

**Department of Social and Health Services  
Economic Services Administration  
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2015-17 Estimated Expenditures</b>	<b>4,385.2</b>	<b>814,070</b>	<b>1,320,352</b>	<b>2,134,422</b>
<b>2017-19 Maintenance Level</b>	<b>4,412.5</b>	<b>882,311</b>	<b>1,341,883</b>	<b>2,224,194</b>
Difference from 2015-17	27.3	68,241	21,531	89,772
% Change from 2015-17	0.6%	8.4%	1.6%	4.2%
<b>Policy Other Changes:</b>				
1. Lease Adjustments > 20,000 sq ft.	0.0	171	195	366
2. Medicaid Cost Allocation Changes	0.0	0	0	0
3. FAR Transfer Fund Balance to CA	0.0	-9,830	9,830	0
4. Child Support Electronic Payments	0.5	-30	-59	-89
5. Notification Changes	0.0	-98	-216	-314
6. Meeting Federal TANF Work Rate	0.5	9,488	0	9,488
7. SNAP Grant Technology Modernization	0.0	0	718	718
8. Basic Food Transportation Support	0.0	0	4,000	4,000
9. WCCC Provider Search Assistance	0.0	0	1,000	1,000
10. HEN Transportation Stipend	0.0	0	1,893	1,893
11. ABD Grant Increase	0.0	0	29,617	29,617
12. Eliminate ABD Resource Limit	0.0	0	1,403	1,403
13. LIHEAP for Food Assistance Program	0.0	0	320	320
14. TANF, SFA, RA Grant Increase	0.0	0	14,184	14,184
15. Eliminate TANF/SFA Resource Limit	0.0	0	8,429	8,429
16. Eliminate Kinship Care Means Test	0.0	0	2,477	2,477
17. Emergent Need Lifetime Limit	0.0	-1,726	0	-1,726
18. Emergent Need 12-Month Limit	0.0	0	863	863
19. WorkFirst Child Support Obligation	0.0	0	1,205	1,205
20. Child Support Website	0.0	-16	-36	-52
21. Facilities One-Time Costs	0.0	1,553	450	2,003
22. WorkFirst Fund Balance	0.0	-34,000	69,200	35,200
<b>Policy -- Other Total</b>	<b>1.0</b>	<b>-34,488</b>	<b>145,473</b>	<b>110,985</b>

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<b>Policy Comp Changes:</b>				
23. Family Child Care Providers CBA	0.0	8,106	0	8,106
24. State Public Employee Benefits Rate	0.0	957	536	1,493
25. WFSE General Government	0.0	14,706	8,462	23,168
26. State Represented Emp Benefits Rate	0.0	6,794	3,646	10,440
27. Non-Rep General Wage Increase	0.0	2,275	1,252	3,527
28. Non-Rep Targeted Pay Increases	0.0	241	365	606
29. WFSE Orca Transit Pass	0.0	416	196	612
30. Orca Transit Pass-Not WFSE	0.0	38	22	60
<b>Policy -- Comp Total</b>	<b>0.0</b>	<b>33,533</b>	<b>14,479</b>	<b>48,012</b>
<b>Total Policy Changes</b>	<b>1.0</b>	<b>-955</b>	<b>159,952</b>	<b>158,997</b>
<b>2017-19 Policy Level</b>	<b>4,413.5</b>	<b>881,356</b>	<b>1,501,835</b>	<b>2,383,191</b>
Difference from 2015-17	28.3	67,286	181,483	248,769
% Change from 2015-17	0.6%	8.3%	13.7%	11.7%

**POLICY CHANGES**

**1. Lease Adjustments > 20,000 sq ft.**

Funding is provided for the ongoing cost of new leases that are necessary to support the DSHS Leased Facilities Strategic Plan. (General Fund-State; General Fund-Federal)

**2. Medicaid Cost Allocation Changes**

As a result of the medical eligibility change, the Economic Services Administration (ESA) receives less Medicaid funds to support its administrative costs. Chapter 4, Laws of 2015, 3rd special session (ESSB 6052) directed ESA to assist clients with Medicaid applications through the Healthplanfinder, the online Medicaid application. For federal fiscal year 2017, the Centers for Medicare and Medicaid Services approved the 75 percent reimbursement rate for fewer staff types. The remaining staff may receive a 50 percent Medicaid reimbursement rate. Funding is provided for the difference between the assumed and approved Medicaid reimbursement rate and increased state share based on more recent actual cost allocation data. DSHS will maintain an average of 7.6 percent Medicaid by expanding assistance for Medicaid applications. (General Fund-Federal; General Fund-Medicaid; General Fund-TANF)

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**3. FAR Transfer Fund Balance to CA**

There is a one-time reduction of unallocated General Fund-State fund balance that will be offset by using available federal TANF funds and funds from the Carbon Pollution Reduction Account. These savings are transferred to Children's Administration (CA) to backfill an anticipated revenue shortfall in the Child and Family Reinvestment Account. The funding is for maintaining the Family Assessment Response (FAR) program. (General Fund-State; Carbon Pollution Reduction Account-State)

**4. Child Support Electronic Payments**

Increased efficiencies and cost savings in child support collections are anticipated by requiring employers with ten or more employees to remit withheld child support through electronic means. One-time funding is provided for one FTE staff to provide technical support to employers transitioning to electronic payment systems and to make waiver determinations for cases where compliance would cause the employer financial hardship. (General Fund-State; General Fund-Fam Supt)

**5. Notification Changes**

Funding is reduced to reflect savings by utilizing first class mail, regular mail, or email to serve notice of intent to withhold and deliver on overpayment debt, notice of child support debt accrual, and second notices for suspensions and withholdings of state licenses. Currently, overpayment notices and child support enforcement notices communicated after the original order are sent by certified mail. (General Fund-State; General Fund-Fam Supt; General Fund-Medicaid)

**6. Meeting Federal TANF Work Rate**

Washington faces an estimated \$67,884,000 penalty to the federal Temporary Assistance for Needy Families (TANF) block grant for not meeting the federal Work Participation Rate (WPR) between federal fiscal years 2012-2015. Funding is provided to continue Washington's Working Family Support program, a monthly ten dollar payment to eligible working clients who are not receiving TANF benefits. Since implementing this program, the department is meeting the WPR while simultaneously assisting working families with self-sufficiency goals. (General Fund-State)

**7. SNAP Grant Technology Modernization**

The Economic Services Administration is one of seven states to receive a federal grant to modernize the Supplemental Nutrition Assistance Program (SNAP) application process. Clients will be able to use smart phones to apply for Basic Food benefits and upload supporting documentation. (General Fund-Federal)

**8. Basic Food Transportation Support**

This step provides funding for transportation support services for Basic Food and FAP recipients when participating in eligible employment activities. (Carbon Pollution Reduction Account-State)

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**9. WCCC Provider Search Assistance**

Funding is provided for transportation services to clients determined eligible for the Working Connections Child Care (WCCC) program who are searching for a child care provider in their community. (Carbon Pollution Reduction Account-State)

**10. HEN Transportation Stipend**

Recipients of the Housing and Essential Needs (HEN) program are eligible for concrete goods and other support services; however, recipients must travel to local community organizations to obtain the benefit. Beginning in 2019, this step provides \$20 per month for travel expenses incurred. (Carbon Pollution Reduction Account-State)

**11. ABD Grant Increase**

Beginning in fiscal year 2019, the maximum grant standard for the Aged, Blind and Disabled (ABD) program is increased from \$197 per month to \$400 per month. This is consistent with the average monthly housing benefit provided for recipients of the HEN program. (Carbon Pollution Reduction Account-State)

**12. Eliminate ABD Resource Limit**

This step eliminates the resource limit for ABD applicants beginning January 2019. Currently, the asset limit is \$1,000 of liquidable assets and a vehicle exclusion of no more than \$5,000. This discourages a modest accumulation of savings, owning a reliable vehicle and other investments which promote economic stability. (Carbon Pollution Reduction Account-State)

**13. LIHEAP for Food Assistance Program**

The Food Assistance Program (FAP) recipients receive a federally-funded Low Income Home Energy Assistance Program (LIHEAP) payment. The U.S. Department of Health and Human Services issued a policy update clarifying that states may no longer issue federal LIHEAP funds for the state-funded FAP. This step backfills the loss of federal funds so that FAP recipients can receive LIHEAP again in fiscal year 2019. (Carbon Pollution Reduction Account-State)

**14. TANF, SFA, RA Grant Increase**

Beginning in fiscal year 2019, a 7.5 percent grant increase is provided for the TANF, Family Assistance Program, and Refugee Cash Assistance program. This step will increase the average TANF grant for a family of four from \$613 per month to \$659 per month. (General Fund-Federal; Carbon Pollution Reduction Account-State)

**15. Eliminate TANF/SFA Resource Limit**

This step eliminates the resource limit for TANF and SFA applicants beginning January 2019. Currently, the asset limit is \$1,000 of liquidable assets and a vehicle exclusion of no more than \$5,000. This discourages a modest accumulation of savings, owning a reliable vehicle and other investments which promote economic stability. (Carbon Pollution Reduction Account-State)

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**16. Eliminate Kinship Care Means Test**

Kinship caregivers provide child rearing when the parents are unavailable or unable to look after the child. Beginning in 2019, means-testing for child-only TANF is eliminated. The caregiver's income will no longer be considered in the eligibility determination. (Carbon Pollution Reduction Account-State)

**17. Emergent Need Lifetime Limit**

This step reduces emergent housing and utility payments for TANF and State Family Assistance recipients from \$750 each year to \$750 a lifetime. (General Fund-State)

**18. Emergent Need 12-Month Limit**

This step changes the emergent housing and utility payments for TANF and State Family Assistance recipients from \$750 a lifetime to \$750 each year beginning January 2019. (Carbon Pollution Reduction Account-State)

**19. WorkFirst Child Support Obligation**

This item provides funding for a pilot program which will deliver WorkFirst education and employment services for non-custodial parents who have child support orders and a child receiving TANF assistance with the custodial parent. (Carbon Pollution Reduction Account-State)

**20. Child Support Website**

The Most Wanted website for child support enforcement is eliminated. This website displays photos of noncustodial parents who are delinquent in the payment of child support. (General Fund-State; General Fund-Federal)

**21. Facilities One-Time Costs**

Funding is provided for one-time relocation and project costs to support the DSHS Leased Facilities Strategic Plan. (General Fund-State; General Fund-Federal)

**22. WorkFirst Fund Balance**

There is a one-time reduction of unallocated General Fund-State fund balance that will be offset by using available federal TANF funds. (General Fund-State; General Fund-TANF)

**23. Family Child Care Providers CBA**

Consistent with the 2016 collective bargaining agreement, funding is provided for a 2 percent base rate increase for licensed family home providers; a rate increase for Family, Friend and Neighbor providers; increased health insurance premium coverage, and an increase in paid professional development days from three days to five days. (General Fund-State)

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**24. State Public Employee Benefits Rate**

Health insurance funding is provided for state employees who are not represented by a union, who are covered by a bargaining agreement that is not subject to financial feasibility determination, or who are not part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State; General Fund-Federal)

**25. WFSE General Government**

Funding is provided for a collective bargaining agreement and arbitration award with Washington Federation of State Employees (WFSE), which includes a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; a general wage increase of 2 percent, effective January 1, 2019; salary adjustments for targeted classifications; a minimum starting wage of \$12 an hour; and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State; General Fund-Federal)

**26. State Represented Emp Benefits Rate**

This provides health insurance funding as part of the master agreements for employees who bargain as part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State; General Fund-Federal)

**27. Non-Rep General Wage Increase**

Funding is provided for wage increases for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. It is sufficient for a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; and a general wage increase of 2 percent, effective January 1, 2019. This item includes both higher education and general government workers. (General Fund-State; General Fund-Federal)

**28. Non-Rep Targeted Pay Increases**

Funding is provided for classified state employees who are not represented by a union for pay increases in specific job classes in alignment with other employees. (General Fund-State; General Fund-Federal)

**29. WFSE Orca Transit Pass**

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, who are represented by the Washington Federation of State Employees. (General Fund-State; General Fund-Federal)

**30. Orca Transit Pass-Not WFSE**

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, other than those represented by the Washington Federation of State Employees. (General Fund-State; General Fund-Federal)