscal year 2018 to cover the costs of the staffing overspend so that the hospitals can provide high-quality patient care while the Behavioral Health Administration continues making progress on an acuity and ward-based staffing model for the hospitals. (General Fund-State)

50. Hospital Operations: Locum

The state hospitals utilize psychiatry services under contract with Locum Tenens when unable to fill full-time psychiatrist positions. Funding is provided to cover the cost of continuing these contracts. (General Fund-State)

51. Hospital Operations: Hepatitis C

Funding is provided to cover the increased cost of Hepatitis C treatment for patients at WSH. (General Fund-State)

52. Hospital Operations: SIA Consultant

Funding is provided for increased consultant costs related to the systems improvement agreement (SIA) entered into with CMS. (General Fund-State)

53. Hospital Operations: City Water

Western State Hospital converted to Lakewood City Water. Funding is provided to cover those costs. (General Fund-State)

54. Hospital Staffing Model Adjustment

To address staffing challenges at the state psychiatric hospitals, DSHS is working toward producing an acuity and ward-based staffing model for WSH and ESH. This model will enable DSHS to properly deploy, monitor and measure staffing levels at the hospitals. Funding is provided in fiscal year 2019 that is based on preliminary estimates from the newly developed staffing model. Future staff funding requests will be based on the final staffing model. (General Fund-State)

55. Trueblood Lawsuit Fines

Funding is provided for contempt fines, court monitor costs and plaintiff attorney fees related to the Trueblood et. al. v. DSHS lawsuit. (General Fund-State)

56. Forensic Mental Health Services

The Office of Forensic Mental Health Services is responsible for managing the adult forensic mental health care system in the state of Washington. This includes timely competency evaluation and restoration services to meet the requirements of the Trueblood et. al. v. DSHS lawsuit. To keep up with growing competency evaluation and restoration demands, funding is provided for six additional evaluators and the necessary administrative and support staff. (General Fund-State)

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57. Forensic Ward Staffing

To respond to the increasing number of court referrals for competency evaluations and restoration for class members related to the Trueblood et. al. v. DSHS lawsuit, a total of 45 forensic beds are opened at Western State Hospital and Eastern State Hospital in the 2017-19 biennium. An additional 85 beds are funded in fiscal years 2020 and 2021. (General Fund-State)

58. Youth Long Term Inpatient Access

The Behavioral Health Administration contracts with four organizations to operate 37 community-based Children's Long-Term Program (CLIP) inpatient beds that serve youth in King, Pierce, Spokane and Yakima counties. Funding is provided to increase the daily bed rate from \$544 to \$883 per day to maintain access to CLIP beds and provide more timely services and treatment to children. (General Fund-State; General Fund-Medicaid)

59. Supported Living Investigators

This item gives DSHS fee authority for supported living providers sufficient to cover oversight and investigation costs for clients residing in supported living settings. Provider rates are increased to cover the cost of the fee, which is eligible for federal matching funds, resulting in a net GF-State savings when combining the Developmental Disabilities Administration and Aging and Long-Term Support Administration. (General Fund-State; General Fund-Local; General Fund-Medicaid)

60. Electronic Visit Verification

Funding is provided for DSHS to comply with the federal "21st Century Cures Act," which requires states to implement an Electronic Visit Verification (EVV) system by January 1, 2019 or receive a federal match rate reduction that escalates from 0.25 percent in 2019 up to one percent by 2023. An EVV system will electronically report and verify information about the delivery of personal care services, such as the date and time, service type and location. (General Fund-State; General Fund-Medicaid)

61. Individual Provider Management

Administrative support for individual providers is moved from the Department of Social and Health Services to a private vendor. The private vendor will provide financial management services, including individual provider overtime management, as well as co-employer functions for clients receiving in-home personal care from an individual provider. (General Fund-State; General Fund-Medicaid)

62. ESAR Architectural Development

Funding is provided to continue the Eligibility Service and Automated Client Eligibility System (ACES) Remediation (ESAR) architectural development project and for staff critical to the ongoing operation of ACES. (General Fund-State; General Fund-Federal; General Fund-Medicaid)

63. Federal RISE Grant

Federal expenditure authority is provided for the RISE grant, which will allow ESA to provide comprehensive case management for clients, Strategies for Success training, and work-based learning services to improve employment outcomes for clients. (General Fund-Federal)

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64. Critical System Risk Mitigation

Funding is provided to begin a multiyear modernization of Barcode, a 20-year-old system developed by ESA. Barcode is used daily by multiple state agencies. This project will maintain future viability, better comply with modern security standards, and continue to provide support to over 6,000 end-users in DSHS, the Health Care Authority (HCA), and the Department of Early Learning (DEL)/Department of Children, Youth, and Families (DCYF) who provide services to vulnerable citizens in Washington State. (General Fund-State; General Fund-Federal; General Fund-Medicaid)

65. ESH/Lakeland Village Policing

Funding is provided for the City of Medical Lake police services to Eastern State Hospital and surrounding areas. (General Fund-State)

66. Competency Restoration Pilot

To reduce forensic waitlists, the Behavioral Health Administration will develop an outpatient competency restoration pilot program. Comprehensive restoration services will be contracted in the community for individual defendants who have been identified as incompetent to stand trial. (General Fund-State)

67. SOLA Community Options

This item provides 47 community residential placements in State Operated Living Alternatives (SOLAs) for individuals residing in residential habilitation centers (RHCs) who have requested community placements but the department has been unable to find community providers willing to serve these clients at existing rates. These placements will be phased in over a three-year period. (General Fund-State; General Fund-Medicaid)

68. Youth Drug Prevention Services

Funding is provided to continue youth alcohol, marijuana and opioid prevention services in 40 predominately rural communities beyond the September 2018 expiration of the federal Partnership for Success Grant. (Dedicated Marijuana Account-State)

69. Consolidated Maintenance/Operations

This item provides staffing to address the deterioration and degradation of physical assets along with addressing the federal regulatory compliance requirements established by Centers for Medicare and Medicaid Services (CMS). (General Fund-State; General Fund-Medicaid)

70. Property Insurance Premiums

Funding is provided for master property insurance for 191 department-owned buildings with associated contents, and for the contents of 102 leased facility properties. (General Fund-State; General Fund-Federal)

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71. DSHS Critical Sites Risk

Funding is provided to replace end-of-life equipment with modern technology, 0.5 FTE staff to replace equipment and 1.0 ongoing FTE staff to modernize Department of Social and Health Services' (DSHS) infrastructure equipment at six critical sites: Western State Hospital, Eastern State Hospital, Seattle Children's Intake Center, Rainier School, Lakeland Village and the Special Commitment Center. (General Fund-State; General Fund-Federal)

72. DCYF Technical Correction

Funding is provided for 12.0 FTE staff for technical corrections needed to address assumptions and calculations that were used in the biennial budget to identify staff affected by the transfer to the Department of Children, Youth and Families (DCYF). (General Fund-State; General Fund-Federal)

73. Time, Leave, Attendance Scheduling

Western State Hospital requires an automated staff scheduling system to ensure the correct staff allocation for each shift time and hospital ward. Existing staff management processes are not automated and limit the hospital's ability to schedule staff efficiently and effectively. Funding is provided to replace manual processes with a new integrated scheduling, time and leave system that will standardize and modernize staffing management processes, and maximize staff time spent providing direct care. (General Fund-State; General Fund-Federal)

74. Maintain Emergency Response Team

This item funds 2.5 licensed emergency medical technicians to maintain compliance with state staffing rules, Pierce County regulations and requirements to maintain the McNeil Island ambulance license. (General Fund-State)

75. Mentoring Works

Mentoring Works Washington is a public-private partnership, where state funds are matched with private donations and used to provide mentoring for youth to fuel positive academic and social/emotional well-being outcomes. Funding is provided to expand and provide more mentoring opportunities for at-risk youth. (General Fund-State)

76. Increased WCCC Program Integrity

Funding is provided for ESA to fully implement the 2016 Statewide Single Audit Corrective Action Plan for the Working Connections Child Care (WCCC) subsidy program. Additional staff will ensure accuracy of payments and eligibility of clients in cases most prone to error. (General Fund-State)

77. SUD Peer Services Plan

State funding is provided for the Behavioral Health Administration to pursue a Medicaid state plan amendment for substance use disorder (SUD) peer support services. By including these services in a state plan amendment, behavioral health organizations may earn additional federal Medicaid match. (General Fund-State)

Agency 300

Department of Social and Health Services (cont.)

Recommendation Summary

78. PERS & TRS Plan 1 Benefit Increase

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State; General Fund-Federal; General Fund-Medicaid)

79. BH - Integration Transfer

Chapter 225, Laws of 2014 requires the Health Care Authority (HCA) and Department of Social and Health Services (DSHS) to fully integrate physical health care and behavioral health care services to Medicaid clients by January 1, 2020. As part of the second phase of behavioral health integration, all community mental health and substance use disorder programs are transferred from DSHS to HCA, with the exception of the licensing and certification program which will transfer to the Department of Health. This whole-person approach to care offers better coordinated care and consolidates the payment and delivery of physical and behavioral health services for individuals enrolled in Medicaid through managed care. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

80. Archives/Records Management

Agency budgets are adjusted to reflect each agency's allocated share of charges for the state archives and state records center. (General Fund-State; General Fund-Federal)

81. Audit Services

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (General Fund-State; General Fund-Federal)

82. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State; General Fund-Federal)

83. Administrative Hearings

Agency budgets are adjusted to reflect each agency's anticipated share of charges for administrative hearings. (General Fund-State; General Fund-Federal)

84. CTS Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Consolidated Technology Services Agency (WaTech) for the Office of the Chief Information Officer, Office of Cyber Security, state network, enterprise systems, security gateways and geospatial imaging services. (General Fund-State; General Fund-Federal)

Agency 300

Department of Social and Health Services (cont.)

Recommendation Summary

85. DES Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Department of Enterprise Services (DES) for campus rent, utilities, parking and contracts; a capital project surcharge; financing cost recovery; public and historic facilities; real estate services; risk management services; small agency financial and human resource services; personnel service rates; the Perry Street child care center; and the department's enterprise applications. (General Fund-State; General Fund-Federal)

86. OFM Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for the One Washington project. (General Fund-State; General Fund-Federal)

87. OFM Human Resource Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for personnel service rates. (General Fund-State; General Fund-Federal)

88. CTS Fee for Service Adjustment

Rates for wireless, virtual private network, and server infrastructure services are increased effective January 1, 2018 to align revenues with WaTech's cost of providing services. Monthly rates per device or service will increase for wireless to \$50, Centrex services to \$45 and virtual private network to \$285 per tunnel per month with a \$500 setup fee. (General Fund-State; General Fund-Federal)

Agency 300

Department of Social and Health Services (cont.)
Children and Family Services
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	1,348.9	348,992	267,844	616,836
Maintenance Other Changes:				
1. Mandatory Caseload Adjustments	0.0	3,180	2,451	5,631
2. Adjust Federal Authority	0.0	0	10,000	10,000
3. Public Disclosure Impacts	3.2	464	9	473
Maintenance -- Other Total	3.2	3,644	12,460	16,104
Maintenance Comp Changes:				
4. Move Pension Fund Shift to Agencies	0.0	(13,904)	13,904	0
5. Wellness \$25 Gift Card	0.0	4	0	4
6. Compensation Adjustment	0.0	498	12	510
Maintenance -- Comp Total	0.0	(13,402)	13,916	514
Maintenance Transfer Changes:				
7. Transfers	1.0	141	40	181
Maintenance -- Transfer Total	1.0	141	40	181
Maintenance Central Services Changes:				
8. Workers' Compensation	0.0	15	1	16
Maintenance -- Central Svcs Total	0.0	15	1	16
Total Maintenance Changes	4.2	(9,602)	26,417	16,815
2017-19 Maintenance Level	1,353.1	339,390	294,261	633,651
Policy Other Changes:				
9. Increase BRS Rates	0.0	2,876	59	2,935
Policy -- Other Total	0.0	2,876	59	2,935
Total Policy Changes	0.0	2,876	59	2,935
2017-19 Policy Level	1,353.1	342,266	294,320	636,586

Agency 300

Department of Social and Health Services (cont.)
Children and Family Services
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
POLICY CHANGES				
1. Mandatory Caseload Adjustments				
Funding is adjusted for the foster care and adoption support programs based on the November 2017 caseload and per capita cost forecasts. (General Fund-State; General Fund-Fam Supt)				
2. Adjust Federal Authority				
Adjustments are made to the federal expenditure authority for Title IV-E (Foster Care) to accurately reflect the anticipated federal earnings in fiscal year 2018. (General Fund-Fam Supt)				
3. Public Disclosure Impacts				
Funding is provided for additional public disclosure staffing to accommodate the requirements mandated by Chapter 303, Laws of 2017 (public records administration). (General Fund-State; General Fund-Federal)				
4. Move Pension Fund Shift to Agencies				
In the enacted 2017-19 budget, the Legislature shifted a portion of General Fund pension costs to the Pension Funding Stabilization Account, and instructed the Office of Financial Management to allocate this change to agency budgets. This item implements that requirement. (General Fund-State; Pension Funding Stabilization Account-State)				
5. Wellness \$25 Gift Card				
Some employees are eligible, under the terms of their collective bargaining agreements, to earn a \$25 gift card after completing a health risk assessment. This item provides funding for agencies to pay the employer's share of Social Security and Medicare taxes on the gift cards. (General Fund-State)				
6. Compensation Adjustment				
This item makes technical adjustments related to compensation steps that were provided in the enacted 2017-19 budget. Staffing models used to calculate costs for additional staff did not account for 2 percent salary increases, health insurance premium increases, and targeted increases for certain positions. (General Fund-State; General Fund-Fam Supt)				
7. Transfers				
Funding and FTE staff are transferred within DSHS programs to align with the programs where costs are incurred. The net impact is zero. (General Fund-State; General Fund-Fam Supt)				
8. Workers' Compensation				
Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State; General Fund-Federal)				

Agency 300

Department of Social and Health Services (cont.)
Children and Family Services
Recommendation Summary

9. Increase BRS Rates

Funding is provided to increase the behavioral rehabilitative services (BRS) rate by \$750 per child per month. The rate increase is retroactive to July 2017 for campus facility-based providers and effective October 2017 for all remaining behavioral rehabilitative service providers. Behavioral rehabilitative services are for foster care children who present the highest behavioral needs and who require the highest level of structured care. (General Fund-State; General Fund-Fam Supt)

Agency 300

**Department of Social and Health Services (cont.)
 Juvenile Rehabilitation
 Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	832.0	193,008	5,645	198,653
Maintenance Other Changes:				
1. Institution Vehicle Replacement	0.0	125	0	125
2. Facility Maintenance Costs	0.0	550	0	550
3. Mandatory Workload Adjustments	(9.5)	(1,608)	0	(1,608)
4. Equipment Replacement Costs	0.0	213	0	213
5. Public Disclosure Impacts	0.3	46	0	46
6. Food and Medical Adjustments	0.0	428	0	428
Maintenance -- Other Total	(9.2)	(246)	0	(246)
Maintenance Comp Changes:				
7. Move Pension Fund Shift to Agencies	0.0	(8,093)	8,093	0
8. Updated PEBB Rate	0.0	(552)	0	(552)
9. Wellness \$25 Gift Card	0.0	2	0	2
10. Paid Family Leave--Employer Premium	0.0	8	0	8
Maintenance -- Comp Total	0.0	(8,635)	8,093	(542)
Maintenance Transfer Changes:				
11. Transfers	0.0	11	0	11
Maintenance -- Transfer Total	0.0	11	0	11
Maintenance Central Services Changes:				
12. Workers' Compensation	0.0	48	0	48
Maintenance -- Central Svcs Total	0.0	48	0	48
Total Maintenance Changes	(9.2)	(8,822)	8,093	(729)
2017-19 Maintenance Level	822.9	184,186	13,738	197,924
Policy Other Changes:				
13. Acute Mental Health Staffing	9.5	1,462	0	1,462
14. Relief for Homeless JR Youth	1.9	1,282	0	1,282
15. State IDs for JR Youth	0.0	3	0	3
Policy -- Other Total	11.4	2,747	0	2,747

Agency 300

Department of Social and Health Services (cont.)
Juvenile Rehabilitation
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
Policy Comp Changes:				
16. PERS & TRS Plan 1 Benefit Increase	0.0	49	0	49
Policy -- Comp Total	0.0	49	0	49
Total Policy Changes	11.4	2,796	0	2,796
2017-19 Policy Level	834.3	186,982	13,738	200,720

POLICY CHANGES

1. Institution Vehicle Replacement

Lease-purchase funding is provided to replace vehicles used on DSHS institutional grounds, which are beyond their useful life. (General Fund-State)

2. Facility Maintenance Costs

One-time funding is provided for equipment, goods and services to resolve building component and grounds deficiencies that are beyond the scope of ordinary maintenance but lower than the threshold for capital projects. (General Fund-State)

3. Mandatory Workload Adjustments

An adjustment is made to reflect the expected population at juvenile rehabilitation institutions and community facilities based on the November 2017 forecast. (General Fund-State)

4. Equipment Replacement Costs

One-time funding is provided to replace furniture, medical, kitchen and other equipment necessary to maintain the health, safety and security of residents and staff at the department's institutional programs. (General Fund-State)

5. Public Disclosure Impacts

Funding is provided for additional public disclosure staffing to accommodate the requirements mandated by Chapter 303, Laws of 2017 (public records administration). (General Fund-State)

6. Food and Medical Adjustments

Funding is provided to cover the increased food and medical costs at the department's institutional programs. Adjustments are based on the four-year historical spending of each facility. (General Fund-State)

7. Move Pension Fund Shift to Agencies

In the enacted 2017-19 budget, the Legislature shifted a portion of General Fund pension costs to the Pension Funding Stabilization Account, and instructed the Office of Financial Management to allocate this change to agency budgets. This item implements that requirement. (General Fund-State; Pension Funding Stabilization Account-State)

Agency 300

Department of Social and Health Services (cont.)

Juvenile Rehabilitation

Recommendation Summary

8. Updated PEBB Rate

The funding rate for the Public Employees' Benefits Board (PEBB) insurance program is adjusted for fiscal year 2019 to reflect updated actuarial projections, administrative costs and payments to third-party administrators. The funding is sufficient for a new virtual diabetes prevention program and a change in the waiting period for dental crown replacements in the Uniform Dental Program (UDP) from seven to five years. The change would bring UDP into alignment with the current waiting period in the managed dental plans. This reduces the fiscal year 2019 funding rate from \$957 per month to \$906. (General Fund-State)

9. Wellness \$25 Gift Card

Some employees are eligible, under the terms of their collective bargaining agreements, to earn a \$25 gift card after completing a health risk assessment. This item provides funding for agencies to pay the employer's share of Social Security and Medicare taxes on the gift cards. (General Fund-State)

10. Paid Family Leave--Employer Premium

A paid family and medical leave program was created by Chapter 5, Laws of 2017, 3rd Special Session. Beginning January 1, 2019, the state, as an employer, will be responsible for payment of employer premiums for employees not covered by a collective bargaining agreement. This item provides funding for this obligation. (General Fund-State)

11. Transfers

Funding and FTEs are transferred within DSHS programs to align with the programs where costs are incurred. The net impact is zero. (General Fund-State)

12. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State)

13. Acute Mental Health Staffing

Funding is provided to hire 15.2 FTE staff to operate acute mental health programs for youth at Green Hill School and the Echo Glen Children's Center. Youth committed to juvenile rehabilitation have greater treatment needs than other youth in the state juvenile justice system. (General Fund-State)

14. Relief for Homeless JR Youth

Funding is provided to give homeless juvenile rehabilitation (JR) youth who have been released from incarceration safe, stable placement in the community. Funding is also provided for legal advocacy services and temporary housing for an estimated 131 youth each year. (General Fund-State)

Agency 300

Department of Social and Health Services (cont.)

Juvenile Rehabilitation

Recommendation Summary

15. State IDs for JR Youth

Youth released from a juvenile rehabilitation (JR) community facility or institution will be provided with a reduced cost, six-year identicaid issued by the Department of Licensing. (General Fund-State)

16. PERS & TRS Plan 1 Benefit Increase

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State)

Agency 300

Department of Social and Health Services (cont.)

Mental Health

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	3,365.7	1,386,064	1,286,060	2,672,124
Maintenance Other Changes:				
1. Hospital Revenue Adjustment	0.0	(20,300)	20,300	0
2. Institution Vehicle Replacement	0.0	147	0	147
3. Facility Maintenance Costs	0.0	356	0	356
4. Mandatory Caseload Adjustments	0.0	(14,396)	(29,355)	(43,751)
5. BHO Rate Adjustment	0.0	74,450	69,247	143,697
6. Equipment Replacement Costs	0.0	1,813	0	1,813
7. Disproportionate Share Hospital	0.0	4,216	(4,216)	0
8. Public Disclosure Impacts	0.1	13	2	15
9. Food and Medical Adjustments	0.0	1,849	0	1,849
Maintenance -- Other Total	0.1	48,148	55,978	104,126
Maintenance Comp Changes:				
10. Move Pension Fund Shift to Agencies	0.0	(33,620)	33,620	0
11. Updated PEBB Rate	0.0	(1,944)	(141)	(2,085)
12. Wellness \$25 Gift Card	0.0	12	0	12
13. Paid Family Leave--Employer Premium	0.0	15	1	16
14. Compensation Adjustment	0.0	3,093	0	3,093
Maintenance -- Comp Total	0.0	(32,444)	33,480	1,036
Maintenance Transfer Changes:				
15. Transfers	0.0	16	37	53
Maintenance -- Transfer Total	0.0	16	37	53
Maintenance Central Services Changes:				
16. Workers' Compensation	0.0	351	26	377
Maintenance -- Central Svcs Total	0.0	351	26	377
Total Maintenance Changes	0.1	16,071	89,521	105,592
2017-19 Maintenance Level	3,365.8	1,402,135	1,375,581	2,777,716

Agency 300

Department of Social and Health Services (cont.)

Mental Health

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
Policy Other Changes:				
17. CSTC Treatment Staff	2.9	499	0	499
18. State Hospital Compliance	73.9	18,643	0	18,643
19. Hospital Operations: Staffing	285.3	32,816	0	32,816
20. Hospital Operations: Locum	0.0	13,852	0	13,852
21. Hospital Operations: Hepatitis C	0.0	963	0	963
22. Hospital Operations: SIA Consultant	0.0	2,436	0	2,436
23. Hospital Operations: City Water	0.0	374	0	374
24. Hospital Staffing Model Adjustment	285.4	42,882	0	42,882
25. Trueblood Lawsuit Fines	0.0	44,743	0	44,743
26. Forensic Mental Health Services	10.5	3,378	0	3,378
27. Forensic Ward Staffing	53.2	10,101	0	10,101
28. Youth Long Term Inpatient Access	0.0	2,352	2,352	4,704
29. ESH/Lakeland Village Policing	0.0	63	0	63
30. Competency Restoration Pilot	1.8	3,500	0	3,500
31. Consolidated Maintenance/Operations	8.9	1,530	0	1,530
32. SUD Peer Services Plan	1.5	806	0	806
Policy -- Other Total	723.3	178,938	2,352	181,290
Policy Comp Changes:				
33. PERS & TRS Plan 1 Benefit Increase	0.0	227	17	244
Policy -- Comp Total	0.0	227	17	244
Policy Transfer Changes:				
34. BH - Integration Transfer	(36.6)	(477,313)	(612,668)	(1,089,981)
Policy -- Transfer Total	(36.6)	(477,313)	(612,668)	(1,089,981)
Total Policy Changes	686.7	(298,148)	(610,299)	(908,447)
2017-19 Policy Level	4,052.4	1,103,987	765,282	1,869,269

Agency 300

Department of Social and Health Services (cont.)

Mental Health

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
POLICY CHANGES				
1. Hospital Revenue Adjustment				
An annual funding adjustment is made to maintain funding levels based on 12-month average annual revenue projections of inpatient contributions and Medicaid earnings. (General Fund-State; General Fund-Local; General Fund-Medicaid)				
2. Institution Vehicle Replacement				
Lease-purchase funding is provided to replace vehicles used on DSHS Institutional grounds, which are beyond their useful life. (General Fund-State)				
3. Facility Maintenance Costs				
One-time funding is provided for equipment, goods and services to resolve building component and grounds deficiencies that are beyond the scope of ordinary maintenance but lower than the threshold for capital projects. (General Fund-State)				
4. Mandatory Caseload Adjustments				
Funding adjustments are made to reflect changes in the number of Medicaid-eligible clients based on the November 2017 caseload forecast. (General Fund-State; General Fund-Medicaid)				
5. BHO Rate Adjustment				
Appropriations for Behavioral Health Organizations (BHOs) are adjusted to reflect cost estimates for community mental health services. The changes in rates are largely due to case mix and utilization factors. (General Fund-State; General Fund-Medicaid)				
6. Equipment Replacement Costs				
One-time funding is provided to replace furniture, medical, kitchen and other equipment necessary to maintain the health, safety and security of residents and staff at the department's institutional programs. (General Fund-State)				
7. Disproportionate Share Hospital				
The federal Affordable Care Act directs changes in federal grants to states for Disproportionate Share Hospitals (DSH). Approximately one-third of the state's DSH grant is appropriated to the state hospitals. State and federal appropriations are adjusted to reflect changes in federal DSH revenue. (General Fund-State; General Fund-Medicaid)				
8. Public Disclosure Impacts				
Funding is provided for additional public disclosure staffing to accommodate the requirements mandated by Chapter 303, Laws of 2017 (public records administration). (General Fund-State; General Fund-Medicaid)				

Agency 300

Department of Social and Health Services (cont.)

Mental Health

Recommendation Summary

9. Food and Medical Adjustments

Funding is provided to cover increased food and medical costs at the department's institutional programs. Adjustments are based on the four-year historical spending of each facility. (General Fund-State)

10. Move Pension Fund Shift to Agencies

In the enacted 2017-19 budget, the Legislature shifted a portion of General Fund pension costs to the Pension Funding Stabilization Account, and instructed the Office of Financial Management to allocate this change to agency budgets. This item implements that requirement. (General Fund-State; Pension Funding Stabilization Account-State)

11. Updated PEBB Rate

The funding rate for the Public Employees' Benefits Board (PEBB) insurance program is adjusted for fiscal year 2019 to reflect updated actuarial projections, administrative costs and payments to third-party administrators. The funding is sufficient for a new virtual diabetes prevention program and a change in the waiting period for dental crown replacements in the Uniform Dental Program (UDP) from seven to five years. The change would bring UDP into alignment with the current waiting period in the managed dental plans. This reduces the fiscal year 2019 funding rate from \$957 per month to \$906. (General Fund-State; General Fund-Medicaid)

12. Wellness \$25 Gift Card

Some employees are eligible, under the terms of their collective bargaining agreements, to earn a \$25 gift card after completing a health risk assessment. This item provides funding for agencies to pay the employer's share of Social Security and Medicare taxes on the gift cards. (General Fund-State)

14. Compensation Adjustment

This item makes technical adjustments related to compensation steps that were provided in the enacted 2017-19 biennial budget. Staffing models used to calculate costs for additional staff provided in the biennial budget did not account for 2 percent salary increases, health insurance premium increases, and make targeted increases for certain positions. (General Fund-State)

15. Transfers

Funding and FTEs are transferred within DSHS programs to align with the programs where costs are incurred. The net impact is zero. (General Fund-State; General Fund-Medicaid)

16. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State; General Fund-Federal)

Agency 300

Department of Social and Health Services (cont.)

Mental Health

Recommendation Summary

17. CSTC Treatment Staff

Additional treatment staff are provided to support the operations of a newly constructed secure treatment area at the Child Study and Treatment Center (CSTC) Orcas building. The treatment room will be used to provide services to youth who have a significant history of violent behavior and life-threatening self-harm. (General Fund-State)

18. State Hospital Compliance

DSHS entered into a 13-month systems improvement agreement with the Centers for Medicare and Medicaid Services (CMS) in June 2016 after failed hospital recertification surveys at Western State Hospital (WSH). To comply with the plan of correction, entered into with CMS, and continue receiving federal funds, 90 staff will be hired to improve medical care and life and safety conditions at WSH. (General Fund-State)

19. Hospital Operations: Staffing

Western State Hospital (WSH) and Eastern State Hospital (ESH) closed the 2017 state fiscal year with a combined deficit of \$34.5 million, largely due to efforts to address insufficient staffing. Funding is provided in fiscal year 2018 to cover the costs of the staffing overspend so that the hospitals can provide high-quality patient care while the Behavioral Health Administration continues making progress on an acuity and ward-based staffing model for the hospitals. (General Fund-State)

20. Hospital Operations: Locum

The state hospitals utilize psychiatry services under contract with Locum Tenens when unable to fill full-time psychiatrist positions. Funding is provided to cover the cost of continuing these contracts. (General Fund-State)

21. Hospital Operations: Hepatitis C

Funding is provided to cover the increased cost of Hepatitis C treatment for patients at WSH. (General Fund-State)

22. Hospital Operations: SIA Consultant

Funding is provided for increased consultant costs related to the systems improvement agreement (SIA) entered into with CMS. (General Fund-State)

23. Hospital Operations: City Water

Western State Hospital converted to Lakewood City Water. Funding is provided to cover those costs. (General Fund-State)

24. Hospital Staffing Model Adjustment

To address staffing challenges at the state psychiatric hospitals, DSHS is working toward producing an acuity and ward-based staffing model for WSH and ESH. This model will enable DSHS to properly deploy, monitor and measure staffing levels at the hospitals. Funding is provided in fiscal year 2019 that is based on preliminary estimates from the newly developed staffing model. Future staff funding requests will be based on the final staffing model. (General Fund-State)

Agency 300

Department of Social and Health Services (cont.)

Mental Health

Recommendation Summary

25. Trueblood Lawsuit Fines

Funding is provided for contempt fines, court monitor costs and plaintiff attorney fees related to the Trueblood et. al. v. DSHS lawsuit. (General Fund-State)

26. Forensic Mental Health Services

The Office of Forensic Mental Health Services is responsible for managing the adult forensic mental health care system in the state of Washington. This includes timely competency evaluation and restoration services to meet the requirements of the Trueblood et. al. v. DSHS lawsuit. To keep up with growing competency evaluation and restoration demands, funding is provided for six additional evaluators and the necessary administrative and support staff. (General Fund-State)

27. Forensic Ward Staffing

To respond to the increasing number of court referrals for competency evaluations and restoration for class members related to the Trueblood et. al. v. DSHS lawsuit, a total of 45 forensic beds are opened at Western State Hospital and Eastern State Hospital in the 2017-19 biennium. An additional 85 beds are funded in fiscal years 2020 and 2021. (General Fund-State)

28. Youth Long Term Inpatient Access

The Behavioral Health Administration contracts with four organizations to operate 37 community-based Children's Long-Term Program (CLIP) inpatient beds that serve youth in King, Pierce, Spokane and Yakima counties. Funding is provided to increase the daily bed rate from \$544 to \$883 per day to maintain access to CLIP beds and provide more timely services and treatment to children. (General Fund-State; General Fund-Medicaid)

29. ESH/Lakeland Village Policing

Funding is provided for the City of Medical Lake police services to Eastern State Hospital and surrounding areas. (General Fund-State)

30. Competency Restoration Pilot

To reduce forensic waitlists, the Behavioral Health Administration will develop an outpatient competency restoration pilot program. Comprehensive restoration services will be contracted in the community for individual defendants who have been identified as incompetent to stand trial. (General Fund-State)

31. Consolidated Maintenance/Operations

This item provides staffing to address the deterioration and degradation of physical assets along with addressing the federal regulatory compliance requirements established by Centers for Medicare and Medicaid Services (CMS). (General Fund-State)

Agency 300

Department of Social and Health Services (cont.)

Mental Health

Recommendation Summary

32. SUD Peer Services Plan

State funding is provided for the Behavioral Health Administration to pursue a Medicaid state plan amendment for substance use disorder (SUD) peer support services. By including these services in a state plan amendment, behavioral health organizations may earn additional federal Medicaid match. (General Fund-State)

33. PERS & TRS Plan 1 Benefit Increase

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State; General Fund-Medicaid)

34. BH - Integration Transfer

Chapter 225, Laws of 2014 requires the Health Care Authority (HCA) and Department of Social and Health Services (DSHS) to fully integrate physical health care and behavioral health care services to Medicaid clients by January 1, 2020. As part of the second phase of behavioral health integration, all community mental health and substance use disorder programs are transferred from DSHS to HCA, with the exception of the licensing and certification program which will transfer to the Department of Health. This whole-person approach to care offers better coordinated care and consolidates the payment and delivery of physical and behavioral health services for individuals enrolled in Medicaid through managed care. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

Agency 300

Department of Social and Health Services (cont.)

Developmental Disabilities

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	3,663.4	1,491,105	1,526,999	3,018,104
Maintenance Other Changes:				
1. Forecast Cost/Utilization	0.0	(13,751)	(8,991)	(22,742)
2. Institution Vehicle Replacement	0.0	75	74	149
3. Facility Maintenance Costs	0.0	420	417	837
4. Mandatory Caseload Adjustments	0.0	8,965	9,162	18,127
5. Mandatory Workload Adjustments	(5.7)	(693)	(462)	(1,155)
6. Equipment Replacement Costs	0.0	24	16	40
7. Delay in APD Approval	0.0	62	(62)	0
8. Utilization of Residential Services	0.0	3,634	(252)	3,382
9. Fircrest Laundry Operating Backfill	1.0	162	161	323
10. Utilization of SL Tiered Rates	0.0	623	623	1,246
11. Public Disclosure Impacts	0.1	8	8	16
12. Food and Medical Adjustments	0.0	353	355	708
Maintenance -- Other Total	(4.6)	(118)	1,049	931
Maintenance Comp Changes:				
13. Move Pension Fund Shift to Agencies	0.0	(17,192)	17,192	0
14. Updated PEBB Rate	0.0	(1,182)	(1,100)	(2,282)
15. Wellness \$25 Gift Card	0.0	6	6	12
16. Paid Family Leave--Employer Premium	0.0	11	11	22
17. Compensation Adjustment	0.0	106	100	206
Maintenance -- Comp Total	0.0	(18,251)	16,209	(2,042)
Maintenance Transfer Changes:				
18. Transfers	0.0	(120)	(156)	(276)
Maintenance -- Transfer Total	0.0	(120)	(156)	(276)
Maintenance Central Services Changes:				
19. Workers' Compensation	0.0	215	205	420
Maintenance -- Central Svcs Total	0.0	215	205	420
Total Maintenance Changes	(4.6)	(18,274)	17,307	(967)
2017-19 Maintenance Level	3,658.9	1,472,831	1,544,306	3,017,137

Agency 300

**Department of Social and Health Services (cont.)
Developmental Disabilities
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
Policy Other Changes:				
20. RHC Medicaid Compliance	130.9	9,544	9,543	19,087
21. Local Expenditure Authority	0.0	0	2,000	2,000
22. Supported Living Investigators	0.0	0	3,747	3,747
23. Electronic Visit Verification	0.5	549	746	1,295
24. Individual Provider Management	0.8	126	200	326
25. SOLA Community Options	11.1	1,362	1,361	2,723
26. Consolidated Maintenance/Operations	7.1	650	651	1,301
Policy -- Other Total	150.3	12,231	18,248	30,479
Policy Comp Changes:				
27. PERS & TRS Plan 1 Benefit Increase	0.0	109	101	210
Policy -- Comp Total	0.0	109	101	210
Total Policy Changes	150.3	12,340	18,349	30,689
2017-19 Policy Level	3,809.2	1,485,171	1,562,655	3,047,826

POLICY CHANGES

1. Forecast Cost/Utilization

This item makes expenditure adjustments to reflect changes in the utilization of personal care services within the Developmental Disabilities Administration. (General Fund-State; General Fund-Medicaid)

2. Institution Vehicle Replacement

Lease-purchase funding is provided to replace passenger vans, nursing vans and facility maintenance vehicles. This step is ongoing. (General Fund-State; General Fund-Medicaid)

3. Facility Maintenance Costs

One-time funding is provided for equipment, goods and services beyond the scope of ordinary maintenance but lower than the threshold for capital projects. Maintenance projects include, but are not limited to, interior and exterior painting and the replacement of doors and carpets. (General Fund-State; General Fund-Medicaid)

4. Mandatory Caseload Adjustments

This item reflects savings associated with caseload changes in the November 2017 Developmental Disabilities forecast. (General Fund-State; General Fund-Medicaid)

Agency 300

Department of Social and Health Services (cont.)

Developmental Disabilities

Recommendation Summary

5. Mandatory Workload Adjustments

Funding is provided for established client-to-staff ratios resulting from Developmental Disabilities Administration caseload growth. (General Fund-State; General Fund-Medicaid)

6. Equipment Replacement Costs

Funding is provided to replace furniture, medical, kitchen and other equipment necessary to maintain the health, safety and security of residents and staff at the department's institutional programs. (General Fund-State; General Fund-Medicaid)

7. Delay in APD Approval

Each year, the department submits Washington's advanced planning document (APD) to the Centers for Medicare and Medicaid Services (CMS) which requests enhanced federal funding for qualifying activities. While the document is submitted to CMS months in advance of the federal fiscal year start in October 2017, it was not approved until November 2017. Funding is provided to backfill federal funds with state funds for the two months of enhanced federal funding not received due to the delay in approving the APD. (General Fund-State; General Fund-Medicaid)

8. Utilization of Residential Services

Funding is provided to address greater utilization of Developmental Disabilities Administration residential services in Adult Supported Living, Child Supported Living, Group Homes, Community Protection, and Intermediate Care for the Intellectually Disabled. (General Fund-State, General Fund-Federal) (General Fund-State; General Fund-Medicaid)

9. Fircrest Laundry Operating Backfill

Funding is provided to replace items not covered by insurance when the Fircrest laundry facility burned down and for the increased costs in transporting laundry to an offsite facility. (General Fund-State; General Fund-Medicaid)

10. Utilization of SL Tiered Rates

Funding is provided to implement a new rate structure for Supported Living, Community Residential, Group Homes and Group Training Homes. The new rate structure will minimize audit findings from the State Auditor and simplify administrative case management workload. (General Fund-State; General Fund-Medicaid)

11. Public Disclosure Impacts

Funding is provided for additional public disclosure staffing to accommodate the requirements mandated by Chapter 303, Laws of 2017 (Public Records Administration). (General Fund-State; General Fund-Medicaid)

12. Food and Medical Adjustments

Funding is provided to cover increased food and medical costs at the department's institutional programs. Adjustments are based on the five-year historical spending of each facility. (General Fund-State; General Fund-Medicaid)

Agency 300

Department of Social and Health Services (cont.)

Developmental Disabilities

Recommendation Summary

13. Move Pension Fund Shift to Agencies

In the enacted 2017-19 budget, the legislature shifted a portion of General Fund pension costs to the Pension Funding Stabilization Account, and instructed the Office of Financial Management to allocate this change to agency budgets. This item implements that requirement. (General Fund-State; Pension Funding Stabilization Account-State)

14. Updated PEBB Rate

The funding rate for the Public Employees' Benefits Board (PEBB) insurance program is adjusted for fiscal year 2019 to reflect updated actuarial projections, administrative costs and payments to third-party administrators. The funding is sufficient for a new virtual diabetes prevention program and a change in the waiting period for dental crown replacements in the Uniform Dental Program (UDP) from seven to five years. The change would bring UDP into alignment with the current waiting period in the managed dental plans. This reduces the fiscal year 2019 funding rate from \$957 per month to \$906. (General Fund-State; General Fund-Medicaid)

15. Wellness \$25 Gift Card

Some employees are eligible, under the terms of their collective bargaining agreements, to earn a \$25 gift card after completing a health risk assessment. This item provides funding for agencies to pay the employer's share of Social Security and Medicare taxes on the gift cards. (General Fund-State; General Fund-Medicaid)

16. Paid Family Leave--Employer Premium

A paid family and medical leave program was created by Chapter 5, Laws of 2017, 3rd Special Session. Beginning January 1, 2019, the state, as an employer, will be responsible for payment of employer premiums for employees not covered by a collective bargaining agreement. This item provides funding for this obligation. (General Fund-State; General Fund-Medicaid)

17. Compensation Adjustment

This item makes technical adjustments related to compensation steps that were provided in the enacted 2017-19 budget. Staffing models used to calculate costs for additional staff did not account for 2 percent salary increases, health insurance premium increases, and targeted increases for certain positions. (General Fund-State; General Fund-Medicaid)

18. Transfers

Funding and FTEs are transferred within DSHS programs to align with the programs where costs are incurred. The net impact is zero. (General Fund-State; General Fund-Medicaid)

19. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State; General Fund-Federal)

Agency 300

Department of Social and Health Services (cont.)

Developmental Disabilities

Recommendation Summary

20. RHC Medicaid Compliance

Funding is provided to hire staff to meet requirements from the Centers for Medicare and Medicaid Services (CMS) concerning continuous, aggressive active treatment in all intermediate care facilities for individuals with intellectual disabilities. (General Fund-State; General Fund-Medicaid)

21. Local Expenditure Authority

Local expenditure authority is increased to allow for full expenditure from private/local contributions and grants expected in the 2017-19 biennium. (General Fund-Local)

22. Supported Living Investigators

This item gives DSHS fee authority for supported living providers sufficient to cover oversight and investigation costs for clients residing in supported living settings. Provider rates are increased to cover the cost of the fee, which is eligible for federal matching funds, resulting in a net GF-State savings when combining the Developmental Disabilities Administration and Aging and Long-Term Support Administration. (General Fund-Local; General Fund-Medicaid)

23. Electronic Visit Verification

Funding is provided for DSHS to comply with the federal "21st Century Cures Act," which requires states to implement an Electronic Visit Verification (EVV) system by January 1, 2019 or receive a federal match rate reduction that escalates from 0.25 percent in 2019 up to one percent by 2023. An EVV system will electronically report and verify information about the delivery of personal care services, such as the date and time, service type and location. (General Fund-State; General Fund-Medicaid)

24. Individual Provider Management

Administrative support for individual providers is moved from the Department of Social and Health Services to a private vendor. A private vendor will provide financial management services, including individual provider overtime management, as well as co-employer functions for clients receiving in-home personal care from an individual provider. (General Fund-State; General Fund-Medicaid)

25. SOLA Community Options

This item provides 47 community residential placements in State Operated Living Alternatives (SOLAs) for individuals residing in residential habilitation centers (RHCs) who have requested community placements but the department has been unable to find community providers willing to serve these clients at existing rates. These placements will be phased in over a three-year period. (General Fund-State; General Fund-Medicaid)

26. Consolidated Maintenance/Operations

This item provides staffing to address the deterioration and degradation of physical assets, along with addressing federal regulatory compliance requirements established by the Centers for Medicare and Medicaid Services (CMS). (General Fund-State; General Fund-Medicaid)

Agency 300

Department of Social and Health Services (cont.)
Developmental Disabilities
Recommendation Summary

27. PERS & TRS Plan 1 Benefit Increase

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State; General Fund-Medicaid)

Agency 300

Department of Social and Health Services (cont.)

Long-Term Care

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	1,902.3	2,295,280	3,011,125	5,306,405
Maintenance Other Changes:				
1. Forecast Cost/Utilization	0.0	(14,698)	(4,328)	(19,026)
2. Mandatory Caseload Adjustments	0.0	(1,875)	(789)	(2,664)
3. Mandatory Workload Adjustments	66.0	10,563	4,338	14,901
4. Delay in APD Approval	0.0	370	(370)	0
5. Public Disclosure Impacts	0.7	57	50	107
Maintenance -- Other Total	66.7	(5,583)	(1,099)	(6,682)
Maintenance Comp Changes:				
6. Move Pension Fund Shift to Agencies	0.0	(11,864)	11,864	0
7. Updated PEBB Rate	0.0	(592)	(525)	(1,117)
8. Wellness \$25 Gift Card	0.0	4	2	6
9. Paid Family Leave--Employer Premium	0.0	11	9	20
10. Compensation Adjustment	0.0	1,193	1,104	2,297
Maintenance -- Comp Total	0.0	(11,248)	12,454	1,206
Maintenance Transfer Changes:				
11. Transfers	0.0	(151)	(76)	(227)
Maintenance -- Transfer Total	0.0	(151)	(76)	(227)
Maintenance Central Services Changes:				
12. Workers' Compensation	0.0	11	10	21
Maintenance -- Central Svcs Total	0.0	11	10	21
Total Maintenance Changes	66.7	(16,971)	11,289	(5,682)
2017-19 Maintenance Level	1,969.0	2,278,309	3,022,414	5,300,723
Policy Other Changes:				
13. Quality of Residential Care	8.5	668	1,409	2,077
14. Supported Living Investigators	3.8	(1,130)	6,234	5,104
15. Electronic Visit Verification	2.1	3,414	4,605	8,019

Agency 300

Department of Social and Health Services (cont.)

**Long-Term Care
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
16. Individual Provider Management	3.3	814	1,113	1,927
Policy -- Other Total	17.7	3,766	13,361	17,127
Policy Comp Changes:				
17. PERS & TRS Plan 1 Benefit Increase	0.0	76	68	144
Policy -- Comp Total	0.0	76	68	144
Total Policy Changes	17.7	3,842	13,429	17,271
2017-19 Policy Level	1,986.7	2,282,151	3,035,843	5,317,994

POLICY CHANGES

1. Forecast Cost/Utilization

This item reflects changes in the utilization of long-term care services by nursing homes, area agencies on aging services, and home and community based services. (General Fund State, General Fund Federal) (General Fund-State; General Fund-Federal)

2. Mandatory Caseload Adjustments

This item reflects changes in the number of clients receiving Long-Term Services and Supports that were identified through the November 2017 caseload forecast process. (General Fund State, General Fund Federal) (General Fund-State; General Fund-Medicaid)

3. Mandatory Workload Adjustments

Funding is provided for costs associated with the professional staff necessary to verify Medicaid eligibility, assess functional disability, ensure quality assurance and coordinate the delivery of appropriate and cost-effective services for the anticipated caseloads in all long-term care settings. (General Fund State, General Fund Federal) (General Fund-State; General Fund-Medicaid)

4. Delay in APD Approval

Each year, the department submits Washington’s advanced planning document (APD) to the Centers for Medicare and Medicaid Services (CMS) which requests enhanced federal funding for qualifying activities. While the document was submitted to CMS months in advance of the federal fiscal year start in October 2017, it was not approved until November 2017. Funding is provided to backfill federal funds with state funds for the two months of enhanced federal funding not received due to the delay in approving the APD. (General Fund-State; General Fund-Medicaid)

Agency 300

Department of Social and Health Services (cont.)

Long-Term Care

Recommendation Summary

5. Public Disclosure Impacts

Funding is provided for additional public disclosure staffing to accommodate the requirements mandated by Chapter 303, Laws of 2017 (public records administration). (General Fund-State; General Fund-Medicaid)

6. Move Pension Fund Shift to Agencies

In the enacted 2017-19 budget, the legislature shifted a portion of General Fund pension costs to the Pension Funding Stabilization Account, and instructed the Office of Financial Management to allocate this change to agency budgets. This item implements that requirement. (General Fund-State; Pension Funding Stabilization Account-State)

7. Updated PEBB Rate

The funding rate for the Public Employees' Benefits Board (PEBB) insurance program is adjusted for fiscal year 2019 to reflect updated actuarial projections, administrative costs and payments to third-party administrators. The funding is sufficient for a new virtual diabetes prevention program and a change in the waiting period for dental crown replacements in the Uniform Dental Program (UDP) from seven to five years. The change would bring UDP into alignment with the current waiting period in the managed dental plans. This reduces the fiscal year 2019 funding rate from \$957 per month to \$906. (General Fund-State; General Fund-Federal)

8. Wellness \$25 Gift Card

Some employees are eligible, under the terms of their collective bargaining agreements, to earn a \$25 gift card after completing a health risk assessment. This item provides funding for agencies to pay the employer's share of Social Security and Medicare taxes on the gift cards. (General Fund-State; General Fund-Federal)

9. Paid Family Leave--Employer Premium

A paid family and medical leave program was created by Chapter 5, Laws of 2017, 3rd Special Session. Beginning January 1, 2019, the state, as an employer, will be responsible for payment of employer premiums for employees not covered by a collective bargaining agreement. This item provides funding for this obligation. (General Fund-State; General Fund-Federal)

10. Compensation Adjustment

This item makes technical adjustments related to compensation steps that were provided in the enacted 2017-19 budget. Staffing models used to calculate costs for additional staff did not account for 2 percent salary increases, health insurance premium increases and targeted increases for certain positions. (General Fund-State; General Fund-Medicaid)

11. Transfers

Funding and FTEs are transferred within DSHS programs to align with the programs where costs are incurred. The net impact is zero. (General Fund-State; General Fund-Medicaid)

Agency 300

Department of Social and Health Services (cont.)

Long-Term Care

Recommendation Summary

12. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State; General Fund-Federal)

13. Quality of Residential Care

Funding is provided to hire 8.5 staff investigators to conduct inspections and investigate complaints in assisted living facilities. In the last four years, the number of individuals receiving services has increased from 30,360 to 32,592, a 7.3 percent increase. Funding is also provided to maintain the Residential Care Services quality assurance unit. (General Fund-State; General Fund-Local; General Fund-Medicaid)

14. Supported Living Investigators

This item gives DSHS fee authority for supported living providers sufficient to cover oversight and investigation costs for clients residing in supported living settings. Provider rates are increased to cover the cost of the fee, which is eligible for federal matching funds, resulting in a net GF-State savings when combining the Developmental Disabilities Administration and Aging and Long-Term Support Administration. (General Fund-State; General Fund-Local; General Fund-Medicaid)

15. Electronic Visit Verification

Funding is provided for DSHS to comply with the federal "21st Century Cures Act," which requires states to implement an Electronic Visit Verification (EVV) system by January 1, 2019 or receive a federal match rate reduction that escalates from 0.25 percent in 2019 up to one percent by 2023. An EVV system will electronically report and verify information about the delivery of personal care services, such as the date and time, service type and location. (General Fund-State; General Fund-Medicaid)

16. Individual Provider Management

Administrative support for individual providers is moved from the Department of Social and Health Services to a private vendor. The private vendor will provide financial management services, including individual provider overtime management, as well as co-employer functions for clients receiving in-home personal care from an individual provider. (General Fund-State; General Fund-Medicaid)

17. PERS & TRS Plan 1 Benefit Increase

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State; General Fund-Federal)

Agency 300

Department of Social and Health Services (cont.)
Economic Services Administration
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	4,358.1	811,657	1,431,639	2,243,296
Maintenance Other Changes:				
1. Mandatory Caseload Adjustments	0.0	(5,224)	(5,361)	(10,585)
2. TANF Caseload Adjustment	0.0	(12,238)	0	(12,238)
3. WCCC Caseload Adjustment	0.0	20,745	0	20,745
4. Delay in APD Approval	0.0	1,576	(1,576)	0
5. Medicaid Cost Allocation Correction	0.0	5,541	(5,541)	0
6. Eligibility Requirements	0.0	677	0	677
7. Federal Spending Authority	18.4	0	15,937	15,937
8. Public Disclosure Impacts	2.0	199	106	305
9. Technical Corrections	(0.5)	30	59	89
Maintenance -- Other Total	19.9	11,306	3,624	14,930
Maintenance Comp Changes:				
10. Move Pension Fund Shift to Agencies	0.0	(30,204)	30,204	0
11. Updated PEBB Rate	0.0	(1,773)	(957)	(2,730)
12. Wellness \$25 Gift Card	0.0	10	6	16
13. Paid Family Leave--Employer Premium	0.0	21	12	33
Maintenance -- Comp Total	0.0	(31,946)	29,265	(2,681)
Maintenance Transfer Changes:				
14. Transfers	0.0	(209)	(97)	(306)
Maintenance -- Transfer Total	0.0	(209)	(97)	(306)
Maintenance Central Services Changes:				
15. Workers' Compensation	0.0	38	21	59
Maintenance -- Central Svcs Total	0.0	38	21	59
Total Maintenance Changes	19.9	(20,811)	32,813	12,002
2017-19 Maintenance Level	4,378.0	790,846	1,464,452	2,255,298

Agency 300

Department of Social and Health Services (cont.)
Economic Services Administration
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
Policy Other Changes:				
16. ESAR Architectural Development	15.5	4,911	8,307	13,218
17. Federal RISE Grant	0.0	0	5,000	5,000
18. Critical System Risk Mitigation	2.3	1,167	477	1,644
19. Increased WCCC Program Integrity	18.8	4,255	0	4,255
Policy -- Other Total	36.5	10,333	13,784	24,117
Policy Comp Changes:				
20. PERS & TRS Plan 1 Benefit Increase	0.0	183	100	283
Policy -- Comp Total	0.0	183	100	283
Total Policy Changes	36.5	10,516	13,884	24,400
2017-19 Policy Level	4,414.5	801,362	1,478,336	2,279,698

POLICY CHANGES**1. Mandatory Caseload Adjustments**

Funding is adjusted to reflect the November caseload forecast and per capita costs for the Aged, Blind, or Disabled Assistance Program, Refugee Assistance Program, State Food Assistance Program and for Child Support Recoveries. (General Fund-State; General Fund-Federal; General Fund-Fam Supt)

2. TANF Caseload Adjustment

Funding is adjusted to reflect the November caseload forecast and per capita costs for the Temporary Assistance to Needy Families (TANF) program. (General Fund-State)

3. WCCC Caseload Adjustment

Funding is adjusted to reflect the November caseload forecast and per capita costs for the Working Connections Child Care (WCCC) program. (General Fund-State)

4. Delay in APD Approval

Each year, the department submits Washington's advanced planning document (APD) to the Centers for Medicare and Medicaid Services (CMS) which requests enhanced federal funding for qualifying activities. While the document was submitted to CMS months in advance of the federal fiscal year start in October 2017, it was not approved until November 2017. Funding is provided to backfill federal funds with state funds for the two months of enhanced federal funding not received due to the delay in approving the APD. (General Fund-State; General Fund-Medicaid)

Agency 300

Department of Social and Health Services (cont.)
Economic Services Administration
Recommendation Summary

5. Medicaid Cost Allocation Correction

Funding is provided to offset lower than anticipated federal Title XIX earnings. These funds are needed to maintain the activities of the Community Services Division, which is responsible for determining the eligibility of clients for ESA programs. (General Fund-State; General Fund-Federal; General Fund-Medicaid)

6. Eligibility Requirements

Fiscal calculations for Chapter 21, Laws of 2017, 3rd Special Session (eligibility for public assistance programs) assumed a July 1, 2017 implementation date, but the bill itself did not contain an emergency clause. By law, the Economic Services Administration (ESA) was unable to implement the legislation before October 1, 2017, and is unable to achieve all the assumed savings. (General Fund-State)

7. Federal Spending Authority

Expenditure authority is adjusted to align with current federal grant funding and federal grants anticipated to be awarded during the remainder of the biennium. (General Fund-Federal; General Fund-Fam Supt)

8. Public Disclosure Impacts

Funding is provided for additional public disclosure staffing to accommodate the requirements mandated by Chapter 303, Laws of 2017 (public records administration). (General Fund-State; General Fund-Federal)

9. Technical Corrections

Adjustments are made for variances found in the reconciliation of multiple budget steps to correct the federal funding source; provide additional federal and local authority; and make net zero, category transfers between agency programs. (General Fund-State; General Fund-Fam Supt)

10. Move Pension Fund Shift to Agencies

In the enacted 2017-19 budget, the legislature shifted a portion of General Fund pension costs to the Pension Funding Stabilization Account, and instructed the Office of Financial Management to allocate this change to agency budgets. This item implements that requirement. (General Fund-State; Pension Funding Stabilization Account-State)

11. Updated PEBB Rate

The funding rate for the Public Employees' Benefits Board (PEBB) insurance program is adjusted for fiscal year 2019 to reflect updated actuarial projections, administrative costs and payments to third-party administrators. The funding is sufficient for a new virtual diabetes prevention program and a change in the waiting period for dental crown replacements in the Uniform Dental Program (UDP) from seven to five years. The change would bring UDP into alignment with the current waiting period in the managed dental plans. This reduces the fiscal year 2019 funding rate from \$957 per month to \$906. (General Fund-State; General Fund-Federal)

Agency 300

Department of Social and Health Services (cont.)
Economic Services Administration
Recommendation Summary

12. Wellness \$25 Gift Card

Some employees are eligible, under the terms of their collective bargaining agreements, to earn a \$25 gift card after completing a health risk assessment. This item provides funding for agencies to pay the employer's share of Social Security and Medicare taxes on the gift cards. (General Fund-State; General Fund-Federal)

13. Paid Family Leave--Employer Premium

A paid family and medical leave program was created by Chapter 5, Laws of 2017, 3rd Special Session. Beginning January 1, 2019, the state, as an employer, will be responsible for payment of employer premiums for employees not covered by a collective bargaining agreement. This item provides funding for this obligation. (General Fund-State; General Fund-Federal)

14. Transfers

Funding and FTEs are transferred within DSHS programs to align with the programs where costs are incurred. The net impact is zero. (General Fund-State; General Fund-Fam Supt; General Fund-Medicaid)

15. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State; General Fund-Federal)

16. ESAR Architectural Development

Funding is provided to continue the Eligibility Service and Automated Client Eligibility System (ACES) Remediation (ESAR) architectural development project and for staff critical to the ongoing operation of ACES. (General Fund-State; General Fund-Federal; General Fund-Medicaid)

17. Federal RISE Grant

Federal expenditure authority is provided for the RISE grant, which will allow ESA to provide comprehensive case management for clients, Strategies for Success training, and work-based learning services to improve employment outcomes for clients. (General Fund-Federal)

18. Critical System Risk Mitigation

Funding is provided to begin a multiyear modernization of Barcode, a 20-year-old system developed by ESA. Barcode is used daily by multiple state agencies. This project will maintain future viability, better comply with modern security standards, and continue to provide support to over 6,000 end-users in DSHS, the Health Care Authority (HCA), and the Department of Early Learning (DEL)/Department of Children, Youth, and Families (DCYF) who provide services to vulnerable citizens in Washington State. (General Fund-State; General Fund-Federal; General Fund-Medicaid)

Agency 300

Department of Social and Health Services (cont.)
Economic Services Administration
Recommendation Summary

19. Increased WCCC Program Integrity

Funding is provided for ESA to fully implement the 2016 Statewide Single Audit Corrective Action Plan for the Working Connections Child Care (WCCC) subsidy program. Additional staff will ensure accuracy of payments and eligibility of clients in cases most prone to error. (General Fund-State)

20. PERS & TRS Plan 1 Benefit Increase

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State; General Fund-Federal)

Agency 300

Department of Social and Health Services (cont.)
Alcohol & Substance Abuse
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	81.3	150,150	659,495	809,645
Maintenance Other Changes:				
1. Mandatory Caseload Adjustments	0.0	(1,215)	(6,386)	(7,601)
2. BHO Rate Adjustment	0.0	1,635	4,391	6,026
3. Public Disclosure Impacts	0.4	50	11	61
4. Technical Corrections	0.0	0	47,736	47,736
Maintenance -- Other Total	0.4	470	45,752	46,222
Maintenance Comp Changes:				
5. Move Pension Fund Shift to Agencies	0.0	(927)	927	0
6. Updated PEBB Rate	0.0	(42)	(9)	(51)
7. Paid Family Leave--Employer Premium	0.0	3	1	4
8. Compensation Adjustment	0.0	34	7	41
Maintenance -- Comp Total	0.0	(932)	926	(6)
Maintenance Central Services Changes:				
9. Workers' Compensation	0.0	1	0	1
Maintenance -- Central Svcs Total	0.0	1	0	1
Total Maintenance Changes	0.4	(461)	46,678	46,217
2017-19 Maintenance Level	81.7	149,689	706,173	855,862
Policy Other Changes:				
10. Opioid Response	1.3	7,785	2,315	10,100
11. Youth Drug Prevention Services	1.2	0	1,657	1,657
Policy -- Other Total	2.4	7,785	3,972	11,757
Policy Comp Changes:				
12. PERS & TRS Plan 1 Benefit Increase	0.0	6	1	7
Policy -- Comp Total	0.0	6	1	7
Policy Transfer Changes:				
13. BH - Integration Transfer	(38.4)	(78,472)	(363,727)	(442,199)
Policy -- Transfer Total	(38.4)	(78,472)	(363,727)	(442,199)
Total Policy Changes	(36.0)	(70,681)	(359,754)	(430,435)
2017-19 Policy Level	45.7	79,008	346,419	425,427

Agency 300

Department of Social and Health Services (cont.)
Alcohol & Substance Abuse
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
POLICY CHANGES				
1. Mandatory Caseload Adjustments				
Funding adjustments are made to reflect changes in the number of Medicaid-eligible clients based on the November 2017 caseload forecast. (General Fund-State; General Fund-Medicaid)				
2. BHO Rate Adjustment				
Appropriations for behavioral health organizations (BHO) are adjusted to reflect cost estimates for community substance use disorder services. The changes in rates are largely due to case mix and utilization factors. (General Fund-State; General Fund-Medicaid)				
3. Public Disclosure Impacts				
Funding is provided for additional public disclosure staffing to accommodate the requirements mandated by Chapter 303, Laws of 2017 (public records administration). (General Fund-State; General Fund-Medicaid)				
4. Technical Corrections				
Adjustments are made for variances found in the reconciliation of multiple budget steps to correct the federal funding source, provide additional federal and local authority, and make net zero, category transfers between agency programs. (General Fund-Federal; General Fund-Medicaid)				
5. Move Pension Fund Shift to Agencies				
In the enacted 2017-19 budget, the legislature shifted a portion of General Fund pension costs to the Pension Funding Stabilization Account, and instructed the Office of Financial Management to allocate this change to agency budgets. This item implements that requirement. (General Fund-State; Pension Funding Stabilization Account-State)				
6. Updated PEBB Rate				
The funding rate for the Public Employees' Benefits Board (PEBB) insurance program is adjusted for fiscal year 2019 to reflect updated actuarial projections, administrative costs and payments to third-party administrators. The funding is sufficient for a new virtual diabetes prevention program and a change in the waiting period for dental crown replacements in the Uniform Dental Program (UDP) from seven to five years. The change would bring UDP into alignment with the current waiting period in the managed dental plans. This reduces the fiscal year 2019 funding rate from \$957 per month to \$906. (General Fund-State; General Fund-Federal)				
7. Paid Family Leave--Employer Premium				
A paid family and medical leave program was created by Chapter 5, Laws of 2017, 3rd Special Session. Beginning January 1, 2019, the state, as an employer, will be responsible for payment of employer premiums for employees not covered by a collective bargaining agreement. This item provides funding for this obligation. (General Fund-State; General Fund-Federal)				

Agency 300

Department of Social and Health Services (cont.)

Alcohol & Substance Abuse

Recommendation Summary

8. Compensation Adjustment

This item makes technical adjustments related to compensation steps that were provided in the enacted 2017-19 biennial budget. Staffing models used to calculate costs for additional staff provided in the biennial budget did not account for 2 percent salary increases, health insurance premium increases, and targeted increases for certain positions. (General Fund-State; General Fund-Medicaid)

9. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State)

10. Opioid Response

This step is part of a multi-agency package to expand treatment and prevention services across the state to prevent opioid-related overdose deaths. Specific investments at the Department of Social and Health Services (DSHS) include expanding hub and spoke networks and tribal-specific treatment services, increasing Naloxone distribution, expanding the Parent Child Assistance Program and developing a Medication Assisted Treatment (MAT) capacity tracking tool where providers will report treatment capacity on a regular basis. (General Fund-State; General Fund-Medicaid)

11. Youth Drug Prevention Services

Funding is provided to continue youth alcohol, marijuana and opioid prevention services in 40 predominately rural communities beyond the September 2018 expiration of the federal Partnership for Success Grant. (Dedicated Marijuana Account-State)

12. PERS & TRS Plan 1 Benefit Increase

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State; General Fund-Federal)

13. BH - Integration Transfer

Chapter 225, Laws of 2014 requires the Health Care Authority (HCA) and DSHS to fully integrate physical health care and behavioral health care services to Medicaid clients by January 1, 2020. As part of the second phase of behavioral health integration, all community mental health and substance use disorder programs are transferred from DSHS to HCA, with the exception of the licensing and certification program which will transfer to the Department of Health. This whole-person approach to care offers better coordinated care and consolidates the payment and delivery of physical and behavioral health services for individuals enrolled in Medicaid through managed care. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

Agency 300

Department of Social and Health Services (cont.)
Vocational Rehabilitation
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	318.1	30,502	97,328	127,830
Maintenance Other Changes:				
1. Federal Appropriation	0.0	0	12,400	12,400
2. Public Disclosure Impacts	0.9	138	0	138
Maintenance -- Other Total	0.9	138	12,400	12,538
Maintenance Comp Changes:				
3. Move Pension Fund Shift to Agencies	0.0	(3,381)	3,381	0
4. Updated PEBB Rate	0.0	(204)	0	(204)
5. Wellness \$25 Gift Card	0.0	2	0	2
6. Paid Family Leave--Employer Premium	0.0	2	0	2
Maintenance -- Comp Total	0.0	(3,581)	3,381	(200)
Maintenance Transfer Changes:				
7. Transfers	0.0	0	2	2
Maintenance -- Transfer Total	0.0	0	2	2
Maintenance Central Services Changes:				
8. Workers' Compensation	0.0	4	0	4
Maintenance -- Central Svcs Total	0.0	4	0	4
Total Maintenance Changes	0.9	(3,439)	15,783	12,344
2017-19 Maintenance Level	319.0	27,063	113,111	140,174
Policy Comp Changes:				
9. PERS & TRS Plan 1 Benefit Increase	0.0	21	0	21
Policy -- Comp Total	0.0	21	0	21
Total Policy Changes	0.0	21	0	21
2017-19 Policy Level	319.0	27,084	113,111	140,195

Agency 300

**Department of Social and Health Services (cont.)
Vocational Rehabilitation
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
POLICY CHANGES				
1. Federal Appropriation				
Federal expenditure authority is adjusted to allow the vocational rehabilitation program to meet new program demands and federal grant spending requirements. (General Fund-Federal)				
2. Public Disclosure Impacts				
Funding is provided for additional public disclosure staffing to accommodate the requirements mandated by Chapter 303, Laws of 2017 (public records administration). (General Fund-State)				
3. Move Pension Fund Shift to Agencies				
In the enacted 2017-19 budget, the legislature shifted a portion of General Fund pension costs to the Pension Funding Stabilization Account, and instructed the Office of Financial Management to allocate this change to agency budgets. This item implements that requirement. (General Fund-State; Pension Funding Stabilization Account-State)				
4. Updated PEBB Rate				
The funding rate for the Public Employees' Benefits Board (PEBB) insurance program is adjusted for fiscal year 2019 to reflect updated actuarial projections, administrative costs and payments to third-party administrators. The funding is sufficient for a new virtual diabetes prevention program and a change in the waiting period for dental crown replacements in the Uniform Dental Program (UDP) from seven to five years. The change would bring UDP into alignment with the current waiting period in the managed dental plans. This reduces the fiscal year 2019 funding rate from \$957 per month to \$906. (General Fund-State)				
5. Wellness \$25 Gift Card				
Some employees are eligible, under the terms of their collective bargaining agreements, to earn a \$25 gift card after completing a health risk assessment. This item provides funding for agencies to pay the employer's share of Social Security and Medicare taxes on the gift cards. (General Fund-State)				
6. Paid Family Leave--Employer Premium				
A paid family and medical leave program was created by Chapter 5, Laws of 2017, 3rd Special Session. Beginning January 1, 2019, the state, as an employer, will be responsible for payment of employer premiums for employees not covered by a collective bargaining agreement. This item provides funding for this obligation. (General Fund-State)				
7. Transfers				
Funding and FTE staff are transferred within DSHS programs to align with the programs where costs are incurred. The net impact is zero. (General Fund-Federal)				

Agency 300

Department of Social and Health Services (cont.)

Vocational Rehabilitation

Recommendation Summary

8. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State)

9. PERS & TRS Plan 1 Benefit Increase

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State)

Agency 300

Department of Social and Health Services (cont.)

Administration/Support Svcs

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	548.7	67,472	40,617	108,089
Maintenance Other Changes:				
1. Public Disclosure Impacts	1.0	157	34	191
2. Technical Corrections	0.0	0	2,722	2,722
Maintenance -- Other Total	1.0	157	2,756	2,913
Maintenance Comp Changes:				
3. Move Pension Fund Shift to Agencies	0.0	(5,908)	5,908	0
4. Updated PEBB Rate	0.0	(292)	(63)	(355)
5. Paid Family Leave--Employer Premium	0.0	18	4	22
Maintenance -- Comp Total	0.0	(6,182)	5,849	(333)
Maintenance Transfer Changes:				
6. Transfers	9.5	321	250	571
Maintenance -- Transfer Total	9.5	321	250	571
Maintenance Central Services Changes:				
7. Workers' Compensation	0.0	12	2	14
Maintenance -- Central Svcs Total	0.0	12	2	14
Total Maintenance Changes	10.5	(5,692)	8,857	3,165
2017-19 Maintenance Level	559.1	61,780	49,474	111,254
Policy Other Changes:				
8. State Hospital Compliance	8.4	1,485	326	1,811
9. DSHS Critical Sites Risk	0.5	713	165	878
10. DCYF Technical Correction	6.0	810	343	1,153
11. Time, Leave, Attendance Scheduling	0.0	2,031	816	2,847
12. Mentoring Works	0.0	200	0	200
Policy -- Other Total	14.9	5,239	1,650	6,889
Policy Comp Changes:				
13. PERS & TRS Plan 1 Benefit Increase	0.0	35	8	43
Policy -- Comp Total	0.0	35	8	43

Agency 300

Department of Social and Health Services (cont.)
Administration/Support Svcs
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
Policy Transfer Changes:				
14. BH - Integration Transfer	(1.5)	(244)	(196)	(440)
Policy -- Transfer Total	(1.5)	(244)	(196)	(440)
Total Policy Changes	13.4	5,030	1,462	6,492
2017-19 Policy Level	572.5	66,810	50,936	117,746

POLICY CHANGES

1. Public Disclosure Impacts

Funding is provided for additional public disclosure staffing to accommodate the requirements mandated by Chapter 303, Laws of 2017. (General Fund-State; General Fund-Federal)

2. Technical Corrections

Adjustments are made for variances found in the reconciliation of multiple budget steps to correct the federal funding source, provide additional federal and local authority, and net zero category transfers between agency programs. (General Fund-Federal; General Fund-Local)

3. Move Pension Fund Shift to Agencies

In the enacted 2017-19 budget, the legislature shifted a portion of General Fund pension costs to the Pension Funding Stabilization Account, and instructed the Office of Financial Management to allocate this change to agency budgets. This item implements that requirement. (General Fund-State; Pension Funding Stabilization Account-State)

4. Updated PEBB Rate

The funding rate for the Public Employees' Benefits Board (PEBB) insurance program is adjusted for fiscal year 2019 to reflect updated actuarial projections, administrative costs and payments to third-party administrators. The funding is sufficient for a new virtual diabetes prevention program and a change in the waiting period for dental crown replacements in the Uniform Dental Program (UDP) from seven to five years. The change would bring UDP into alignment with the current waiting period in the managed dental plans. This reduces the fiscal year 2019 funding rate from \$957 per month to \$906. (General Fund-State; General Fund-Federal)

5. Paid Family Leave--Employer Premium

A paid family and medical leave program was created by Chapter 5, Laws of 2017, 3rd Special Session. Beginning January 1, 2019, the state, as an employer, will be responsible for payment of employer premiums for employees not covered by a collective bargaining agreement. This item provides funding for this obligation. (General Fund-State; General Fund-Federal)

Agency 300

Department of Social and Health Services (cont.)

Administration/Support Svcs

Recommendation Summary

6. Transfers

Funding and FTEs are transferred within DSHS programs to align with the programs where costs are incurred. The net impact is zero. (General Fund-State; General Fund-Federal)

7. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State; General Fund-Federal)

8. State Hospital Compliance

Funding is provided for 10 FTE staff to support hiring initiatives and infrastructure at Western State Hospital connected to compliance efforts with the plan of correction submitted to the federal Centers for Medicare and Medicaid Services. (General Fund-State; General Fund-Federal)

9. DSHS Critical Sites Risk

Funding is provided to replace end-of-life equipment with modern technology, 0.5 FTE staff to replace equipment and 1.0 ongoing FTE staff to modernize Department of Social and Health Services' (DSHS) infrastructure equipment at six critical sites: Western State Hospital, Eastern State Hospital, Seattle Children's Intake Center, Rainier School, Lakeland Village and the Special Commitment Center. (General Fund-State; General Fund-Federal)

10. DCYF Technical Correction

Funding is provided for 12.0 FTE staff for technical corrections needed to address assumptions and calculations that were used in the biennial budget to identify staff affected by the transfer to the Department of Children, Youth and Families (DCYF). (General Fund-State; General Fund-Federal)

11. Time, Leave, Attendance Scheduling

Western State Hospital requires an automated staff scheduling system to ensure the correct staff allocation for each shift time and hospital ward. Existing staff management processes are not automated and limit the hospital's ability to schedule staff efficiently and effectively. Funding is provided to replace manual processes with a new integrated scheduling, time and leave system that will standardize and modernize staffing management processes, and maximize staff time spent providing direct care. (General Fund-State; General Fund-Federal)

12. Mentoring Works

Mentoring Works Washington is a public-private partnership, where state funds are matched with private donations and used to provide mentoring for youth to fuel positive academic and social/emotional well-being outcomes. Funding is provided to expand and provide more mentoring opportunities for at-risk youth. (General Fund-State)

Agency 300

Department of Social and Health Services (cont.)

Administration/Support Svcs

Recommendation Summary

13. PERS & TRS Plan 1 Benefit Increase

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State; General Fund-Federal)

14. BH - Integration Transfer

Funding which supports administrative functions for community behavioral health (BH) in the Behavioral Health (BH) Administration and Alcohol and Substance Abuse is transferred to the Health Care Authority. (General Fund-State; General Fund-Federal; General Fund-Medicaid)

Agency 300

Department of Social and Health Services (cont.)
Special Commitment Center
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	428.6	91,661	0	91,661
Maintenance Other Changes:				
1. Institution Vehicle Replacement	0.0	119	0	119
2. Facility Maintenance Costs	0.0	80	0	80
3. Mandatory Caseload Adjustments	0.0	721	0	721
4. Equipment Replacement Costs	0.0	474	0	474
5. Public Disclosure Impacts	0.2	30	0	30
Maintenance -- Other Total	0.2	1,424	0	1,424
Maintenance Comp Changes:				
6. Move Pension Fund Shift to Agencies	0.0	(4,372)	4,372	0
7. Updated PEBB Rate	0.0	(291)	0	(291)
8. Wellness \$25 Gift Card	0.0	2	0	2
9. Paid Family Leave--Employer Premium	0.0	2	0	2
Maintenance -- Comp Total	0.0	(4,659)	4,372	(287)
Maintenance Transfer Changes:				
10. Transfers	0.0	(9)	0	(9)
Maintenance -- Transfer Total	0.0	(9)	0	(9)
Maintenance Central Services Changes:				
11. Workers' Compensation	0.0	27	0	27
Maintenance -- Central Svcs Total	0.0	27	0	27
Total Maintenance Changes	0.2	(3,217)	4,372	1,155
2017-19 Maintenance Level	428.8	88,444	4,372	92,816
Policy Other Changes:				
12. Maintain Emergency Response Team	2.5	497	0	497
Policy -- Other Total	2.5	497	0	497
Policy Comp Changes:				
13. PERS & TRS Plan 1 Benefit Increase	0.0	28	0	28
Policy -- Comp Total	0.0	28	0	28
Total Policy Changes	2.5	525	0	525
2017-19 Policy Level	431.3	88,969	4,372	93,341

Agency 300

**Department of Social and Health Services (cont.)
Special Commitment Center
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
POLICY CHANGES				
1. Institution Vehicle Replacement				
Lease-purchase funding is provided to replace vehicles used on DSHS institutional grounds that are beyond their useful life. (General Fund-State)				
2. Facility Maintenance Costs				
One-time funding is provided for equipment, goods and services to resolve building component and grounds deficiencies that are beyond the scope of ordinary maintenance but lower than the threshold for capital projects. (General Fund-State)				
3. Mandatory Caseload Adjustments				
Adjustments reflect forecasted changes in the Special Commitment Center total confinement facility, secure community transition facilities, and the Less Restrictive Alternative populations, based on the November caseload forecasts. (General Fund-State)				
4. Equipment Replacement Costs				
One-time funding is provided to replace furniture, medical, kitchen and other equipment necessary to maintain the health, safety and security of residents and staff at the department's institutional programs. (General Fund-State)				
5. Public Disclosure Impacts				
Funding is provided for additional public disclosure staffing to accommodate the requirements mandated by Chapter 303, Laws of 2017 (public records administration). (General Fund-State)				
6. Move Pension Fund Shift to Agencies				
In the enacted 2017-19 budget, the legislature shifted a portion of General Fund pension costs to the Pension Funding Stabilization Account, and instructed the Office of Financial Management to allocate this change to agency budgets. This item implements that requirement. (General Fund-State; Pension Funding Stabilization Account-State)				
7. Updated PEBB Rate				
The funding rate for the Public Employees' Benefits Board (PEBB) insurance program is adjusted for fiscal year 2019 to reflect updated actuarial projections, administrative costs and payments to third-party administrators. The funding is sufficient for a new virtual diabetes prevention program and a change in the waiting period for dental crown replacements in the Uniform Dental Program (UDP) from seven to five years. The change would bring UDP into alignment with the current waiting period in the managed dental plans. This reduces the fiscal year 2019 funding rate from \$957 per month to \$906. (General Fund-State)				

Agency 300

Department of Social and Health Services (cont.)
Special Commitment Center
Recommendation Summary

8. Wellness \$25 Gift Card

Some employees are eligible, under the terms of their collective bargaining agreements, to earn a \$25 gift card after completing a health risk assessment. This item provides funding for agencies to pay the employer's share of Social Security and Medicare taxes on the gift cards. (General Fund-State)

9. Paid Family Leave--Employer Premium

A paid family and medical leave program was created by Chapter 5, Laws of 2017, 3rd Special Session. Beginning January 1, 2019, the state, as an employer, will be responsible for payment of employer premiums for employees not covered by a collective bargaining agreement. This item provides funding for this obligation. (General Fund-State)

11. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State)

12. Maintain Emergency Response Team

This item funds 2.5 licensed emergency medical technicians to maintain compliance with state staffing rules, Pierce County regulations and requirements to maintain the McNeil Island ambulance license. (General Fund-State)

13. PERS & TRS Plan 1 Benefit Increase

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State)

HUMAN SERVICES - DSHS

Agency 300

Department of Social and Health Services (cont.)

Payments to Other Agencies

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	0.0	124,699	57,578	182,277
Maintenance Central Services Changes:				
1. Archives/Records Management	0.0	(3)	(2)	(5)
2. Audit Services	0.0	224	128	352
3. Legal Services	0.0	871	368	1,239
4. Administrative Hearings	0.0	(4)	(6)	(10)
5. CTS Central Services	0.0	(252)	(113)	(365)
6. DES Central Services	0.0	17	7	24
7. OFM Central Services	0.0	292	130	422
8. OFM Human Resource Services	0.0	6	3	9
9. DES Rate Compensation Changes	0.0	141	63	204
Maintenance -- Central Svcs Total	0.0	1,292	578	1,870
Total Maintenance Changes	0.0	1,292	578	1,870
2017-19 Maintenance Level	0.0	125,991	58,156	184,147
Policy Other Changes:				
10. Property Insurance Premiums	0.0	308	103	411
Policy -- Other Total	0.0	308	103	411
Policy Transfer Changes:				
11. BH - Integration Transfer	0.0	(1,663)	(855)	(2,518)
Policy -- Transfer Total	0.0	(1,663)	(855)	(2,518)
Policy Central Services Changes:				
12. Archives/Records Management	0.0	3	2	5
13. Audit Services	0.0	2	2	4
14. Legal Services	0.0	165	70	235
15. Administrative Hearings	0.0	145	186	331
16. CTS Central Services	0.0	902	401	1,303
17. DES Central Services	0.0	161	66	227
18. OFM Central Services	0.0	797	345	1,142

Agency 300

Department of Social and Health Services (cont.)

Payments to Other Agencies

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
19. OFM Human Resource Services	0.0	3	2	5
20. CTS Fee for Service Adjustment	0.0	353	153	506
Policy -- Central Svcs Total	0.0	2,531	1,227	3,758
Total Policy Changes	0.0	1,176	475	1,651
2017-19 Policy Level	0.0	127,167	58,631	185,798

POLICY CHANGES

1. Archives/Records Management

Agency budgets are adjusted to reflect each agency's allocated share of charges for the state archives and state records center. (General Fund-State; General Fund-Federal)

2. Audit Services

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (General Fund-State; General Fund-Federal)

3. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State; General Fund-Federal)

4. Administrative Hearings

Agency budgets are adjusted to reflect each agency's anticipated share of charges for administrative hearings. (General Fund-State; General Fund-Federal)

5. CTS Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Consolidated Technology Services Agency (WaTech) for the Office of the Chief Information Officer, Office of Cyber Security, state network, enterprise systems, security gateways and geospatial imaging services. (General Fund-State; General Fund-Federal)

6. DES Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Department of Enterprise Services (DES) for campus rent, utilities, parking and contracts; a capital project surcharge; financing cost recovery; public and historic facilities; real estate services; risk management services; small agency financial and human resource services; personnel service rates; the Perry Street child care center; and the department's enterprise applications. (General Fund-State; General Fund-Federal)

Agency 300

Department of Social and Health Services (cont.)

Payments to Other Agencies

Recommendation Summary

7. OFM Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for the One Washington project. (General Fund-State; General Fund-Federal)

8. OFM Human Resource Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for personnel service rates. (General Fund-State; General Fund-Federal)

9. DES Rate Compensation Changes

Funding is provided to cover compensation and central service cost increases that were included in the 2017-19 biennial budget in lines of business at the Department of Enterprise Services that have a fee for service structure. (General Fund-State; General Fund-Federal)

10. Property Insurance Premiums

Funding is provided for master property insurance for 191 department-owned buildings with associated contents, and for the contents of 102 leased facility properties. (General Fund-State; General Fund-Federal)

11. BH - Integration Transfer

Funding which supports administrative functions for community behavioral health in the Behavioral Health Administration and Alcohol and Substance Abuse is transferred to the Health Care Authority. (General Fund-State; General Fund-Federal; General Fund-Medicaid)

12. Archives/Records Management

Agency budgets are adjusted to reflect each agency's allocated share of charges for the state archives and state records center. (General Fund-State; General Fund-Federal)

13. Audit Services

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (General Fund-State; General Fund-Federal)

14. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State; General Fund-Federal)

15. Administrative Hearings

Agency budgets are adjusted to reflect each agency's anticipated share of charges for administrative hearings. (General Fund-State; General Fund-Federal)

Agency 300

Department of Social and Health Services (cont.)

Payments to Other Agencies

Recommendation Summary

16. CTS Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Consolidated Technology Services Agency (WaTech) for the Office of the Chief Information Officer, Office of Cyber Security, state network, enterprise systems, security gateways and geospatial imaging services. (General Fund-State; General Fund-Federal)

17. DES Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Department of Enterprise Services (DES) for campus rent, utilities, parking and contracts; a capital project surcharge; financing cost recovery; public and historic facilities; real estate services; risk management services; small agency financial and human resource services; personnel service rates; the Perry Street child care center; and the department's enterprise applications. (General Fund-State; General Fund-Federal)

18. OFM Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for the One Washington project. (General Fund-State; General Fund-Federal)

19. OFM Human Resource Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for personnel service rates. (General Fund-State; General Fund-Federal)

20. CTS Fee for Service Adjustment

Rates for wireless, virtual private network, and server infrastructure services are increased effective January 1, 2018 to align revenues with WaTech's cost of providing services. Monthly rates per device or service will increase for wireless to \$50, Centrex services to \$45 and virtual private network to \$285 per tunnel per month with a \$500 setup fee. (General Fund-State; General Fund-Federal)

Agency 300

Department of Social and Health Services (cont.)
Information System Services
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	139.8	0	0	0
Maintenance Transfer Changes:				
1. Transfers	(10.5)	0	0	0
Maintenance -- Transfer Total	(10.5)	0	0	0
Total Maintenance Changes	(10.5)	0	0	0
2017-19 Maintenance Level	129.3	0	0	0
2017-19 Policy Level	129.3	0	0	0

POLICY CHANGES

1. Transfers

Funding and FTEs are transferred within DSHS programs to align with the programs where costs are incurred. The net impact is zero.