

Recommendation Summary

Budget Period: 2015-17

Version: C2 - 030 2015-17 Final 2016 Sup

Budget Level Criteria: ALL

Dollars in Thousands		Agency Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
CB - Current Biennium						
00	Current Biennium Base	1	2,940.3	1,063,347	1,224,289	2,287,636
SubTotal CB			2,940.3	1,063,347	1,224,289	2,287,636
Cumulative Total Thru CB			2,940.3	1,063,347	1,224,289	2,287,636
M1 - Mandatory Caseload and Enrollment Changes						
93	Mandatory Caseload Adjustments	2	0.0	0	0	0
SubTotal M1			0.0	0	0	0
Cumulative Total Thru M1			2,940.3	1,063,347	1,224,289	2,287,636
M2 - Inflation and Other Rate Changes						
3N	Psych Recruitment and Retention	3	0.0	11,194	0	11,194
3O	Data Consolidation Projects for BHO	4	2.0	300	201	501
3P	Managed Care Rate Adjustment	5	0.0	0	0	0
3Q	BH IT Staff and Servers	6	5.0	924	615	1,539
3R	Psychiatric Intensive Care Unit	7	23.0	4,315	0	4,315
3S	Hospital Revenue Adjustment	8	0.0	5,869	(5,869)	0
3T	EHR Funding	0	12.0	8,409	0	8,409
3U	CMS	0	0.0	1,167	777	1,944
3V	Assisted Outpatient Administration	0	2.0	274	184	458
3W	EHR Support Model	0	5.0	5,831	0	5,831
3X	Hospital Staffing	0	0.0	0	0	0
3Y	Recruitment and Retention	0	0.0	5,026	0	5,026
8D	Budget Structure Changes	0	0.0	0	0	0
8W	Institution Vehicle Replacement	9	0.0	230	0	230
8X	Facility Maintenance Costs	10	0.0	243	0	243
9S	Equipment Replacement Costs	11	0.0	1,044	0	1,044
9T	Transfers	12	0.0	(1,799)	(109)	(1,908)
CM	L&I Settlement Agreement	13	11.2	2,151	0	2,151
CP	Regulatory Compliance - BHSIA	15	0.0	5,038	0	5,038
CZ	1115 Statewide Medicaid Project	0	0.0	0	0	0
WK	IT Systems Infrastructure	18	0.0	35	4	39
WM	Technical Corrections	19	0.0	1,871	138	2,009
WN	State Data Center Adjustments	20	0.0	20	2	22
WP	MS Office 365	21	0.0	410	30	440
WQ	Food and Medical Adjustments	22	0.0	230	0	230
WT	CLIP Capacity	0	0.0	0	0	0
SubTotal M2			60.2	52,782	(4,027)	48,755
Cumulative Total Thru M2			3,000.5	1,116,129	1,220,262	2,336,391
PL - Performance Level						
CQ	TJC and CMS Quality Assurance	24	1.0	302	0	302
S1	Psychiatrist Workload Study	0	0.0	250	0	250
S2	CSTC Staffing Needs	0	3.0	654	0	654
S3	BH Quality Management Team	0	4.5	627	417	1,044
WR	After Action Reviews	0	1.0	153	102	255
SubTotal PL			9.5	1,986	519	2,505
Cumulative Total Thru PL			3,010.0	1,118,115	1,220,781	2,338,896

Recommendation Summary

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Budget Level Criteria: ALL

Dollars in Thousands	Agency Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
Total Proposed Budget		3,010.0	1,118,115	1,220,781	2,338,896

Department of Social and Health Services

DP Code/Title: M1-93 Mandatory Caseload Adjustments
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

The Behavioral Health Service Integration Administration (BHSIA) requests a placeholder for an adjustment to reflect the changes in the number of Medicaid eligible clients based in the November 2015 Caseload forecast.

Fiscal Detail:

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

Staffing

Package Description:

Funding for the mental health community-based services is based on the number of Washington State Medicaid eligible clients. An annual funding adjustment is required to reflect changes in the number of Medicaid eligible clients based on the November 2015 Caseload Forecast.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To maintain current patient services funded from the current caseload forecast.

Performance Measure Detail

Agency Level

Activity: C017 Community Mental Health Prepaid Health Services

No measures linked to package

Incremental Changes

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

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

This decision package is essential to implementing BHSIA's Strategic Objective:

1.7: Provide appropriate competency evaluation and restoration services within seven days to adults determined by the court to require competency evaluation or restoration services.

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

This decision package supports the Results Washington goal(s) to:

Goal 4: Healthy & Safe Communities - Support People - Help the most vulnerable people become independent and self-sufficient.

Goal 5: Efficient, Effective & Accountable Government - Resource Stewardship - Ensure that funding is used responsibly.

Department of Social and Health Services

DP Code/Title: M1-93 Mandatory Caseload Adjustments
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

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

Clients will continue to receive benefits and assistance.

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

The November 2015 forecast necessitates a change in the funding provided for the forecast programs.

What are the consequences of adopting or not adopting this package?

If this request is not funded, persons eligible for services will not receive them.

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

This request has no impact on the capital budget.

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

Contracts will need to be amended to incorporate revised funding levels.

Expenditure and revenue calculations and assumptions

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

All costs are ongoing and will be carried forward into future biennia based on future caseload forecasts.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
	Program Totals		

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund ,			
<u>Sources</u> <u>Title</u>			

Total for Fund

Total Overall Funding

Totals for all funds

Department of Social and Health Services

DP Code/Title: M2-3N Psych Recruitment and Retention
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

The Behavioral Health and Service Integration Administration (BHSIA) requests funding to fully fund psychiatrist and medical director pay at the two state hospitals and the Child Study and Treatment Center (CSTC). The increase in pay addresses two significant issues: 1) ongoing shortage of psychiatrists and difficulties with recruitment, and 2) retention of both psychiatrists as well as Medical Directors. By funding this request, BHSIA expects to improve the recruitment and retention of Psychiatrists and Medical Directors.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	5,389,000	5,805,000	11,194,000
Total Cost	5,389,000	5,805,000	11,194,000

Staffing

Package Description:

Problem Statement:

Sufficient psychiatric physicians are required for providing patient care under The Joint Commission (TJC) accreditation standards and Centers for Medicare & Medicaid (CMS) certification regulations. Medical Directors are critical leaders at the state hospitals in meeting TJC and CMS requirements.

The state hospitals have experienced ongoing difficulties with recruitment and retention of Medical Directors. The state hospitals have also experienced significant shortages of psychiatrists for a number of years and the problem is increasing as additional psychiatrists are required for increased bed capacity at the hospitals due to recent court actions and legislation.

The Department of Social and Health Services (DSHS) competes from a very small pool of potential psychiatrist candidates and there is increased competition for the limited pool in Washington. The state hospital's ability to effectively compete for available psychiatrists is hampered by the current salary structure, working conditions involving high risk patients, and mandatory call due to staff shortages. The state hospitals do not have a competitive advantage to offer individuals who have a range of other employment and compensation options.

Although the hospitals have had limited success attracting psychiatrists, retention of psychiatrists is difficult because the hospitals are located in geographic areas with other hospitals or medical centers that recruit state hospital psychiatrists, such as Madigan Medical Center, American Lake Veterans Administration and St. Joseph's in Tacoma; MultiCare in Pierce County; Veteran's Administration (VA), Seattle; St. Peter's, Olympia, and the VA Medical Center in Spokane. DSHS psychiatrists have already left employment to work for the VA and others are being called and recruited by the VA on a frequent basis.

The need to address the shortage of psychiatrists is urgent. The State Supreme Court issued a unanimous opinion on August 7, 2014, ruling that the Involuntary Treatment Act (ITA) and WAC 388-865-0526 do not authorize the detention of persons in hospital emergency rooms or acute care centers ("psychiatric boarding") based solely on the unavailability of beds in certified evaluation and treatment centers. In addition, on April 2, 2015 a federal court ruled on a lawsuit regarding the long wait times for forensic services due to lack of hospital capacity; the ruling requires the state provide competency forensic services within certain timelines. These court rulings create the need for additional bed capacity at the hospitals, and psychiatrists are required and necessary in order to increase bed capacity. The 15-17 operating budget directed the addition of three wards at WSH and two at ESH.

Department of Social and Health Services

DP Code/Title: M2-3N Psych Recruitment and Retention

Program Level - 030 BHSIA - Mental Health

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Both Western State and Eastern State Hospitals have made continuous and extensive efforts to recruit psychiatric physicians, utilizing both state and private recruitment resources. Eastern State Hospital contracts with a private physician recruitment firm which made an exception in their recruiting standards to accommodate the DSHS salary deficiencies. Even when the hospitals are successful in recruitment efforts, the psychiatrists often leave to take better paying jobs from other public employers. WSH has been unsuccessful to-date in filling the hospital's currently vacant Medical Director Position, due to salary limitations, and both hospitals have experienced Medical Director retention difficulties.

Proposed Solution:

The state hospitals cannot absorb the salary increase within their current base because they have been running a deficit for three years out of the last four fiscal years. The requested increase will allow state hospitals to recruit and retain psychiatrists and medical directors that have specialized skills. The timeline is urgent due to the state's responsibilities to maintain sufficient psychiatrist and Medical Director staffing and to meet responsibilities under recent court rulings.

Agency Contact: Sara Corbin (360) 902-8194
Program Contact: Victoria Roberts (360) 725-3715

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

In order to respond to both court cases, the state hospitals must open additional wards and will be unable to do so if there are insufficient psychiatrists. Funding this request will better allow DSHS to retain the psychiatrists currently employed as well as assist in the recruitment of additional psychiatrists to meet the need to increase capacity at the state hospitals. Funding the salary increases for the Medical Director positions is expected to result in filling the vacant position at WSH and retain the incumbents at both hospitals. Other expected results include meeting TJC and CMS requirements.

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

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

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

This decision package is essential to implementing BHSIA's Strategic Objective.

- 1.1: Decrease the number of patient-to-staff assault claims filed at Eastern State Hospital, Western State Hospital and the Child Study and Treatment Center.
- 1.2: Reduce the quarterly rates of patient seclusion hours at Eastern State Hospital and maintain the rates of seclusion hours at Western State Hospital.
- 1.3: Decrease the quarterly rates of restraint use at Eastern State Hospital and Western State Hospital.
- 1.4: Reduce the quarterly rates of seclusion and restraint hours at the Child Study and Treatment Center.
- 1.5: Increase the rates of active treatment hours delivered at Eastern State Hospital and Western State Hospital.

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

This decision package supports the Results Washington goal(s) to:

Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians for a healthy start to a safe and supported future.

Goal 4: Healthy & Safe Communities - Support People - Help the most vulnerable people become independent and

Department of Social and Health Services

DP Code/Title: M2-3N Psych Recruitment and Retention
Program Level - 030 BHSIA - Mental Health

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self-sufficient.

Goal 4: Healthy & Safe Communities - Healthy People - Provide access to good medical care to improve people's lives.

Goal 4: Healthy & Safe Communities - Safe People - Help keep people safe in their homes, on their jobs, and in their communities.

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

No concerns are anticipated. The Union of Physicians of Washington (Coalition) is expected to support the proposal. Disability Rights Washington and other advocacy groups are expected to support the proposal.

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

The state hospitals have engaged in ongoing recruitment activities. Psychiatrists are required at the state hospitals under TJC standards and CMS regulations, and Medical Director's must be licensed physicians.

What are the consequences of adopting or not adopting this package?

Not funding this package will result in continued recruitment and retention problems with a direct impact on the ability of the state hospitals to provide required and critical psychiatric services. In addition, not funding this package will impact the state hospitals ability to increase bed capacity in order to meet growing bed demand due to recent court decisions and legislation.

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

This request has no impact on the capital budget.

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment: M2-3N BHSIA MH Psych Recruitment and Retention.xlsb

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

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

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	4,503,000	4,851,000	9,354,000
B Employee Benefits	886,000	954,000	1,840,000
Total Objects	5,389,000	5,805,000	11,194,000

Department of Social and Health Services

DP Code/Title: M2-3N Psych Recruitment and Retention

Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

DSHS Source Code Detail

Overall Funding	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	5,389,000	5,805,000	11,194,000
<i>Total for Fund 001-1</i>	5,389,000	5,805,000	11,194,000
Total Overall Funding	5,389,000	5,805,000	11,194,000

M2-3N BHSIA MH Psych Recruitment and Retention

BHSIA Mental Health

2016 Supplemental

		Total FY16 Staff	Total FY17 Staff
WSH - Current staff	Psychiatrist 4	53.2	53.2
WSH - Trueblood additional staff	Psychiatrist 4	2.0	5.0
	Total	55.2	58.2

		FY16 Staff	FY17 Staff
ESH - Current staff	Psychiatrist 4	17.2	17.2
ESH - Trueblood additional staff	Psychiatrist 4	1.3	2.5
	Total	18.5	19.7

Incremental Increase for 15% Retention Pay (rounded)

		Annualized FTE's	
		FY16	FY17
WSH	Psychiatrist 4	18.5	19.7
ESH	Psychiatrist 4	55.2	58.2
	Total	73.6	77.9

FY16 Request			FY17 Request			Biennial
A	B	A&B	A	B	A&B	
FY16	FY16	Total	FY17	FY17	Total	Total
\$ 3,374,000	\$ 664,000	\$ 4,038,000	\$ 3,624,000	\$ 713,000	\$ 4,337,000	\$ 8,375,000
\$ 1,129,000	\$ 222,000	\$ 1,351,000	\$ 1,227,000	\$ 241,000	\$ 1,468,000	\$ 2,819,000
\$ 4,503,000	\$ 886,000	\$ 5,389,000	\$ 4,851,000	\$ 954,000	\$ 5,805,000	\$ 11,194,000

Department of Social and Health Services

DP Code/Title: M2-30 Data Consolidation Projects for BHO
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

The Behavioral Health and Service Integration Administration (BHSIA) requests staff, hardware and software licenses, and external consulting in order to develop and implement a data store integrating information and management for mental health and substance use disorders clients. By funding this request, BHSIA is expected to support and comply with legislation requiring the creation of the Behavioral Health Organization (BHO) on April 1, 2016.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	152,000	148,000	300,000
001-C General Fund - Basic Account-Medicaid Federal	102,000	99,000	201,000
Total Cost	254,000	247,000	501,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	2.0	2.0	2.0

Package Description:

Problem:

The passage of SB 6312 in 2014 alters the framework for how mental health and substance use disorder treatment services will be delivered, managed, monitored, and outcomes evaluated. The new approach, which is mandated to take effect on April 1, 2016, integrates purchasing and delivery of these services, which currently are not integrated and alters the role of the DSHS BHSIA relative to substance use disorder treatment providers. In addition, SB 5732/ HB 1519 (2013) require the inclusion and monitoring of client outcome performance measures in BHO contract.

Existing information technology systems currently in use by the agency will not support the new framework. The state is currently using two aging data systems with different data definitions and duplicate data entry and submission for a shared population. Dual data systems are cumbersome for providers and do not support oversight of integrated mental health and chemical dependency services, or effective monitoring of client outcomes.

The legislation requires integration of purchasing and delivery of mental health and substance use disorder services. New entities, BHOs, will be responsible for contracting with the service providers and providing information to BHSIA, which retains oversight responsibility. Under the new structure, BHOs will contract with both substance use disorder and mental health providers, and BHSIA will no longer be contracting directly with counties or residential providers for substance use disorder treatment services. Current data reporting systems will not meet the integration or the contractual relationship needs, which take effect April 1, 2016.

Solution:

The overall project is conceived in three phases, with the first in Fiscal Year 2016 required to support the formation of the BHOs. Phase One will identify and document the BHO data reporting requirements and allow BHSIA to accept data transmission from the BHOs, including BHO encounter submissions through ProviderOne. Phase Two expands and broadens the data sources to include data from other administrative data sources such as employment data from the Employment Security Department (ESD), criminal justice data from the Administrative Office of the Courts (AOC) and Department of Corrections (DOC), and housing data from the Department of Commerce to enhance state and federal reporting. Phase Three would align with and prepare for Health Information Exchange (HIE) requirements in 2020 with the Health Care Authority (HCA), which is not planned for in the current biennium; additional resources will be necessary in the 2017-19 Biennium.

Department of Social and Health Services

DP Code/Title: M2-30 Data Consolidation Projects for BHO
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

BHSIA will create a data store which will accept and store client information from BHOs, as well as the Tribes and Problem Gambling providers who fall outside the BHO scope. This is conceived as a series of relational tables within a Microsoft SQL database, which will support integrated reporting and analysis required for program planning and development through an existing web-based reporting application, known as the System for Communicating Outcomes, Performance and Evaluation (SCOPE). Regular standardized program management reporting will be provided to facilitate DSHS oversight responsibilities.

The staffing requested are a Business Analyst and Data Architect to ensure all requirements are included and the data model is structured for optimal extensibility and ease of reporting. Projected contracted services will be required, as the project will require independent verification and validation and a Senior Project Manager.

Agency Contact: Sara Corbin 360-902-8194
Program Contact: Wendi Gunther 360-725-2505

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This project ensures that the information required for oversight of the new BHO model will be in place on April 1, the legislated implementation date for the BHOs. Consumer health will be viewed from a cohesive perspective when providers are determining treatment. The state will no longer be dependent on two aging data systems with different data definitions and duplicate data entry and submission for a shared population. The integrated data store will ensure improved analytics and reporting, allowing BHSIA to meet the mandated duty to implement and monitor client outcome performance measures.

System maintenance will be reduced. (The recent requirement to move from the Windows 2003 platform to more current platforms required extensive retrofit work to ensure the security compliance for Consumer Information System (CIS) and Treatment and Assessment Report Generation Tool (TARGET).)

The project aligns with and prepares for the 2020 HIE initiative of the HCA.

Performance Measure Detail

Agency Level

Activity: C900 Program Support - Mental Health

No measures linked to package

Incremental Changes

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

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

This decision package is essential to implement the following strategic objectives:

4.2: Partner within DSHS on health system transformation to ensure that recovery, independence, wellness, person-centered principles and strength-based services are embedded in the State Innovation Model, Medicaid global waiver and other initiatives.

4.4: Implement managed care behavioral health integration by April 1, 2016.

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

This decision package supports the following Result Washington Goals:

Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians for a healthy start to a safe and supported future.

Department of Social and Health Services

DP Code/Title: M2-30 Data Consolidation Projects for BHO
Program Level - 030 BHSIA - Mental Health

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Goal 4: Healthy & Safe Communities - Support People - Help the most vulnerable people become independent and self-sufficient.

Goal 5: Efficient, Effective & Accountable Government - Fostering a Lean culture that drives accountability and results for the people of Washington.

Goal 5: Efficient, Effective & Accountable Government - Resource Stewardship - Ensure that funding is used responsibly.

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

Treatment Providers - Currently 30 to 40 percent of clients who receive publically funded behavioral health services have both a substance use disorder and a mental illness. There are provider agencies that are licensed to provide both substance use disorder and mental health treatment services. Under the current structure, treatment providers must enter client-level information into two systems; CIS for mental health and TARGET for substance use disorders. This dual entry of similar information is a burden for providers. In the case of mental health information, the data goes to the Regional Support Networks (RSNs) and then a subset to the state. For substance use disorders, it goes directly to the state.

BHOs - Moving to an integrated system changes the nature of Substance use Disorder (SUD) management from fee-for-service to managed care, which requires a different way of reporting client information services. Some Tribal SUD providers have solely relied on the TARGET system to meet their data reporting and information management needs. As part of this project, TARGET will be decommissioned, which may adversely impact Tribal SUD providers. The Division of Behavioral Health and Recovery (DBHR) is currently assessing the impact and will work with the tribes to mitigate any negative impacts to tribal provider agencies caused by decommissioning TARGET.

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

This alternative was chosen as the only viable path. Updates to CIS to accommodate the substance use disorders clients would only be a "band-aid" approach, as the platform is old, undocumented and difficult to maintain. In addition, changes to data definitions to unify the two populations would introduce data discontinuities making analysis and reporting fragmented.

Commercial off the shelf products do not meet the oversight needs of BHSIA in contracting with the BHOs.

What are the consequences of adopting or not adopting this package?

BHSIA will not be able to accept the integrated Behavioral Health Data from the BHOs when they become operational April 1, 2016, and thereby, not able to perform our legislated mandate for oversight.

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

This request has no impact on the capital budget.

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

IT Specialist 5, and IT Systems/Application Specialist 6 calculated using the DSHS Staffing Model.

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

These costs are ongoing and will continue into future biennia.

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DP Code/Title: M2-30 Data Consolidation Projects for BHO
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	171,000	174,000	345,000
B Employee Benefits	55,000	57,000	112,000
E Goods\Other Services	13,000	13,000	26,000
J Capital Outlays	12,000	0	12,000
P Debt Service	1,000	1,000	2,000
T Intra-Agency Reimbursements	2,000	2,000	4,000
Total Objects	254,000	247,000	501,000

DSHS Source Code Detail

Overall Funding	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	152,000	148,000	300,000
<i>Total for Fund 001-1</i>	152,000	148,000	300,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources Title</u>			
19UL Title XIX Admin (50%)	102,000	99,000	201,000
<i>Total for Fund 001-C</i>	102,000	99,000	201,000
Total Overall Funding	254,000	247,000	501,000

Information Technology Addendum

Recsum Code and Title: ML-30 Data Consolidation for BHO's

Brief Description: The Behavioral Health and Service Integration Administration (BHSIA) requests staff, hardware and software licenses, and external consulting in order to develop and implement a data store integrating information and management for mental health and substance use disorders clients. By funding this request, BHSIA is expected to support and comply with legislation requiring the creation of the Behavioral Health Organizations (BHO) on April 1, 2016.

If this investment includes the use of servers, do you plan to use the state data center?

Yes No, waiver received No, waiver not received Does not apply

Business Transformation – This set of criteria will be used to assess IT proposals supporting business changes to improve services or access to information for agency customers or citizens.

Business process improvement: Primary goal of the proposal is to transform an agency business process. This criterion will be used to assess the transformative nature of the project.

(INTENT: Incent agencies to take transformative projects that may include risk.)

BHSIA Assessment: 100% points

Beginning April 1, 2016, the state will alter the structure for managing behavioral health treatment services, as required by the passage of SB 6312 in 2014. Currently, mental health and chemical dependency treatment services, contracts, payment and providers have been treated differently by the state. Mental health has been operating in a managed care model where DSHS contracts with Regional Support Networks (RSNs) for their provision. However, substance abuse treatment providers operate on a fee-for-service model and contract directly with DSHS. This is not in the best interest of providing coordinated care, as 30 – 40% of the clients overlap both groups, which make for less coordinated care – or if the same provider is treating both, an onerous, duplicative set of data entry.

This project begins with the identification and normalization of data elements across both these populations. The first phase, to be operational April 1, 2016, allows the state to accept data from the new Behavioral Health Organizations (BHOs) and provide the necessary oversight of those contracts. The second phase will incorporate new data sources, such as information about employment from Employment Security and other sources which complete the picture of how effective treatment is for a client, based on several status metrics. The second phase also provides enhanced reporting. The third phase, which will tie into the Health Care Authority initiative, is for data exchanges through the Health Information Exchange in 2020.

2016 Supplemental Budget Department of Social and Health Services

Business processes will be transformed in BHSIA headquarters, in the contract management with the RSNs becoming integrated BHOs, in the relationship to treatment providers, and in payment. The consolidation of data for both mental health and chemical dependency will offer a more comprehensive client profile and allow the design of improved treatment models.

Risk mitigation: Primary goal is to mitigate risks associated with transformative initiatives. This criterion will be used to determine if the initiative provides adequate resources to mitigate risks associated with a transformative initiative. Risk planning may include budgeting for independent quality assurance, organizational change management, training, staffing, etc.

(INTENT: Drive business value by encouraging risk taking that is well managed.)

BHSIA Assessment: 50% points

Formal risk management will be employed throughout the project. An initial risk assessment has been performed and mitigation strategies determined. An independent firm will be used for verification and validation throughout the project and is included in the budget request.

Focus groups with key stakeholder groups were held in the planning phase to ensure a thorough understanding of requirements. These groups will continue to convene and offer insights throughout the process.

Customer-facing value: Add value in short increments. This criterion will be used to determine if the initiative provides “customer-facing value” in small increments quickly to drive agile strategy.

(INTENT: Drive agencies to producing value more quickly and incrementally.)

BHSIA Assessment: 100% points

The plan to phase this project was derived to provide a “rolling wave of benefits”. The first wave is based on the mandated April 1, 2016 requirement to support the implementation of the integrated Behavioral Health Organizations. The first benefits will derive from employing a standard set of data requirements and upload process into a common data store. This will allow the BHOs to meet their state reporting requirements without duplicative efforts between the two (overlapping) populations of clients. The second phase will provide value by prioritizing the addition of other sources of information to complete the patient profile, such as employment and earnings data, and more robust reporting on integrated care. The third phase will align with the Health Information Exchange (HIE) initiative being driven by the Health Care Authority.

Open data: New datasets exposed. This criterion will be used to assess if the initiative will increase public access to searchable, consumable machine-readable data from agencies.

(INTENT: Drive agencies to make more data available to citizens. We also value making data available internally for better decision making.)

Given the highly sensitive and protected nature of the data, our stewardship requirements do not allow for public access. HIPAA and 42 CRF, Part 2 provide strict guidelines on access.

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However, within the agency, the integration of mental health and chemical dependency client and treatment data, as well as outcomes measures, will allow leadership to make more informed decisions about the most effective methods of treatment and track integration of best practices.

Transparency/accountability: Project is clear, measurable, and immediate. This criterion will be used to assess if the initiative specifies the following: (1) Are the goals articulated? (2) Are performance outcomes identified, quantified and measurable?
(INTENT: Award more points for better project and outcome performance measures.)

BHSIA Assessment: 100% points

The first goal is to accept standardized data from the BHOs aligned with their implementation in April 2016. There will be nine BHOs. This will be measured by the satisfaction of the data uploads from each of the nine. The capability to ensure BHSIA management reporting sufficient for contract management will also be measured.

The second objective will be to augment the reports and the full profile of clients by adding other, prioritized data stores.

The third objective is to meet HIE requirements on the timeline to be prepared by HCA.

Technology Strategy Alignment – This set of criteria will be used to assess the alignment of the request to the larger technology strategy of the state.

Security: Improve agency security. This criterion will be used to assess the improvements to the overall security posture for an agency.
(INTENT: Award additional points to projects where intent is to improve the security across an agency.)

NA

Modernization of state government: Cloud first. This criterion will be used to assess if the initiative will result in replacing legacy systems with contemporary solutions that drive our cloud-first strategy.
(INTENT: Drive agencies to look more intently at leveraging cloud-based solutions.)

BHSIA Assessment: 25% points

The existing mental health IT system and the existing substance abuse IT system are both more than 20 years old. The mental health system is poorly documented. The systems are not extensible, and retrofitting them to move off the obsolete Window 2003 platform was a major initiative. These legacy applications take too much to support without adding value or being able to transform with the emerging business needs.

The data store will be designed by a data architect with security and extensibility as paramount requirements.

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Mobility: New mobile services for citizens. This criterion will be used to assess the contribution of the initiative to support mobile government services for citizens and a mobile workforce.

(INTENT: Drive agencies to look for ways to deliver results and services that are accessible to citizens from mobile devices. While we also value mobility for employees, we place greater value on mobility for citizens.)

NA

Interoperability: Adds value in six months. This criterion will be used to determine if the initiative provides a technology system or software application that distributes, consumes or exchanges data.

(INTENT: Drive agencies to acquiring and/or developing systems that are interoperable across the state enterprise.)

BHSIA Assessment: 50% points

Data will be accepted from the nine BHOs, beginning April 1, 2016. In the second phase, data from other state agencies will be acquired to complete the client profile and monitor changes over time; i.e. the effectiveness of treatment and intervention.

Finally, selected data sets are planned to populate the Clinical Data Repository and data lake at HCA. The third phase of the project is for interoperability under the Health Information Exchange (HIE) with the Health Care Authority.

Financial – This set of criteria will be used to assess the initiative’s financial contribution, including the extent the initiative uses other fund sources, reduces cost for the state, or captures new or unrealized revenue.

Captures new or unrealized revenue: This criterion is calculated based on the amount of new or unrealized revenue captured by the end of the 2017-19 biennium as a proportion of total investment. To get the full points in this category, projects must capture at least five times the amount of the investment by the end of the 2017-19 biennium.

NA

Reduces costs: This criterion is calculated based on the amount of cost reduction by the end of the 2017-19 biennium as a proportion of total investment. To get the full points for this criterion, projects must reduce costs by at least two times the amount of the investment by the end of the 2017-19 biennium.

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One objective of this initiative to streamline data collection from our contractors for behavioral health, ensuring better data at lower costs to maintain. At some point, the existing two legacy applications will be sunset, which will result in lower maintenance costs.

Leverages federal/grant funding: This criterion is to calculate the degree in which projects are funded by federal or grant dollars. Projects that are fully funded by federal or grant sources receive full points.

BHSIA Assessment: 50% points

The project will be partially funded by the SIM grant (for 2 FTEs) which are not included in the Agency Budget Request. The funding included in the Agency Budget Request will include 40% match of Title XIX funding.

Department of Social and Health Services

DP Code/Title: M2-3P Managed Care Rate Adjustment
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

The Behavioral Health Integration Services requests a funding placeholder for Regional Support Networks/Behavioral Health Organization rate adjustment in order to carry rates developed after the 2015-17 Biennial budget into the supplemental.

Fiscal Detail:

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

Staffing

Package Description:

Problem Statement

The Regional Support Network/Behavioral Health Organization funding is based on the Medical Forecast Council Forecast and actuarially developed rates. The rates were updated after the completion of the 2015-17 Budget and need to be carried into the 2016 Supplemental for both the Medicaid rates as well as the case rate for WISE.

Proposed Solution

Once the model is completed, the funding for this budget request will be calculated.

Agency Contact: Sara Corbin (360) 902-8194
Program Contact: Wendi Gunther (360) 725-2505

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The budget request supports DSHS Goal 1: Health - Each individual and each community will be healthy.

Performance Measure Detail

Agency Level

Activity: C017 Community Mental Health Prepaid Health Services

No measures linked to package

Incremental Changes

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

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

The decision package is essential to implementing the BHSIA Strategic Objectives 1.2: Increase the number of adults (18 and older) receiving outpatient mental health services and 1.3: Increase the number of youth (underage 18) receiving outpatient mental health services while maintaining or decreasing current inpatient utilization levels.

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

Department of Social and Health Services

DP Code/Title: M2-3P Managed Care Rate Adjustment
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

This decision package supports the Results Washington Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians from a healthy start to a safe and supported future.

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

Regional Support Networks will support this rate adjustment.

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

The request cannot be absorbed within existing resources for the following reason: funding is not available.

What are the consequences of adopting or not adopting this package?

RSNs will be able to serve the eligible population.

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

This request has no impact on the capital budget.

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

Contracts will need to be amended to incorporate the rate adjustment.

Expenditure and revenue calculations and assumptions

The funding will be allocated to the Regional Support Networks based on the actuarially developed rate range.

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

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

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
Program Totals			

<u>DSHS Source Code Detail</u>			
<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund ,			
<u>Sources</u> <u>Title</u>			

Total for Fund

Total Overall Funding

Totals for all funds

Department of Social and Health Services

DP Code/Title: M2-3Q BH IT Staff and Servers
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

The Behavioral Health and Service Integration Administration (BHSIA) requests 5.0 Information Technology (IT) staff as well as servers, storage, and computer memory to support the administration in order to ensure the protection of client information and support improved decision-making. By funding this request, BHSIA is expected to be self-sufficient as an administration and comply with all information technology policies and requirements in a timely and efficient manner.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	527,000	397,000	924,000
001-C General Fund - Basic Account-Medicaid Federal	351,000	264,000	615,000
Total Cost	878,000	661,000	1,539,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	5.0	5.0	5.0

Package Description:

Problem:

The Aging and Long Term Support Administration (AL TSA) has been providing IT support and servers to BHSIA for the last several years, but AL TSA no longer has the ability to continue providing such supports. BHSIA does not have the required complement of IT staff and servers to support the IT administrative functions which ensure protection of client data and capacity to use data to drive improved decision-making. Given the requirements of Health Insurance Portability and Accountability Act (HIPAA) and Code of Federal Regulations (CFR) 42 Part two for our patients, data security standards at all sites must be strengthened. A significant percentage of the IT security vulnerabilities in the department have been within BHSIA.

Solution:

This proposal augments the headquarters information technology staffing with 2.0 FTEs for IT Security staff to cover all BHSIA, 1.0 FTE for a web/SharePoint administrator, 1.0 database administrator and 1.0 HQ IT supervisor. These services had been covered by AL TSA, but they are unable to handle the increased workload.

In addition, current system resource needs include 23 servers, 154 gigabytes of memory, 85 CPUs, and 13,377 gigabytes of storage. This proposal covers these additional costs.

Agency Contact: Sara Corbin (360) 902-8194
Program Contact: Sara Tripp (360) 725-3791

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The BHSIA IT unit will be able to support the needs of the administration. It will also significantly reduce security issues due to proactive compliance through the employment of IT Security staff. This would be measured based on figures from the department's enterprise technology office.

Department of Social and Health Services

DP Code/Title: M2-3Q BH IT Staff and Servers
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

New, more reliable servers will translate into less downtime for applications used by the administration and stakeholders. The performance of HQ applications will be critical as we continue to move toward a more integrated view of Behavioral Health Organizations.

SharePoint sites will be set up to support the completion of key projects, and will allow better management and transparency.

Performance Measure Detail

Agency Level

Activity: C900 Program Support - Mental Health

No measures linked to package

Incremental Changes

FY 1

0.00

FY 2

0.00

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

This decision package is essential to implement strategic objective 4.4: Implement managed care behavioral health integration by April 1, 2016.

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

This decision package supports the following Results Washington Goals:

Goal 5: Efficient, Effective & Accountable Government - Resource Stewardship - Ensure that funding is used responsibly.

Goal 5: Efficient, Effective & Accountable Government - Transparency and Accountability - Ensure efficiency, performance, and accountability to the public by providing transparency and accountability in state agency operations.

Goal 5: Efficient, Effective & Accountable Government - Customer Satisfaction and Confidence - 1.1 Increase customer services.

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

No stakeholders are expected to have any objections. Improved service should yield improved stakeholder satisfaction.

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

BHSIA has been relying on support from AL TSA for the past few years, but with the formation of BHSIA as their own administration, the intent was always to fully support the information technology infrastructure for headquarters from within BHSIA.

For the servers and associated hardware, cost estimates were provided by multiple vendors. Although this approach had a higher first year cost, it is significantly less over five years, which will be the total cost of ownership.

What are the consequences of adopting or not adopting this package?

The current BHSIA IT staff will not be able to support the administration. BHSIA will continue to have security issues as well as challenges with compliance with DSHS Enterprise Technology and WaTech standards.

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

This request has no impact on the capital budget.

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

This request has no impact to existing statutes, rules or contracts.

Department of Social and Health Services

DP Code/Title: M2-3Q BH IT Staff and Servers
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Expenditure and revenue calculations and assumptions

WMS Band 2, two IT Specialist 4, and two IT Specialist 5 FTEs calculated using the DSHS Staffing Model.

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

Staff costs are ongoing and will continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	410,000	417,000	827,000
B Employee Benefits	134,000	139,000	273,000
E Goods\Other Services	31,000	31,000	62,000
G Travel	2,000	2,000	4,000
J Capital Outlays	294,000	65,000	359,000
P Debt Service	2,000	2,000	4,000
T Intra-Agency Reimbursements	5,000	5,000	10,000
Total Objects	878,000	661,000	1,539,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	527,000	397,000	924,000
<i>Total for Fund 001-1</i>	527,000	397,000	924,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources</u> <u>Title</u>			
19UL Title XIX Admin (50%)	351,000	264,000	615,000
<i>Total for Fund 001-C</i>	351,000	264,000	615,000
Total Overall Funding	878,000	661,000	1,539,000

Information Technology Addendum

Recsum Code and Title: M2-3Q BH IT Staff & Servers

Brief Description: The Behavioral Health and Service Integration Administration (BHSIA) requests 5.0 Information Technology (IT) staff as well as servers, storage, and computer memory to support the administration in order to ensure the protection of client information and support improved decision-making. By funding this request, BHSIA is expected to be self-sufficient as an administration and comply with all information technology policies and requirements in a timely and efficient manner.

If this investment includes the use of servers, do you plan to use the state data center?

Yes No, waiver received No, waiver not received Does not apply

Business Transformation -

Business process improvement: Primary goal of the proposal is to transform an agency business process. This criterion will be used to assess the transformative nature of the project.

(INTENT: Incent agencies to take transformative projects that may include risk.)

BHSIA Assessment: 50% points

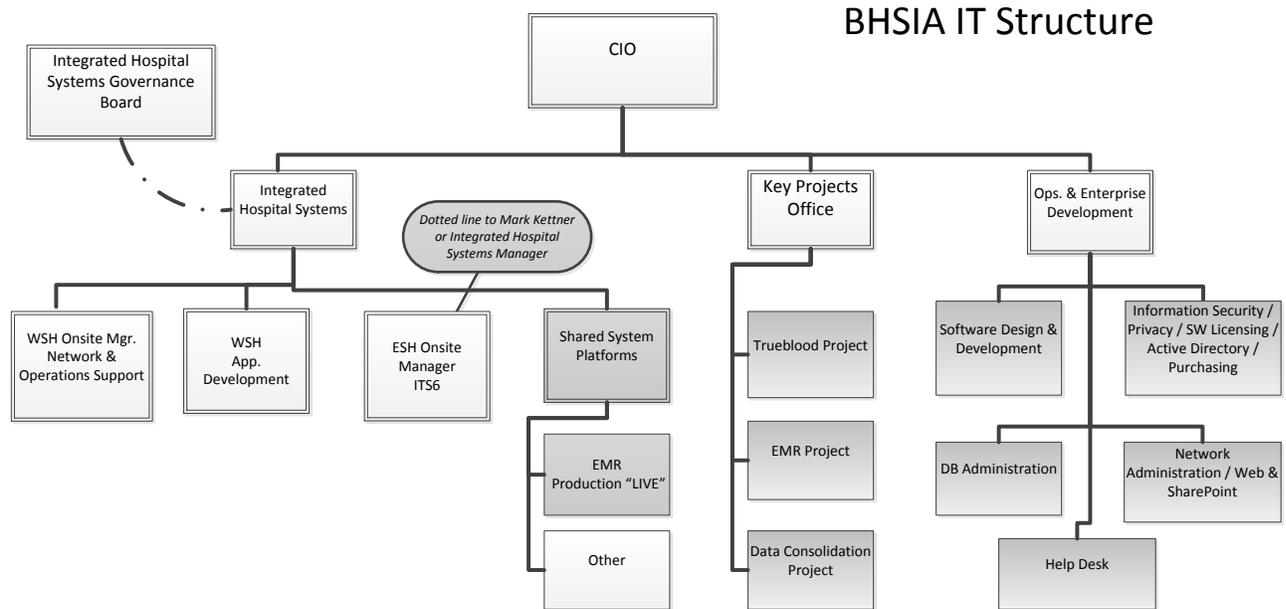
The primary goal of this proposal is to support the transformation of Information Technology services with the Behavioral Health and Service Integration Administration (BHSIA) to one of unified and integrated services, regardless of location.

BHSIA supports multiple (3) state psychiatric hospitals and a variety of treatment and prevention services on the community side. Historically, the state hospitals have developed systems and practices in a silo'd manner. Additionally, the community side was segregated between chemical dependency services and mental health services and very silo'd. However, our client base is not silo'd. Patients of the state hospitals come from treatment or incidents in the community side and may return to the community after their inpatient, acute treatment is completed.

An objective of the new CIO is to unify the Administration's IT resources, regardless of whether staffs are at one of the state hospitals or supporting the community mental health and / or chemical dependency side. As much as possible, we will be moving to common platforms and providing cross-training and cross-pollination of experience. There are several areas currently where only one individual has knowledge of the systems or processes, increasing our vulnerability and risk. For some other critical areas, we have NO staff, such as for IT Security, web-based development and SharePoint administration, which are headquarters responsibilities. (Since the Administration was formed, we have relied heavily on AL TSA for support to a number of critical functions with staff and server resources.)

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The headquarters IT resources will be pivotal to success in unifying and improving IT functions and security across the administration, by setting, promoting and enforcing standards.



Since BHSIA has no servers for existing headquarters and community work, the servers will allow us to complete the transition from depending on AL TSA for servers.

Risk mitigation: Primary goal is to mitigate risks associated with transformative initiatives. This criterion will be used to determine if the initiative provides adequate resources to mitigate risks associated with a transformative initiative. Risk planning may include budgeting for independent quality assurance, organizational change management, training, staffing, etc.

(INTENT: Drive business value by encouraging risk taking that is well managed.)

BHSIA Assessment: 50% points

A number of strategies will be used to unify IT services within BHSIA. The first is a re-organization, shown in the attachment, which aligns all of BHSIA IT into three core areas: 1) Integrated Hospital Systems, 2) Key Projects Office for the management of Level 2 / 3 projects and those of a sensitive nature, and 3) Operations and Enterprise Development.

Changed reporting doesn't ensure changed behavior, so cross-administration training and team development activities are planned. A BHSIA IT Training and Staff Development Plan was created with several activities to promote the transformation of our skills and processes. It includes: Monthly CIO webinars to increase the knowledge level of all IT staff in the Administration; assigned mentoring of new staff and existing staff who are taking on new

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responsibilities; creation of a resource library; coaching; and formalized training. The CIO will work with the BHSIA Executive Management Team and the BHSIA Organizational Development / Lean Coach to ensure alignment.

Customer-facing value: Add value in short increments. This criterion will be used to determine if the initiative provides “customer-facing value” in small increments quickly to drive agile strategy.

(INTENT: Drive agencies to producing value more quickly and incrementally.)

BHSIA Assessment: 50% points

The expected value of this initiative is improved practices, adherence to security requirements and higher knowledge within the IT resources across the administration. The biggest improvement in value is expected in the area of IT security, which is paramount for our clients and patients.

Open data: New datasets exposed. This criterion will be used to assess if the initiative will increase public access to searchable, consumable machine-readable data from agencies.

(INTENT: Drive agencies to make more data available to citizens. We also value making data available internally for better decision making.)

NA

Transparency/accountability: Project is clear, measurable, and immediate. This criterion will be used to assess if the initiative specifies the following: (1) Are the goals articulated? (2) Are performance outcomes identified, quantified and measurable?

(INTENT: Award more points for better project and outcome performance measures.)

BHSIA Assessment: 50% points

Results will be measured in 6-month increments. A desired minimum set of standard skills / competencies has been determined by IT role within BHSIA. Pie charts of the key skills for each role have been created and publicized to the IT staff across the administration. The skills baseline for each incumbent will be determined during the annual review this fall. Gaps between that baseline and the model will be highlighted and targets set for “closing the gaps”. An overall administration IT skills profile will be created and updated twice yearly.

The results of hiring two IT Security positions should be felt almost immediately. They would focus on ensuring all security gaps are closed, that staff throughout the administration (IT and non-IT) have an appropriate understanding of the special security requirements of HIPAA and 42 CRF, Part 2. Demonstrable results should show a reduction in security breaches, improved audit findings and improved adherence to standards.

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Technology Strategy Alignment – This set of criteria will be used to assess the alignment of the request to the larger technology strategy of the state.

Security: Improve agency security. This criterion will be used to assess the improvements to the overall security posture for an agency.

(**INTENT:** Award additional points to projects where intent is to improve the security across an agency.)

BHSIA Assessment: 50% points

A significant portion of the security vulnerabilities identified at DSHS over the past year have been within BHSIA. This is very concerning, given the nature of the data we are responsible to safeguard – health assessment and treatment data of mentally ill and / chemically dependent citizens.

In addition, BHSIA struggled to comply with the migration off the Windows 2003 platform due to lack of staff. This proposal would allow a consistent base of servers and staff to ensure the administration may take a proactive posture to security, rather than addressing each “fire” as it emerges.

As part of the State Government Network, BHSIA must comply with the standards set by WaTech and DSHS Enterprise Technology Services to ensure that we maintain appropriate security and do not introduce any vulnerabilities to our colleagues on the SGN. The addition of two IT Security team members will advance that objective.

Modernization of state government: Cloud first. This criterion will be used to assess if the initiative will result in replacing legacy systems with contemporary solutions that drive our cloud-first strategy.

(**INTENT:** Drive agencies to look more intently at leveraging cloud-based solutions.)

BHSIA intends to use the state data center. New servers will allow for modernization and support of new databases to house our information.

Mobility: New mobile services for citizens. This criterion will be used to assess the contribution of the initiative to support mobile government services for citizens and a mobile workforce.

(**INTENT:** Drive agencies to look for ways to deliver results and services that are accessible to citizens from mobile devices. While we also value mobility for employees, we place greater value on mobility for citizens.)

NA

Interoperability: Adds value in six months. This criterion will be used to determine if the initiative provides a technology system or software application that distributes, consumes or exchanges data.

(**INTENT:** Drive agencies to acquiring and/or developing systems that are interoperable across the state enterprise.)

NA

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Financial – This set of criteria will be used to assess the initiative’s financial contribution, including the extent the initiative uses other fund sources, reduces cost for the state, or captures new or unrealized revenue.

Captures new or unrealized revenue: This criterion is calculated based on the amount of new or unrealized revenue captured by the end of the 2017-19 biennium as a proportion of total investment. To get the full points in this category, projects must capture at least five times the amount of the investment by the end of the 2017-19 biennium.

NA

Reduces costs: This criterion is calculated based on the amount of cost reduction by the end of the 2017-19 biennium as a proportion of total investment. To get the full points for this criterion, projects must reduce costs by at least two times the amount of the investment by the end of the 2017-19 biennium.

NA

Leverages federal/grant funding: This criterion is to calculate the degree in which projects are funded by federal or grant dollars. Projects that are fully funded by federal or grant sources receive full points.

BHSIA Assessment: 50% points

40% of the funding will be federal Title XIX funds.

Department of Social and Health Services

DP Code/Title: M2-3R Psychiatric Intensive Care Unit
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

The Behavioral Health and Service Integration Administration (BHSIA) requests additional funding for staffing required for the Psychiatric Intensive Care Unit (PICU) at Eastern State Hospital. The PICU will serve violent and assaultive patients located both at Western State Hospital (WSH) and Eastern State Hospital (ESH). The PICU will house high acuity patients for short term stays with a transition back to a standard ward after stabilization. PICU patients will be provided specialized care and treatment targeted at reduction of violence and assaults. Staffing to ensure the PICU patients are receiving the treatment required is essential for successful patient outcomes. By funding this request, the PICU is expected to increase patient and staff safety.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	1,633,000	2,682,000	4,315,000
Total Cost	1,633,000	2,682,000	4,315,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	16.9	29.0	23.0

Package Description:

Problem:

Patient violence and patient-to-staff assaults at the state hospitals results in poor staff morale, staff retention problems, increased overtime costs due to injury related absenteeism, labor relation issues, and assault related industrial insurance claims. Patient-to-staff assault claims are a significant contributor to the cost of DSHS industrial insurance premiums through the Washington State Department of Labor and Industries.

If this request for additional staffing is not funded, recent collaborative efforts by DSHS and labor organizations to address the problem will be compromised and a key mitigation strategy for reducing patient violence, patient-to-staff assaults and industrial insurance claims and premiums will not be implemented. Staffing this most intensive ward at an optimum level is critical to maintain staff safety while ensuring positive patient outcomes.

Solution:

The PICU at Eastern State Hospital has been funded at a maximum of three beds in the current biennium. The additional funding requested would enable the PICU to operate utilizing safer direct patient care staffing levels, and ensure success with appropriate support staffing while serving up to eight of the highest acuity patients in our Washington State psychiatric hospitals.

Agency Contact: Sara Corbin (360) 902-8194
Program Contact: Carla Reyes (360) 725-2260

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The budget request supports DSHS Goal 1: Health - Each individual and each community will be healthy.

This request directly supports the goal of decreased patient-to-staff assault claims filed at Eastern State Hospital and Western

Department of Social and Health Services

DP Code/Title: M2-3R Psychiatric Intensive Care Unit

Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

State Hospital. Desired and expected results are a reduction in the rate of patient-to-staff violence and assaults. This will reduce patient assault related industrial insurance claims and contribute to a reduction in DSHS industrial insurance premiums through the Washington State Department of Labor and Industries.

It is desired and expected that patient care and treatment will be more efficient with separating out high-risk, violence prone patients from the general hospital population. This will be accomplished by having more specialized environments of care and provisions of treatment for the patient populations.

Other desired and expected results are improved staff morale and retention at the state hospitals, improved labor relations and a reduction in citations and investigations by the Washington State Department of Labor and Industries.

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

FY 1

FY 2

0.00

0.00

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

This decision package is essential to implement the following strategic objectives:

1.1: Decrease the number of patient-to-staff assault claims filed at Eastern State Hospital, Western State Hospital and the Child Study and Treatment Center.

1.2: Reduce the quarterly rates of patient seclusion hours at Eastern State Hospital and maintain the rates of seclusion hours at Western State Hospital.

1.3: Decrease the quarterly rates of restraint use at Eastern State Hospital and Western State Hospital.

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

This decision package supports the following Results Washington Goals:

Goal 4: Healthy & Safe Communities - Healthy People - Provide access to good medical care to improve people's lives.

Goal 5: Efficient, Effective & Accountable Government - Fostering a Lean culture that drives accountability and results for the people of Washington.

Goal 5: Efficient, Effective & Accountable Government - Resource Stewardship - Ensure that funding is used responsibly.

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

Patient advocacy organizations, such as Disability Rights Washington, may have an interest in patient rights and visitation while on the PICU, policies and standards for PICU admission, and related issues.

Families and other patient support persons may be interested in visitation policies and other considerations for patients relocated from Western State Hospital to the PICU at Eastern State Hospital.

Hospital staff and labor organizations may have interest in staff training, safety equipment and staffing levels for the PICU.

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

Department of Social and Health Services

DP Code/Title: M2-3R Psychiatric Intensive Care Unit
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

This request cannot be absorbed within existing resources for the following reason: redirecting funding from other patient care is not a viable option.

What are the consequences of adopting or not adopting this package?

Not funding this package could result in not achieving the desired outcome of better patient care and treatment that is more efficient by having more specialized environments of care and provisions of treatment for the patient populations.

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

None.

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

Ward staff calculated using the DSHS Staffing Model.

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

Staff costs are ongoing and will continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	952,000	1,662,000	2,614,000
B Employee Benefits	385,000	806,000	1,191,000
E Goods\Other Services	103,000	176,000	279,000
J Capital Outlays	171,000	0	171,000
P Debt Service	5,000	9,000	14,000
T Intra-Agency Reimbursements	17,000	29,000	46,000
Total Objects	1,633,000	2,682,000	4,315,000

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	1,633,000	2,682,000	4,315,000
<i>Total for Fund 001-1</i>		1,633,000	2,682,000	4,315,000
Total Overall Funding		1,633,000	2,682,000	4,315,000

Department of Social and Health Services

DP Code/Title: M2-3S Hospital Revenue Adjustment
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

The Behavioral Health Service and Integration Administration (BHSIA) requests an annual funding adjustment in order to maintain funding levels based on twelve month average annual revenue projection of inpatient contributions, and Medicaid earnings. By funding this request, the state hospitals are expected to maintain current hospital operations.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	2,778,000	3,091,000	5,869,000
001-7 General Fund - Basic Account-Private/Local	(2,912,000)	(2,898,000)	(5,810,000)
001-C General Fund - Basic Account-Medicaid Federal	134,000	(193,000)	(59,000)
Total Cost	0	0	0

Staffing

Package Description:

Problem Statement:

Revenue projections at Western State Hospital, Eastern State Hospital, and the Child Study Treatment Center are different than the earnings in the projected budget because of the current client mix.

Proposed Solution:

The sources of funding should be adjusted in order to earn all federal and local revenue to support current hospital operations based on the current client mix.

Agency Contact: Sara Corbin (360) 902-8194
 Program Contact: Wendi Gunther (360) 725-2505

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To maintain current patient services funded from the correct revenue sources.

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

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

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

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

The budget request supports DSHS Goal 1: Health Each individual and each community will be healthy

Department of Social and Health Services

DP Code/Title: M2-3S Hospital Revenue Adjustment
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

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

None

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

The request cannot be absorbed within existing resources for the following reason: maintaining current operation funding requires readjustment of funding authority.

What are the consequences of adopting or not adopting this package?

Patient care will be adjusted based on revenue earnings.

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

This request has no impact on the capital budget.

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

Revenue is projected based on the twelve month average earnings by fund source. The total appropriation levels are maintained but sources of funding are adjusted.

M2-3S BHSIA MH Hospital Revenue Adjustment

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

Object Detail

FY 1

FY 2

Total

Overall Funding

Program Totals

Department of Social and Health Services

DP Code/Title: M2-3S Hospital Revenue Adjustment
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	2,778,000	3,091,000	5,869,000
<i>Total for Fund 001-1</i>		2,778,000	3,091,000	5,869,000
Fund 001-7, General Fund - Basic Account-Private/Local				
<u>Sources</u>	<u>Title</u>			
5417	Contributions & Grants	(2,912,000)	(2,898,000)	(5,810,000)
<i>Total for Fund 001-7</i>		(2,912,000)	(2,898,000)	(5,810,000)
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u>	<u>Title</u>			
19TA	Title XIX Assistance (FMAP)	134,000	(193,000)	(59,000)
<i>Total for Fund 001-C</i>		134,000	(193,000)	(59,000)
Total Overall Funding		0	0	0

2016 Supplemental Budget
M2-3S BHSIA MH Hospital Revenue Adjustment

Data Through August 2015

FY 2016

Eastern - Western - CSTC	State	Federal	Local	
Base	125,214,960	81,531,040	28,641,000	
Adds	14,315,040	1,999,960	-	
Hospital Revenue Adj step ML	2,451,000	(2,144,000)	(307,000)	
REVISED AUTHORITY	141,981,000	81,387,000	28,334,000	251,702,000

Projected Earnings

Fed - Medicaid		15,370,947	-	
Fed - DSH		66,149,750	-	
Local - Medicare			16,627,343	
Local - Private Pay			2,593,989	
Local - Insurance			3,006,925	
Local - Part D Plans			3,193,660	
Total Projected Earnings:		81,520,697	25,421,916	

Earnings - Actuals Plus Projected	141,981,000	81,520,697	25,421,916	
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	State	Federal	Local	
Authority Request	2,778,000	134,000	(2,912,000)	
Double Check Authority	144,759,000	81,521,000	25,422,000	251,702,000

FY 2017

Eastern - Western - CSTC	State	Federal	Local	
Base	123,799,000	80,881,000	29,482,000	
Adds	19,490,500	2,054,000	-	
Hospital Revenue Adj step ML	2,645,000	(1,498,000)	(1,147,000)	
REVISED AUTHORITY	145,934,500	81,437,000	28,335,000	255,706,500

Projected Earnings

Fed - Medicaid		15,095,086	-	
Fed - DSH		66,149,750	-	
Local - Medicare		-	16,384,547	
Local - Private Pay		-	2,510,654	
Local - Insurance		-	3,300,074	
Local - Part D Plans		-	3,241,545	
Total Projected Earnings:		81,244,836	25,436,819	

Earnings - Actuals Plus Projected	145,934,500	81,244,836	25,436,819	
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	State	Federal	Local	
Authority Request	3,091,000	(193,000)	(2,898,000)	
Double Check Authority	149,025,500	81,244,000	25,437,000	255,706,500

2016 Supplemental Budget
M2-3S BHSIA MH Hospital Revenue Adjustment

FY 2016

WESTERN	State	Federal	Local	
Base	95,996,960	50,629,040	17,146,000	
Adds	7,320,040	1,380,960		
Hospital Revenue Adj step ML	517,000	(494,000)	(23,000)	
REVISED AUTHORITY	103,834,000	51,516,000	17,123,000	172,473,000
 Projected Earnings				
Fed -Medicaid		5,308,855		
Fed - DSH		46,435,859		
Local - Medicare			9,705,241	
Local - Private Pay			2,184,383	
Local - Insurance			1,687,613	
Local - Part D Plans			1,878,644	
Total Projected Earnings:		51,744,714	15,455,881	
Earnings - Actuals Plus Projected	103,834,000	51,744,714	15,455,881	
 Authority Request				
	1,438,000	229,000	(1,667,000)	-
Double Check Authority	105,272,000	51,745,000	15,456,000	172,473,000
 ADJUSTMENTS				
Settlements				
 Revised Authority Request	 1,438,000	 229,000	 (1,667,000)	

FY 2017

WESTERN	State	Federal	Local	
Base	97,357,000	49,027,000	17,290,000	
Adds	10,773,000	1,319,000		
Hospital Revenue Adj step ML	(939,000)	1,105,000	(166,000)	
REVISED AUTHORITY	107,191,000	51,451,000	17,124,000	175,766,000
 Projected Earnings				
Fed -Medicaid		5,256,515		
Fed - DSH		46,435,859		
Local - Medicare			9,665,280	
Local - Private Pay			2,123,675	
Local - Insurance			1,866,171	
Local - Part D Plans			1,918,648	
Total Projected Earnings:		51,692,373	15,573,774	
Earnings - Actuals Plus Projected	107,191,000	51,692,373	15,573,774	
 Authority Request				
	1,309,000	241,000	(1,550,000)	-
Double Check Authority	108,500,000	51,692,000	15,574,000	175,766,000
 ADJUSTMENTS				
Settlements				
 Revised Authority Request	 1,309,000	 241,000	 (1,550,000)	

Note: Settlements were combined for projection, for WSH the main settlements were Medicare.

2016 Supplemental Budget
M2-3S BHSIA MH Hospital Revenue Adjustment

FY 2016

EASTERN	State	Federal	Local	
Base	23,952,000	25,152,000	11,233,000	
Adds	6,785,000	583,000		
Hospital Revenue Adj step ML	1,887,000	(1,858,000)	(29,000)	
REVISED AUTHORITY	32,624,000	23,877,000	11,204,000	67,705,000
Projected Earnings				
Fed -Medicaid		3,657,908		
Fed - DSH		19,713,891		
Local - Medicare			6,922,102	
Local - Private Pay			409,306	
Local - Insurance			1,233,373	
Local - Part D Plans			1,315,016	
Total Projected Earnings:		23,371,798	9,879,797	
Earnings - Actuals Plus Projected	32,624,000	23,371,798	9,879,797	
Authority Request	1,829,000	(505,000)	(1,324,000)	-
Double Check Authority	34,453,000	23,372,000	9,880,000	67,705,000
ADJUSTMENTS				
Revised Authority Request	1,829,000	(505,000)	(1,323,000)	1,000

FY 2017

EASTERN	State	Federal	Local	
Base	21,674,000	25,946,000	11,930,000	
Adds	8,214,000	680,000		
Hospital Revenue Adj step ML	3,378,000	(2,653,000)	(725,000)	
REVISED AUTHORITY	33,266,000	23,973,000	11,205,000	68,444,000
Projected Earnings				
Fed -Medicaid		3,639,811		
Fed - DSH		19,713,891		
Local - Medicare			6,719,267	
Local - Private Pay			386,679	
Local - Insurance			1,330,777	
Local - Part D Plans			1,322,897	
Total Projected Earnings:		23,353,702	9,759,620	
Earnings - Actuals Plus Projected	33,266,000	23,353,702	9,759,620	
Authority Request	2,065,000	(620,000)	(1,445,000)	-
Double Check Authority	35,331,000	23,353,000	9,760,000	68,444,000
ADJUSTMENTS				
Revised Authority Request	2,065,000	(620,000)	(1,445,000)	

Note: Settlements for ESH were combined in the projection and for 13-15 were approximately 50/50 between Medicaid and Medicare

2016 Supplemental Budget
M2-3S BHSIA MH Hospital Revenue Adjustment

FY 2016

Child Study & Treatment Center	State	Federal	Local	
Base	5,266,000	5,750,000	262,000	
Adds	210,000	36,000		
Hospital Revenue Adj step ML	47,000	208,000	(255,000)	
REVISED AUTHORITY	5,523,000	5,994,000	7,000	11,524,000
Projected Earnings				
Fed -Medicaid		6,404,184		
Fed - DSH		-		
Local - Medicare				
Local - Private Pay			300	
Local - Insurance			85,938	
Local - Part D Plans				
Total Projected Earnings:		6,404,184	86,238	
Earnings - Actuals Plus Projected	5,523,000	6,404,184	86,238	
	State	Federal	Local	
Authority Request	(489,000)	410,000	79,000	-
Double Check Authority	5,034,000	6,404,000	86,000	11,524,000
ADJUSTMENTS				
Revised Authority Request	(489,000)	410,000	79,000	

FY 2017

Child Study & Treatment Center	State	Federal	Local	
Base	4,768,000	5,908,000	262,000	
Adds	503,500	55,000		
Hospital Revenue Adj step ML	206,000	50,000	(256,000)	
REVISED AUTHORITY	5,477,500	6,013,000	6,000	11,496,500
Projected Earnings				
Fed -Medicaid		6,198,761		
Fed - DSH		-		
Local - Medicare				
Local - Private Pay			300	
Local - Insurance			103,126	
Local - Part D Plans				
Total Projected Earnings:		6,198,761	103,426	
Earnings - Actuals Plus Projected	5,477,500	6,198,761	103,426	
	State	Federal	Local	
Authority Request	(283,000)	186,000	97,000	-
Double Check Authority	5,194,500	6,199,000	103,000	11,496,500
ADJUSTMENTS				
Revised Authority Request	(283,000)	186,000	97,000	

Department of Social and Health Services

DP Code/Title: M2-3T EHR Funding
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

The Behavioral Health and Service Integration Administration (BHSIA) requests FTEs and funding in order to complete the Electronic Health Records (EHR) installation. By funding this request, BHSIA is expected to complete the clinical installation of the EHR at Western State Hospital (WSH), Eastern State Hospital (ESH), Child Study and Treatment Center (CSTC), the four Residential Habilitation Centers (RHC), and preliminary revenue cycle aspects for the Office of Financial Recovery (OFR).

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	6,648,000	1,761,000	8,409,000
Total Cost	6,648,000	1,761,000	8,409,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	12.0	12.0	12.0

Package Description:

Problem Statement

Funding for the Cerner EHR implementation was previously approved for \$8.5 million. Funding was allocated to be spent by the end of Fiscal Year 2015 (FY15), but due to delays and uncovering substantial gaps in the revenue cycle portion of the software, the department needs to align timing of the funding with the project schedule. An initial realignment was approved in the last budget based on the shift of the International Classification of Disease (ICD) 10 date from October 2014 to October 2015, but this did not include later-fleshed-out shifts due to revenue cycle gaps. The current contract amendment with Cerner splits some of the deliverables into clinical versus revenue cycle. For the revenue cycle, the timing of delivery of new code from Cerner is phased in over FY16, FY17, and FY18. Funding is necessary to complete the project in order to continue to bill Medicaid, Medicare, and private insurers. Without this critical piece of the system, current systems will not support billing the new ICD10 codes after October 1, 2015.

The department needs to request 12.0 additional staff to perform a manual process for revenue collections because of the delay in the revenue component of EHR. This process will be cumbersome because the current systems do not recognize the ICD 10 codes.

The department will also need additional funding to backfill project staff and ward staff who will receive intensive training prior to implementation of the EHR. Training of ward staff is critical because currently it is a manual process and staff doesn't have the expertise to input into an electronic format. Without training, successful implementation of EHR will not be possible. In addition to the funding needed to finish the project, the department is also requesting funding for the sales tax portion of the Maintenance and Operations that was funded in the 2015-17 Biennial Budget.

BHSIA will be submitting a future budget request to add a much needed lab module to EHR. Lab results are critical in clinical decision-making for medications. The lab module includes checks and alerts when ordering medications; including verifying the medication is not contraindicated by the patient's current blood chemistries. The industry standard is to fully integrate lab information systems with EHR. Lab orders transmit to lab analyzers; results return to the correct patient chart.

Proposed Solution

Provide funding that was not previously spent to continue the critical work needed to successfully implement the EHR system. Funding is necessary to complete design and installation of the project in order to continue to bill Medicaid, Medicare, and private

Department of Social and Health Services

DP Code/Title: M2-3T EHR Funding
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

insurers.

Agency Contact: Sara Corbin (360) 902-8194
Program Contact: Sara Tripp (360) 725-3791

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Expected results and their measurement include the following:

- Successful implementation of clinical processes and documentation at the two state hospitals and CSTC.
- Successful implementation of pharmacy processes at the four RHCs.
- Successful billing of the new ICD10 codes.
- Identification and billing for therapies not currently billed because of a lack of documentation. The system is expected to capture these due to improved documentation and ease of information.

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

FY 1	FY 2
0.00	0.00

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

This decision package is essential to implementing BHSIA's Strategic Objectives:

- 1.4: Reduce the quarterly rates of seclusion and restraint hours at the Child Study and Treatment Center. Monitoring of seclusion and restraints at CSTC will be part of the new system with reporting to provide trend visibility.
- 1.5: Increase the rates of active treatment hours delivered at Eastern State Hospital and Western State Hospital.
- 1.6: Implement a functional and integrated electronic health care record (EHR) at Western State Hospital, Eastern State Hospital and the Child Study and Treatment Center in October 2015. Implementation will occur, but the timeframe has been adjusted to ensure that the system works as planned.

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

This decision package supports the Results Washington goals:

- Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians for a healthy start to a safe and supported future.
- Goal 4: Healthy & Safe Communities - Support People - Help the most vulnerable people become independent and self-sufficient.
- Goal 4: Healthy & Safe Communities - Healthy People - Provide access to good medical care to improve people's lives.
- Goal 5: Efficient, Effective & Accountable Government - Resource Stewardship - Ensure that funding is used responsibly.

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

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

Once Cerner fully explored the Revenue Cycle implications of Behavioral Health, they notified DSHS of significant gaps between how their product works in the medical acute care environment and ours. The shift in dates was the only

Department of Social and Health Services

DP Code/Title: M2-3T EHR Funding
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

alternative to address those gaps. However, Cerner is not charging for the additional work, so it is simply a shift in the timing.

What are the consequences of adopting or not adopting this package?

We will not be able to implement HER, which will be a loss of revenue for WSH, ESH, and CSTC.

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

This request has no relationship to the state's capital budget.

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

This request would require no changes to existing statute, rules, or contracts.

Expenditure and revenue calculations and assumptions

See Attachment: M2-3T BHSIA MH EHR Funding

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

These costs are ongoing and will continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	1,648,000	131,000	1,779,000
B Employee Benefits	1,246,000	62,000	1,308,000
C Professional Svc Contracts	3,628,000	1,516,000	5,144,000
E Goods\Other Services	64,000	39,000	103,000
J Capital Outlays	48,000	0	48,000
P Debt Service	2,000	1,000	3,000
T Intra-Agency Reimbursements	12,000	12,000	24,000
Total Objects	6,648,000	1,761,000	8,409,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	6,648,000	1,761,000	8,409,000
<i>Total for Fund 001-1</i>	6,648,000	1,761,000	8,409,000
Total Overall Funding	6,648,000	1,761,000	8,409,000

M2-3T BHSIA MH EHR Funding

EMR FUNDING ALIGNMENT

Items to count against the \$8.5MM Implementation

	Funds spent Through FY15	Funding Needed			Total funds to be spent on EMR
		TOTAL FY16	TOTAL FY17	TOTAL FY18	
		Cerner Vendor Implementation Charges	\$ 3,541,700	\$ 960,900	
Cerner initial maint to establish domains, etc.	\$ 608,000	\$ -	\$ -		\$ 608,000
Cerner Change Order for Training (& travel estimate)		\$ 52,400	\$ -		\$ 52,400
Cerner Change Order est for 2nd Go-Live		\$ 150,000	\$ -		\$ 150,000
Planned Infrastructure	\$ 745,240	\$ 502,383	\$ 50,000		\$ 1,297,623
QA Vendor	\$ 93,102	\$ 92,722	\$ 51,500		\$ 237,324
Project Manager	\$ 126,045	\$ 448,597	\$ 36,000		\$ 610,642
Communications Plan		\$ 30,000	\$ -		\$ 30,000
Interface Assistance		\$ 110,000	\$ -		\$ 110,000
MediMar extension	\$0 due to contract termination	\$ -	\$ -		
Pyxis	\$0 per Paul D	\$ -	\$ -		
		\$ -	\$ -		\$ 8,495,489
		\$ -	\$ -		
GF-S		\$ 2,347,002	\$ 859,500	\$ 174,900	

Items to count against the Backfill and Training \$1,466,000

	Funds Spent Through FY15	FY16 Funding Needed	TOTAL Funds Spent
Monthly Backfill of Staff	\$ 742,682		
Travel	\$ 132,708	\$ 590,610	\$ 1,466,000
Total	\$ 875,390	\$ 590,610	\$ 1,466,000

Additional Funding Needed

	FY16	FY17	FY18
Backfill (Project Staff)	\$ 562,000		
Backfill (Ward Staff)	\$ 2,356,603		
Sales tax for Maintenance & Operations	\$ -	\$ 140,235	\$ 140,235

FTEs needed for Revenue collections

Fiscal Year	FTE	Object A	Object B	Object E	Object ED	Object J	Object P	Object TZ	TOTAL
Total Fiscal Year 1	12.0	427,000	187,000	71,000	13,000	72,000	4,000	18,000	792,000
Total Fiscal Year 2	12.0	427,000	228,000	71,000	13,000	0	4,000	18,000	761,000
Biennial Total	12.0	854,000	415,000	142,000	26,000	72,000	8,000	36,000	1,553,000

	FY16	FY17	FY18	TOTAL
TOTAL REQUEST	\$ 6,648,000	\$ 1,761,000	\$ 1,076,000	\$ 9,485,000

Biennial Total \$ 8,409,000

Information Technology Addendum

Recsum Code and Title: M2-3T EHR Funding Alignment

Brief Description: The Behavioral Health and Service Integration Administration (BHSIA) requests continued funding in order complete the Electronic Health Records (EHR) installation. By funding this request, BHSIA is expected to complete the clinical installation of the EHR at the Western State Hospital (WSH), Eastern State Hospital (ESH), and Child Study and Treatment Center (CSTC); the four Residential Habilitation Centers (RHC); and preliminary revenue cycle aspects for the Office of Financial Recovery (OFR).

If this investment includes the use of servers, do you plan to use the state data center?

Yes No, waiver received No, waiver not received Does not apply

Business Transformation – This set of criteria will be used to assess IT proposals supporting business changes to improve services or access to information for agency customers or citizens.

Business process improvement: Primary goal of the proposal is to transform an agency business process. This criterion will be used to assess the transformative nature of the project.

(INTENT: Incent agencies to take transformative projects that may include risk.)

BHSIA Assessment: 50%

This majority of this decision package is for the funding shift (of funds approved last biennium) requested to account for the change in the timeline for Revenue Cycle and delayed implementation.

In addition, two other funding requests have been added: 1) to account for the sales tax for the Maintenance and Operations for SaaS, which was not included in that funding request (\$140,235) and 2) to extend the backfill of positions which are away from their normal jobs for project team work and additional travel required to prepare for and support the Go-Live in the eastern side of the state (\$561,608).

Over 200 workflows are completely changed by this project – covering all the Clinical Processes for patients at the three state psychiatric hospitals, pharmacy processes at the four Residential Habilitation Centers, and Revenue Cycle Processes for them and those within the Office of Financial Recovery for hospital billing.

Process improvements include the transition from a paper-based health record to an electronic health record – which will change the way that the following roles complete all their patient documentation: Nurses, psychiatrists, psychologists, social workers, rehabilitation therapists and medical physicians.

Billing for services is an integrated part of the new workflows, as it is a by-product of documenting treatment tied to goals, resulting in billing. Much more specific information about active treatment

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is provided, as well as the new ICD-10 classification of diseases, required by CMS and private payers for insurance claims.

Within the pharmacies at the three state hospitals and four residential habilitation centers, MediWare antiquated software will be replaced by Cerner's PharmNet which will be fully integrated with the electronic health record. This will present a major patient safety improvement to ensure that physicians know of any contraindications when prescribing a medication (such as patient allergy or interactions between the chosen medications and others the patient is currently taking).

Although 100's of improvements are derived from this transition, most fall within the following categories:

- Patient Safety – Improvements focused on medication safety and clear hand-offs when patients move between wards or when shifts change.
- Continuity of Care – Improvements in the documentation provided when patients are discharged to the community or are sent to a local hospital for medical treatments. More comprehensive discharge planning and coordination with RSNs.
- Revenue Capture – This change will support the continuation of existing revenue capture (\$100 million annually) by meeting the new federal requirement for ICD-10 coding. Additional revenues are expected with the improved coordination and documentation of active treatment.

Risk mitigation: Primary goal is to mitigate risks associated with transformative initiatives. This criterion will be used to determine if the initiative provides adequate resources to mitigate risks associated with a transformative initiative. Risk planning may include budgeting for independent quality assurance, organizational change management, training, staffing, etc.

(INTENT: Drive business value by encouraging risk taking that is well managed.)

BHSIA Assessment: 100%

DSHS will use a multi-pronged approach to risk mitigation for the business transformation. It includes:

- Improved external oversight and stepped up governance
- Awareness building through communication, awareness building and demonstration activities
- End-user training and competency evaluations
- Manned practice labs for drop-in support
- Pre-determined Go/ No-Go criteria determined by Executive Governance Board
- End-user training with target coverage of 95% of the 2,400 staff impacted in advance of Go-Live
- Pre-, during, and post-Go-Live coaching of physicians and psychologists by Cerner Adoption Coaches
- Full staffed Command Center for each wave with 24 x 7 coverage by Cerner and Project Team members
- At-the-elbow support for 10 days at each location by Cerner and internally developed "super users"

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- Daily Go-Live metrics reporting to Executive leadership for prioritization and determining any necessary remediation.
- Leveraging staff from across the Administration for the first Go-Live.

DSHS will continue to use the services of an external Independent Verification and Validation consulting firm for oversight. In addition, the CIO has over ten years of experience directing and evaluating EMR/EHR implementations and will continue to provide oversight.

The Organizational Development / Lean resource from headquarters is leading the Communications track. Prior to training the 2,400 end-users, a series of demonstrations of functionality and flow have been provided (and will continue) up to the Go-Lives. End-user training is role-based with up to 32 hours planned for some roles, such as Nursing. Competency must be demonstrated at the conclusion of the training session or the individual will be required to attend additional sessions. Drop-in laboratory practice times will be available at the sites with project team members available for help.

During the Go-Lives, issues will be reported, prioritized and resolved. Help call statistics will be categorized to identify patterns where training or interventions are required. At-the-elbow support from the vendor will be available during the Go-Lives to augment the Super Users from the facilities. (Two super users per ward, per shift have been identified for each hospital.) The at-the-elbow support is backed up by a Command Center for each Go-Live.

Prior to the Go-Live of each wave, a series of Go/ No-Go criteria will be assessed. The criteria are being determined with the Executive Governance Board well in advance of the date when the decision to go live happens – they focus on technical readiness and resource readiness. The first wave will be east of the mountains, where there is a smaller patient population and staff impacted. However, team members and some headquarters personnel will support the eastern Go-Live and gain experience which will help ensure success in the west.

Customer-facing value: Add value in short increments. This criterion will be used to determine if the initiative provides “customer-facing value” in small increments quickly to drive agile strategy.
(INTENT: Drive agencies to producing value more quickly and incrementally.)

BHSIA Assessment: 100%

New customer facing value will be provided in the Revenue Cycle area approximately every 3 – 6 months. We are a “development partner” with Cerner for their Behavioral Health offering. That means that we are driving the development of items for their Intellectual Property group on their development roadmap. Many of the improvements will focus on improving the integration between treatment documentation and billing and streamlining those processes.

Open data: New datasets exposed. This criterion will be used to assess if the initiative will increase public access to searchable, consumable machine-readable data from agencies.
(INTENT: Drive agencies to make more data available to citizens. We also value making data available internally for better decision making.)

M2-3T BHSIA MH EHR Funding

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No data will be exposed to the general public, based on the nature of the data. However, improved data access for Regional Support Networks (RSNs) for continuity of care purposes and for attorneys for defense are included.

Internally quality initiatives around medical and behavioral health “best practices” will be supported through Cerner’s “Lighthouse” module which allows us to compare our quality statistics with other hospitals nationwide.

Transparency/accountability: Project is clear, measurable, and immediate. This criterion will be used to assess if the initiative specifies the following: (1) Are the goals articulated? (2) Are performance outcomes identified, quantified and measurable?
(INTENT: Award more points for better project and outcome performance measures.)

BHSIA Assessment: 100%

- Successful implementation of clinical processes and documentation at three state hospitals. Measured based on issue turn-around during two week Go-Live and at increments post-go-live. Measured by adoption as shown in Lighthouse. Measured by statistics on Active Treatment. All of these will be charted and provided to the Executive Governance Board and reported to the Secretary of DSHS monthly.
- Successful implementation of pharmacy processes at four RHCs. Measured by the ability to shift off of MediWare pharmacy system.
- Successful billing of October 1 backlog for Wave 1 upon implementation. Measured by ability to “drop claim”, produce bill and support the billing with appropriate documentation within the patient record.
- Identification and billing for therapies not currently billed – expected due to improved documentation and ease of capture.

Technology Strategy Alignment – This set of criteria will be used to assess the alignment of the request to the larger technology strategy of the state.

Security: Improve agency security. This criterion will be used to assess the improvements to the overall security posture for an agency.
(INTENT: Award additional points to projects where intent is to improve the security across an agency.)

[Click here to enter text.](#)

Modernization of state government: Cloud first. This criterion will be used to assess if the initiative will result in replacing legacy systems with contemporary solutions that drive our cloud-first strategy.
(INTENT: Drive agencies to look more intently at leveraging cloud-based solutions.)

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BHSIA Assessment: 100%

This solution includes the use of SaaS and is remote hosted in Kansas City by Cerner. Paper and older technologies will be replaced. Examples include the majority of the Vista / Cache M-based systems at WSH and ESH, the MediWare Pharmacy system at ESH, WSH, CSTC, Rainier, Fircrest, Lakeland Village and Yakima Valley School. Note that the MAR (Medication Administration Record) at WSH was unusable for over 6 months this year due to a MediWare upgrade which did not properly account for multi-threading. With Cerner, their Pharmacy solution, PharmNet is fully integrated with the EHR.

Mobility: New mobile services for citizens. This criterion will be used to assess the contribution of the initiative to support mobile government services for citizens and a mobile workforce.

(INTENT: Drive agencies to look for ways to deliver results and services that are accessible to citizens from mobile devices. While we also value mobility for employees, we place greater value on mobility for citizens.)

NA

Interoperability: Adds value in six months. This criterion will be used to determine if the initiative provides a technology system or software application that distributes, consumes or exchanges data.

(INTENT: Drive agencies to acquiring and/or developing systems that are interoperable across the state enterprise.)

BHSIA Assessment: 100%

The Cerner Millennium platform has interoperability built in – it includes Application Programming Interfaces (APIs) and used Health Level 7 (HL7) standard for interfaces. In fact, a \$9 billion contract with Cerner, Leidos and Accenture was recently awarded by the United States Department of Defense for implementation of the Cerner EHR in all military facilities. Two key factors in the DOD's decision to go with Cerner were – its interoperability, which is much more robust than any of their competitors and the behavioral health work they are doing here.

Ultimately, the EHR will provide improvements in interoperability with the Health Care Authority (HCA) in the Health Information Exchange (HIE) in 2020, for the Clinical Data Repository (CDR) and with the potential to exchange pertinent information with other Cerner clients in the state, such as the University of Washington, Harborview, Seattle Children's, Multi-care, etc.

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Financial – This set of criteria will be used to assess the initiative’s financial contribution, including the extent the initiative uses other fund sources, reduces cost for the state, or captures new or unrealized revenue.

Captures new or unrealized revenue: This criterion is calculated based on the amount of new or unrealized revenue captured by the end of the 2017-19 biennium as a proportion of total investment. To get the full points in this category, projects must capture at least five times the amount of the investment by the end of the 2017-19 biennium.

BHSIA Assessment: 25%

This project is required in order to continue to capture \$100 million annually in revenue. The federal government has mandated the use of ICD-10 coding for all insurance claims. Without this system, we will not be able to comply.

Active treatment documentation through Cerner will capture and bill for a number of activities which have not been previously billed due to the paper, hand-written documentation. The integration of Active Treatment documentation with billing will improve that recovery.

Reduces costs: This criterion is calculated based on the amount of cost reduction by the end of the 2017-19 biennium as a proportion of total investment. To get the full points for this criterion, projects must reduce costs by at least two times the amount of the investment by the end of the 2017-19 biennium.

NA

Leverages federal/grant funding: This criterion is to calculate the degree in which projects are funded by federal or grant dollars. Projects that are fully funded by federal or grant sources receive full points.

NA

Department of Social and Health Services

DP Code/Title: M2-3U CMS

Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

The Behavioral Health and Service Integration Administration (BHSIA) requests resources for the development of communication materials, printing, and mailing services, to meet the federal managed care regulations for enrollee notices as part of the Behavioral Health Organization (BHO) implementation. By funding this request, BHSIA is expected to inform all Medicaid enrollees of the changes in their behavioral health benefits prior to April 1, 2016, and then provide annual notices of rights and benefits, in compliance with federal managed care regulations and the 1915(b) federal managed care waiver.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	778,000	389,000	1,167,000
001-C General Fund - Basic Account-Medicaid Federal	518,000	259,000	777,000
Total Cost	1,296,000	648,000	1,944,000

Staffing

Package Description:

Problem:

The change from the current fee-for-service program for Substance Use Disorder (SUD) treatment services to managed care requires a statewide notice on a one-time basis. The Centers for Medicare and Medicaid Services (CMS) is requiring new notices be mailed out prior to April 1, 2016, implementation of BHOs and the move of SUD programs into managed care. After this initial mailing, the notices will need to be provided to each new Medicaid enrollee and at the time of re-enrollment. In review of a 1915(b) waiver amendment by CMS, BHSIA was informed that the notice we are using currently provides only a subset of the required information through a mailing and that providing the balance of the information on a referenced website was not sufficient. A new notice needs to be developed and then incorporated into the automated mailing process through the Health Benefits Exchange (HBE) and the Automated Client Eligibility System (ACES) client mailings. The approval of our federal waiver that allows for federal funding for Medicaid behavioral health benefits is dependent on our demonstrating that we are meeting this requirement.

Solution:

New notices will be drafted and provided to CMS for approval. A change request will be provided for both the ACES and HBE mailings with a priority for mailing to begin in February 2016, for the integration of mental health and SUD treatment services. Beginning April 2016, all new and re-enrolling Medicaid recipients will receive the notice of benefits and rights at least annually. Funding is needed for an Information Technology (IT) change request, translation, printing, and mailing.

Fiscal Year 2016 funding will provide for a one-time mailing to communicate system changes, with FY17 funding providing for routine mailing of the information.

Agency Contact: Sara Corbin 360-902-8194
Program Contact: Chris Imhoff 360-725-3770

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Department of Social and Health Services

DP Code/Title: M2-3U CMS

Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Through legislative action in 2013, the agency was directed to implement an integrated mental health and SUD treatment managed care program for Medicaid recipients. These notices of both the changes to the service delivery system and ongoing information regarding rights and benefits are required in order to have an approved federal waiver for managed care programs. Failure to meet these requirements can result in disapproval of our waiver application and put federal funding for these Medicaid services at risk. The policy direction for integration is part of a statewide initiative to create an integrated delivery system that is locally managed and responsive to the behavioral health needs of the Medicaid population.

Performance Measure Detail

Agency Level

Activity: C900 Program Support - Mental Health

No measures linked to package

Incremental Changes

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

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

This decision package is essential to implement strategic objective 4.4: Implement managed care behavioral health integration by April 1, 2016.

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

This decision package support Results Washington Goal 4: Healthy & Safe Communities - Support People - Help the most vulnerable people become independent and self-sufficient.

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

The Health Care Authority (HCA) is the recognized single state agency for the Medicaid program and is in support of our request for the funding to provide these notices as required by CMS. The notices would be provided through HBE and the ACES system maintained by Economic Services Administration (ESA). Funding will be needed in order for these entities to support our efforts to meet this requirement.

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

DSHS proposed to CMS that information be provided on websites both by DSHS and by the regional support networks and the links and telephone numbers be provided rather than mailing a large volume of information. This approach was not approved by CMS as meeting the federal requirements.

What are the consequences of adopting or not adopting this package?

DSHS was informed that the approval of the 1915(b) waiver, the authorizing document for the Medicaid managed care behavioral health program, would not be approved without meeting this requirement.

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

This request has no impact on the capital budget.

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

An estimated 1,800,000 in FY16 and 900,000 in FY17 recipients would receive benefit booklets at a unit cost of \$0.72.

Department of Social and Health Services

DP Code/Title: M2-3U CMS

Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

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

No additional ongoing mailing costs.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods\Other Services	1,296,000	648,000	1,944,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	778,000	389,000	1,167,000
<i>Total for Fund 001-1</i>	778,000	389,000	1,167,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources</u> <u>Title</u>			
19UL Title XIX Admin (50%)	518,000	259,000	777,000
<i>Total for Fund 001-C</i>	518,000	259,000	777,000
Total Overall Funding	1,296,000	648,000	1,944,000

Department of Social and Health Services

DP Code/Title: M2-3V Assisted Outpatient Administration
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

The Behavioral Health and Services Integration Administration (BHSIA) requests funding for 2.0 FTEs to administer and manage the implementation of House Bill (HB) 1450. The two program managers will administer and develop the program guidelines, revise the Designated Mental Health Professional (DMHP) protocols and manage and monitor services and program development essential for implementation of Less Restrictive Alternative (LRA) treatment and Assisted Outpatient Services across the state. By funding this request, BHSIA will be able to implement a program that has measurable positive treatment outcomes, efficient coordination with the courts, hospitals, community providers and cost savings by reducing and/or eliminating hospital stays.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	140,000	134,000	274,000
001-C General Fund - Basic Account-Medicaid Federal	94,000	90,000	184,000
Total Cost	234,000	224,000	458,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	2.0	2.0	2.0

Package Description:

Problem Statement:

HB 1450 requires that the department establish a best practice for LRA treatment and Assisted Outpatient Services. While the fiscal note for the bill specified that BHSIA would require two program managers, the positions were not funded in the 2015-17 Biennial Budget. To effectively implement the bill, it is essential that program staff be added. Specific tasks necessary to implement the program are: modify DMHP Protocols, construct and deliver training for the court system, DMHPs, state hospital personnel, community mental health agencies (CMHAs) and Regional Support Networks (RSNs). The bill requires substantial change in practice at every step in the system, from the Involuntary Treatment Act (ITA) investigative process, to ITA hearings and superior court practices, to state hospital discharge processes, to the provision, oversight and support for outpatient mental health services within the community.

Proposed Solution:

The requested funding will fund two staff that will implement HB 1450 by doing the following: construct the program design which needs to start immediately, followed by the modification in protocols that currently govern the LRA petitions, establish community treatment and address monitoring requirements to track the new program services. Training curriculum needs to be developed and delivered for the court system personnel, DMHPs, state hospital staff, CMHA and RSN. Program staff will perform ongoing review and oversight in contract compliance, treatment outcome reports, data monitoring and liaison with courts, conduct site visits and contract reviews to insure the efficacy of the implementation, and oversight of the RSNs/Behavioral Health Organizations (BHO) for the statewide program and to address differences in regional resources (urban, rural and frontier settings) in order to maintain the integrity of the program.

Agency Contact: Sara Corbin (360) 902-8194
Program Contact: Carla Reyes (360) 725-2260

Narrative Justification and Impact Statement

Department of Social and Health Services

DP Code/Title: M2-3V Assisted Outpatient Administration
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

What specific performance outcomes does the agency expect?

The program staff will ensure that there is successful and consistent implementation of the bill. They will maintain consistent communication with RSNs and program sites on the expected best practices and outcomes for all system participants-hospital discharge planners, court personnel, community treatment providers and the assigned clients. Dedicated program staff is necessary to monitor the statewide implementation and the reporting from multiple system participants to ensure the integrity of the Assisted Outpatient Treatment program is not jeopardized.

The goal of eliminating unnecessary costly re-hospitalizations and allowing folks to be treated in their communities depends on successful implementation of the legislation. Improved efficiencies will occur with community treatment providers delivering the LRA program, providing continuity of care for the client, and reducing the risk of returning to the state hospitals for lengthy stays. Positive client supports are easier to establish and maintain in a community setting, which translates to improved outcomes. Additional treatment costs can be reduced by ensuring that the correct level of care is being provided to persons meeting criteria for the LRA program and not using a more intense (and costly) care.

Performance Measure Detail

Agency Level

Activity: C900 Program Support - Mental Health

No measures linked to package

Incremental Changes

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

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

This decision package is essential to implementing BHSIA's Strategic Objective.

4.3: Increase the number of behavioral health agencies that receive an on-site survey at least once every three years.

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

This decision package supports the Results Washington goal(s) to:

Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians for a healthy start to a safe and supported future.

Goal 4: Healthy & Safe Communities - Support People - Help the most vulnerable people become independent and self-sufficient.

Goal 4: Healthy & Safe Communities - Safe People - Help keep people safe in their homes, on their jobs, and in their communities.

Goal 4: Healthy & Safe Communities - Healthy People - 1.2.A.a Increase the percentage of mental health consumers receiving a services within 7 days after discharge from an inpatient setting.

Goal 4: Healthy & Safe Communities - Healthy People - 1.2.A.b Increase the number of adults receiving outpatient mental health services.

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

A successful rollout of HB 1450 requires that the department has the necessary resources to develop, monitor and maintain an entirely new way of providing and monitoring LRA services in order to effectively reduce the need for hospitalizations. The successful implementation will be reflected in cost-savings and have positive impact on individual health and public safety.

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

Staffing this major piece of legislation is critical to a successful and sustainable implementation.

Department of Social and Health Services

DP Code/Title: M2-3V Assisted Outpatient Administration
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

What are the consequences of adopting or not adopting this package?

Not funding this package will result in an inconsistent and piecemeal implementation of the bill. Not monitoring the service delivery could place individuals at risk of being readmitted to the state hospital as they fall through systemic gaps. Individual and public safety could be jeopardized.

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

This request has no impact on the capital budget.

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

Calculations are based on two WMS Band 2 FTEs calculated using the DSHS Staffing Model.

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

Staff costs are ongoing and will continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	150,000	150,000	300,000
B Employee Benefits	50,000	52,000	102,000
E Goods\Other Services	12,000	12,000	24,000
G Travel	8,000	8,000	16,000
J Capital Outlays	12,000	0	12,000
T Intra-Agency Reimbursements	2,000	2,000	4,000
Total Objects	234,000	224,000	458,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	140,000	134,000	274,000
<i>Total for Fund 001-1</i>	140,000	134,000	274,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources Title</u>			
19UL Title XIX Admin (50%)	94,000	90,000	184,000
<i>Total for Fund 001-C</i>	94,000	90,000	184,000
Total Overall Funding	234,000	224,000	458,000

Department of Social and Health Services

DP Code/Title: M2-3W EHR Support Model
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

The Behavioral Health and Service Integration Administration (BHSIA) requests 5.0 FTEs and funding to support and optimize the Electronic Health Record (EHR) system which is currently being implemented across the state hospitals. By funding this request, BHSIA is expected to achieve optimized workflows, timely updates to Behavioral Health package upgrades and implementation of new regulatory Quality Measures thereby providing a fully functional and extensible platform that can be leveraged by other agencies when they embark on EHR initiatives.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	2,825,000	3,006,000	5,831,000
Total Cost	2,825,000	3,006,000	5,831,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	5.0	5.0	5.0

Package Description:

Problem Statement

DSHS is implementing Cerner EHR at Western State Hospital (WSH), Eastern State Hospital (ESH), and Child and Study Treatment Center (CSTC) as well as the pharmacy portion at the four Residential Habilitation Centers (RHC). When fully implemented over 2,000 end-users will use Cerner, many on a daily basis in order to complete their responsibilities. Many of these responsibilities include vital health and safety functions such as the prescribing of medications and alerting staff to safety risks such as documenting suicide threats being made by patients. Without a coordinated Domain Coordination and Support Model, the investment in implementation will be wasted, as work-around and system avoidance will take hold, rather than process improvements when staff encounter challenges.

In addition to the hurdles that must be overcome during the initial implementation, it is critical to note that major upgrades are released on a regular cycle and DSHS will need to remain compliant and also understand how to optimally leverage new functionality. Management of the multiple domains (platforms or environments involved) is a complex endeavor, requiring a blend of technical skill, exemplary coordination capabilities, and in-depth knowledge of the new workflows.

Proposed Solution

The proposed solution includes a blend of state FTEs, five "solution owners" who will guide and monitor the adoption of specific aspects of the system, such as medication process, nursing, or revenue cycle; augmented by services from the vendor to provide regular upgrades, technical engineering troubleshooting, Tier 1 Help Desk support, and Quality Measure updates to maintain currency with new CMS and Joint Commission requirements and roll out Behavioral Health enhancements.

This is the most effective manner to ensure that the value expected is actually derived and the system functions to support clients of the Behavioral Health and Developmentally Disabilities program after the EHR Go-Live, as well as provide a foundation to support other agencies, such as the Department of Corrections (DOC) as they proceed on a path to EHR.

A successful electronic health record will unify processes across the state hospitals around many key treatment and documentation processes, which will allow for improved care and greater consistency of practice and reduced risk.

Department of Social and Health Services

DP Code/Title: M2-3W EHR Support Model
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Agency Contact: Sara Corbin (360) 902-8194
Program Contact: Sara Tripp (360) 725-3791

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Over 200 workflows are involved in the EHR. These have been developed on paper and electronically. Since Behavioral Health is a new arena for Cerner and daily use of an integrated EHR is new to the state hospitals, much improvement is expected once the various disciplines begin using it. Optimization will begin with workflows which are identified during "Go-Live" as needing the most refinement. Often what looked good on paper or in theory is simply not very effective in practice. During the first six months, identifying and remedying these would take priority.

Effective adoption of the EHR will be monitored, as well as calls for assistance. Analysis of patterns captured electronically and via "help" requests will afford the opportunity for targeted training and assistance.

Patients will benefit from the increased coordination and safety offered when the EHR is fully utilized to its maximum benefit. Other state agencies, such as the Department of Corrections (DOC), will benefit from the "Lessons Learned" from the state hospitals and the foundation support and domain coordination, which they could build upon.

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

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

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

This decision package is essential to implementing BHSIA's Strategic Objectives:

- 1.5: Increase the rates of active treatment hours delivered at Eastern State Hospital and Western State Hospital.
- 1.6: Implement a functional and integrated electronic health care record (EHR) at Western State Hospital, Eastern State Hospital and the Child Study and Treatment Center in October 2015.
- 4.2: Partner within DSHS on health system transformation to ensure that recovery, independence, wellness, person-centered principles and strength-based services are embedded in the State Innovation Model, Medicaid global waiver and other initiatives.

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

This decision package supports the Results Washington goals:

- Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians for a healthy start to a safe and supported future.
- Goal 4: Healthy & Safe Communities - Healthy People - Provide access to good medical care to improve people's lives.
- Goal 5: Efficient, Effective & Accountable Government - Resource Stewardship - Ensure that funding is used responsibly.
- Goal 5: Efficient, Effective & Accountable Government - Customer Satisfaction and Confidence - 1.1 Increase customer services.

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

Hospital staff need a system that functions and supports care with minimum impact on workload.

Department of Social and Health Services

DP Code/Title: M2-3W EHR Support Model

Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

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

A blend of Cerner provided support services and in-house subject matter experts (Solution Owners) with in-depth knowledge of their particular discipline's use of the EHR is a model in use at hospitals throughout the US and internationally. This particular blend was chosen due to the newness of the EHR to state government. Hospitals with many years of Cerner experience frequently still use many of the services we are proposing from Cerner, but over a period of years, some hospitals shift the ratio of their support vs. Cerner's. This requires a high level of experience and maturity of the installation, which will not be available in the first years.

What are the consequences of adopting or not adopting this package?

Although the state will have two weeks of support at "Go-Live", they will not have the ongoing support and domain coordination to operate the EHR.

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

This request has no relationship to the state's capital budget.

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

This request would require no changes to existing statute, rules, or contracts.

Expenditure and revenue calculations and assumptions

Pharmacist 2, IT Specialist 4, and three IT Specialist 5 FTEs calculated using the DSHS Staffing Model.

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

These costs are ongoing and will continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	420,000	427,000	847,000
B Employee Benefits	136,000	140,000	276,000
C Professional Svc Contracts	2,200,000	2,400,000	4,600,000
E Goods\Other Services	31,000	31,000	62,000
G Travel	1,000	1,000	2,000
J Capital Outlays	30,000	0	30,000
P Debt Service	2,000	2,000	4,000
T Intra-Agency Reimbursements	5,000	5,000	10,000
Total Objects	2,825,000	3,006,000	5,831,000

Department of Social and Health Services

DP Code/Title: M2-3W EHR Support Model

Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	2,825,000	3,006,000	5,831,000
<i>Total for Fund 001-1</i>		2,825,000	3,006,000	5,831,000
Total Overall Funding		2,825,000	3,006,000	5,831,000

Information Technology Addendum

Recsum Code and Title: M2-3W EMR Support Model

Brief Description: The Behavioral Health and Service Integration Administration (BHSIA) requests 5.0 FTEs and funding to support and optimize the Electronic Health Record (EHR) system which is currently being implemented across the state hospitals. By funding this request, BHSIA is expected to achieve optimized workflows, timely updates to Behavioral Health package upgrades and implementation of new regulatory Quality Measures thereby providing a fully functional and extensible platform, which can be leveraged by other agencies when they embark on EHR initiatives.

If this investment includes the use of servers, do you plan to use the state data center?

Yes No, waiver received No, waiver not received Does not apply

Business Transformation – This set of criteria will be used to assess IT proposals supporting business changes to improve services or access to information for agency customers or citizens.

Business process improvement: Primary goal of the proposal is to transform an agency business process. This criterion will be used to assess the transformative nature of the project.

(INTENT: Incent agencies to take transformative projects that may include risk.)

BHSIA Assessment: 25%

This particular Decision Package includes a number of necessary support components for post-Go-Live with the Cerner Electronic Health Record. Several are not related to Business Transformation; however the role of the 5 “Solution Owners” and a portion of the time of the onsite Cerner resources are tied directly to business transformation. The Solution Owners will be primarily focused on workflow optimizations in their respective areas: Revenue Cycle, Care Delivery (Nursing, Social Work, Rehab), Provider, Pharmacy, and Quality Reporting. The EHR implementation is the catalyst for dramatic changes within all the Clinical and Revenue Cycle processes for the state hospitals. Moving from paper to electronic is step one, optimization which is included here is step two. Typically, hospitals plan on at least one to two years of aggressive optimization efforts post-Go-Live.

Risk mitigation: Primary goal is to mitigate risks associated with transformative initiatives. This criterion will be used to determine if the initiative provides adequate resources to mitigate risks associated with a transformative initiative. Risk planning may include budgeting for independent quality assurance, organizational change management, training, staffing, etc.

(INTENT: Drive business value by encouraging risk taking that is well managed.)

BHSIA Assessment: 100%

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The primary objective of this proposed support model is to reduce the risks inherent in the implementation / use of the electronic health record while driving improved usage throughout the state hospitals and residential habilitation centers. This proposal ensures that DSHS facilities have the support on site and remotely to sustain and continue to improve performance once the 10-days of Go-Live are over and the vendor At-the-Elbow support team has left. The original implementation bid from Cerner included “bare bones” support for the first year post-Go-Live, which requires extensive staff recruitment and training to develop in-house knowledge to support the system on an on-going basis. That is not feasible, given the state system’s salary structure, the newness of the Behavioral Health discipline within Cerner Millennium, and the “hot” market for Cerner-skills individuals nationwide, exacerbated by the United States Department of Defense awarding them the contract for all military electronic medical records. Additionally, new clients are prudent to rely on the vendor for their initial period given the high degree of complexity of the software and myriad integration points, which take years to learn.

The program proposed includes key support components which clients nationwide and internationally have found prudent. For example:

- Onsite Domain Coordination team – This includes an engagement manager and integration architect to coordinate issue escalation within Engineering, coordinate deliveries of new innovations, work with the DSHS team to ensure optimal value. Nearly 99% of Cerner clients use this service.
- Application Managed Services – This provides proactive system monitoring, operational planning, and unlimited 2nd level support for break/fix and end-user questions. Over 200 Cerner clients use this service.
- Upgrade Center – Manage domain upgrades to ensure maintaining currency and the value of the implementation. (We have 6 domains for a variety of purposes: Production, Test, Training, Certification, etc.) Includes unlimited certification testing. Eighty-two percent of Cerner clients have use the Upgrade Center in the past three years.

As part of this effort, DSHS will continue to use the services of an external Independent Verification and Validation consulting firm for oversight. In addition, the CIO has over ten years experience in EMR/EHR implementations and will continue oversight. BHSIA has included our main LEAN practitioner, advisor in the Project Leads structure and will engage her further with the Solution Owners, once they are chosen.

One of the benefits of the Cerner system is access to metrics on system usage – for example, we will be able to see how much specific functions are being used and drill into the results to identify who is adopting the functionality and who is not. Spot training / coaching will be employed to ensure all affected staff (2400) employ the system as designed. The Communications Strategy will reinforce desired behaviors. Trusted, respected peers will be enlisted to lead Town Hall type meetings to unveil new workflows and video snippets of their “favorites” will be broadcast to reinforce desired behaviors. Metrics will be tracked by Ward for the Care Delivery and Provider elements with monthly follow-up with each Ward.

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New Employee Orientation will be revised to include the relevant EHR training components for each role.

Customer-facing value: Add value in short increments. This criterion will be used to determine if the initiative provides “customer-facing value” in small increments quickly to drive agile strategy.

(INTENT: Drive agencies to producing value more quickly and incrementally.)

BHSIA Assessment: 100%

Benefits from improved Continuity of Care will be felt by patients as they transition between care settings within a state hospital or back into the community with mental health services managed through the Behavioral Health Organizations.

Each solution owner will be expected to report monthly on process improvements and revisions to workflows, additional functionality and adoption statistics.

Open data: New datasets exposed. This criterion will be used to assess if the initiative will increase public access to searchable, consumable machine-readable data from agencies.

(INTENT: Drive agencies to make more data available to citizens. We also value making data available internally for better decision making.)

This will not put data out to the public, due to the nature of the data and population served. It will provide improved “hand-offs” between care providers both internally and externally. Many patients of the state hospitals transition back to the community. Improving the quality of information available to community providers supports that transition.

The Quality Reporting aspect which is supported allows our hospitals to compare their performance with other hospitals and compare adherence to “best practices” for evidence-based medicine. Outcomes analysis will also improve with this unified reporting.

Transparency/accountability: Project is clear, measurable, and immediate. This criterion will be used to assess if the initiative specifies the following: (1) Are the goals articulated?

(2) Are performance outcomes identified, quantified and measurable?

(INTENT: Award more points for better project and outcome performance measures.)

BHSIA Assessment: 100%

There are over 200 workflows designed and built in the Cerner solution for use at the state hospitals, Residential Habilitation Centers and the Office of Financial Recovery. During the two Go-Live events (one for the east side of the state; one for the west), specific workflows will be identified and prioritized for optimization post-Go-Live. Preliminary criteria for prioritization will include the frequency of use, number of users affected, patient safety impact, financial impact, and whether an acceptable work-around is in place.

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Metrics will be examined on a monthly basis with trend analysis and reporting. Significant improvements in physician adoption are expected within 2 months of Go-Live. Adoption coaches identify and support those needing the most assistance.

Another part of the data to be analyzed will be the Help Desk calls. Based on those calls, problematic functionality and workflows will also be identified.

Each month Cerner will release new code packages, with major upgrades annularly. The Solution Owners and the Cerner onsite team will review and determine the best timing for implementation of specific functions.

Improvements to Revenue Cycle – moving more and more from manual to automated processes – will occur as incremental improvements (minimum every 6 months) with planned code releases which are on the Behavioral Health Road Map published by Cerner.

Technology Strategy Alignment – This set of criteria will be used to assess the alignment of the request to the larger technology strategy of the state.

Security: Improve agency security. This criterion will be used to assess the improvements to the overall security posture for an agency.

(**INTENT:** Award additional points to projects where intent is to improve the security across an agency.)

NA

Modernization of state government: Cloud first. This criterion will be used to assess if the initiative will result in replacing legacy systems with contemporary solutions that drive our cloud-first strategy.

(**INTENT:** Drive agencies to look more intently at leveraging cloud-based solutions.)

BHSIA Assessment: 50%

This solution includes the use of SaaS and is remote hosted in Kansas City by Cerner. Paper and older technologies will be replaced. Examples include the majority of the Vista / Cache M-based systems at WSH and ESH, the MediWare Pharmacy system at ESH, WSH, CSTC, Rainier, Fircrest, Lakeland Village and Yakima Valley School.

These older solutions are problematic. The Vista / Cache system is built on a platform for the Veteran's Administration developed in the 1980's. Modules have been patched and tweaked beyond recognition, so that it has become increasingly fragile and not extensible across the hospitals. The MediWare system is also old and unstable. Note that the MAR (Medication Administration Record) at WSH was unusable for over 6 months this year due to a MediWare upgrade which did not properly account for multi-threading.

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Mobility: New mobile services for citizens. This criterion will be used to assess the contribution of the initiative to support mobile government services for citizens and a mobile workforce.

(**INTENT:** Drive agencies to look for ways to deliver results and services that are accessible to citizens from mobile devices. While we also value mobility for employees, we place greater value on mobility for citizens.)

NA

Interoperability: Adds value in six months. This criterion will be used to determine if the initiative provides a technology system or software application that distributes, consumes or exchanges data.

(**INTENT:** Drive agencies to acquiring and/or developing systems that are interoperable across the state enterprise.)

BHSIA Assessment: 100%

Cerner Millennium has multiple Application Programming Interfaces built in. This is a prime differentiator of their product in the EHR/EMR space. Millennium allows for the exchange of data with other partners in the continuum of care, promoting improved health and well-being of patients. The solution is also ready-made to pass the CCD (Continuity of Care Document) between providers and facilities. It is an XML document constructed according to standards of the ASTM International and Health Level 7 which provides specific patient data about medical histories. Transmission of key problems, allergies and other relevant data may be transmitted between trusted sources.

In addition, Cerner is a member of the Commonwell Alliance, a group with 70% of inpatient hospital beds in the United States represented. Commonwell promotes improved interoperability to support continuity of care. As part of the proposed support contract, Cerner will waive fees to participate in Commonwell for five years.

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Financial – This set of criteria will be used to assess the initiative’s financial contribution, including the extent the initiative uses other fund sources, reduces cost for the state, or captures new or unrealized revenue.

Captures new or unrealized revenue: This criterion is calculated based on the amount of new or unrealized revenue captured by the end of the 2017-19 biennium as a proportion of total investment. To get the full points in this category, projects must capture at least five times the amount of the investment by the end of the 2017-19 biennium.

BHSIA Assessment: 25%

The largest area of untapped revenue which is expected to be tapped is for “Active Treatment”. The following tasks are not currently billed, but with the new Active Treatment workflow will be in Cerner. Refinements to the Active Treatment integration are expected throughout FY16 and 17.

Reduces costs: This criterion is calculated based on the amount of cost reduction by the end of the 2017-19 biennium as a proportion of total investment. To get the full points for this criterion, projects must reduce costs by at least two times the amount of the investment by the end of the 2017-19 biennium.

BHSIA Assessment: 25%

The blended approach taken for support in this Decision Package – which leverages a combination of Cerner staff and services, both onsite and in Kansas City, as well as five subject matter expert Solution Owners from DSHS greatly reduces the risk for on-going support, as well as providing quality support at a lower cost than if attempted with State Resources. The savings is approximately 14% per year.

Leverages federal/grant funding: This criterion is to calculate the degree in which projects are funded by federal or grant dollars. Projects that are fully funded by federal or grant sources receive full points.

NA

Department of Social and Health Services

DP Code/Title: M2-3X Hospital Staffing
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

The Behavioral Health and Service Integration Administration (BHSIA) is requesting funding necessary for Western State Hospital (WSH) and Eastern State Hospital (ESH) in order to meet patient needs. The funding will also allow us to maximize revenue. By funding this request, BHSIA is expected to increase patient care and safety, maximize revenue, and achieve appropriate staffing levels at the state hospitals.

Fiscal Detail:

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

Staffing

Package Description:

Problem Statement

In the last three fiscal years, occupancy has increased to historic highs of 98 percent at WSH, or eight percent above Fiscal Year 2010. An eight percent increase in occupancy equates to 66 additional beds. The need to increase available beds is driven by the demand for long term inpatient civil commitment and an ever increasing demand for forensic competency restoration services. However, increasing bed capacity without also increasing staffing places both patients and staff at risk.

Making the necessary responses to chronic understaffing has led to increased budget shortfalls that cannot be absorbed.

In order to maintain accreditation by The Joint Commission (TJC), decrease patient-to-staff assaults, decrease patient-to-patient assaults, comply with Washington State Department of Labor & Industries (L&I) safety requirements, and provide an appropriate therapeutic environment at WSH and ESH, the two hospitals are currently operating at approximately 100.0 FTEs higher than currently budgeted. In fiscal year 2015, both WSH and ESH received one-time funding to partially address this issue. If this one-time funding had not been provided in FY15, WSH would have had a \$7.34 million deficit in GF-S to operate 29 wards and ESH would have had a \$2.97 million deficit in GF-S to operate 10 wards. Since the funding is not on-going the hospitals face a continuing deficit for the current level of operations for these base 39 wards.

Proposed Solution

BHSIA is currently partnering with OFM to identify a sustainable staffing model for both direct care and indirect staffing and the funding necessary to maintain accreditation, provide appropriate patient care, and operate a safe environment for both patients and staff.

Agency Contact: Sara Corbin (360) 902-8194
Program Contact: Wendi Gunther (360) 725-2505

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Department of Social and Health Services

DP Code/Title: M2-3X Hospital Staffing
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Properly funding and staffing the hospital will assist in maintaining TJC accreditation, reduce the likelihood of additional L&I citations and allow the hospital to operate safely within its appropriated budget.

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

FY 1

FY 2

0.00

0.00

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

This decision package is essential to implementing BHSIA's Strategic Objective(s):

1.1: Decrease the number of patient-to-staff assault claims filed at Eastern State Hospital, Western State Hospital and the Child Study and Treatment Center.

1.3: Decrease the quarterly rates of restraint use at Eastern State Hospital and Western State Hospital.

1.5: Increase the rates of active treatment hours delivered at Eastern State Hospital and Western State Hospital.

1.8: Reduce overtime use at Western State Hospital and Eastern State Hospital, and maintain overtime use at the Child Study and Treatment Center.

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

This decision package supports the Results Washington goal(s) to:

Goal 4: Healthy & Safe Communities - Healthy People - Provide access to good medical care to improve people's lives.

Goal 5: Efficient, Effective & Accountable Government - Fostering a Lean culture that drives accountability and results for the people of Washington.

Goal 5: Efficient, Effective & Accountable Government - Resource Stewardship - Ensure that funding is used responsibly.

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

No concerns are anticipated. The Washington Federation of State Employees and Service Employees International Union Healthcare 1199NW are expected to support the proposal. Other advocacy groups are expected to support the proposal.

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

The hospitals have been operating at a deficit for three of the last four fiscal years. Multiple attempts have been made to reduce overtime by reduced staffing, and this has led to concerns being raised by the Centers for Medicare and Medicaid Services (CMS), TJC and L&I regarding the hospitals ability to provide safe and clinically appropriate care.

What are the consequences of adopting or not adopting this package?

If the hospitals are unable to maintain TJC accreditation, the state will forfeit over \$200 million in federal and local revenue to the psychiatric hospitals in the 2015-2017 Biennium. Similarly, if the hospitals fail to satisfy L&I safety citations, those citations will escalate to cease and desist actions that could close all or portions of the hospitals.

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

This request has no impact on the capital budget.

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

This request has no impact to existing statutes, rules or contracts.

Department of Social and Health Services

DP Code/Title: M2-3Y Recruitment and Retention
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

The Behavioral Health and Service Integration Administration (BHSIA) requests funding to address recruitment and retention issues for Psychiatric Social Workers, Psychologists and Register Nurse (RN) 4s at the two state hospitals and the Child Study and Treatment Center (CSTC). The increase in pay addresses two significant issues: 1) ongoing shortage of Social Workers and Psychologists and difficulties with recruitment, and 2) compression issues for the RN 4. By funding this request, BHSIA expects to improve the recruitment and retention for these positions.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	2,488,000	2,538,000	5,026,000
Total Cost	2,488,000	2,538,000	5,026,000

Staffing

Package Description:

Problem:

Sufficient social workers, psychologists, and RNs are required for providing patient care under The Joint Commission (TJC) accreditation standards and Centers for Medicare & Medicaid (CMS) certification regulations. Social workers are critical in discharge planning for clients.

The state hospitals have experienced ongoing difficulties with recruitment and retention of these positions. State salaries are not competitive with the Veterans Administration or the private sector. The problem is increasing because of increased bed capacity at the hospitals due to recent court actions and legislation. If these positions cannot be filled admissions to the hospital will be halted, commitments cannot be processed and discharges will be held up.

Solution:

The state hospitals cannot absorb a salary increase within their current base because they have been running a deficit for three years out of the last four fiscal years. The requested increase will allow state hospitals to recruit and retain these positions that have specialized skills. The timeline is urgent due to the state's responsibilities to maintain sufficient staffing to meet responsibilities under recent court rulings.

Agency Contact: Sara Corbin (360)-902-8194
Program Contact: Victoria Roberts (360) 725-3715

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

In order to respond to both court cases, the state hospitals must open additional wards and will be unable to do so if there are insufficient staff. Funding this request will better allow DSHS to retain the staff currently employed as well as assist in the recruitment of additional staff to meet the need to increase capacity at the state hospitals. Other expected results include meeting TJC and CMS requirements.

Department of Social and Health Services

DP Code/Title: M2-3Y Recruitment and Retention
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

FY 1 **FY 2**

0.00 0.00

Activity: C900 Program Support - Mental Health

No measures linked to package

Incremental Changes

FY 1 **FY 2**

0.00 0.00

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

This decision package is essential to implement the following strategic objectives:

1.1: Decrease the number of patient-to-staff assault claims filed at Eastern State Hospital, Western State Hospital and the Child Study and Treatment Center.

1.2: Reduce the quarterly rates of patient seclusion hours at Eastern State Hospital and maintain the rates of seclusion hours at Western State Hospital.

1.3: Decrease the quarterly rates of restraint use at Eastern State Hospital and Western State Hospital.

1.4: Reduce the quarterly rates of seclusion and restraint hours at the Child Study and Treatment Center.

1.5: Increase the rates of active treatment hours delivered at Eastern State Hospital and Western State Hospital.

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

This decision package supports the following Results Washington Goals:

Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians for a healthy start to a safe and supported future.

Goal 4: Healthy & Safe Communities - Support People - Help the most vulnerable people become independent and self-sufficient.

Goal 4: Healthy & Safe Communities - Healthy People - Provide access to good medical care to improve people's lives.

Goal 4: Healthy & Safe Communities - Safe People - Help keep people safe in their homes, on their jobs, and in their communities.

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

No concerns are anticipated. The Washington Federation of State Employees and Service Employees International Union Healthcare 1199NW are expected to support the proposal. Disability Rights Washington and other advocacy groups are expected to support the proposal.

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

The state hospitals have engaged in ongoing recruitment activities.

Department of Social and Health Services

DP Code/Title: M2-3Y Recruitment and Retention
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

What are the consequences of adopting or not adopting this package?

Not funding this package will result in continued recruitment and retention problems with a direct impact on the ability of the state hospitals to provide required and critical psychiatric services. In addition, not funding this package will impact the state hospitals ability to increase bed capacity in order to meet growing bed demand due to recent court decisions and legislation.

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

This request has no impact on the capital budget.

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

Salary increases by job class calculated using the DSHS Staffing Model.

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

These costs are ongoing and will continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	1,534,000	1,576,000	3,110,000
B Employee Benefits	954,000	962,000	1,916,000
Total Objects	2,488,000	2,538,000	5,026,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	2,488,000	2,538,000	5,026,000
<i>Total for Fund 001-1</i>	2,488,000	2,538,000	5,026,000
Total Overall Funding	2,488,000	2,538,000	5,026,000

Department of Social and Health Services

DP Code/Title: M2-8D Budget Structure Changes
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

The Behavioral Health and Services Integration Administration (BHSIA) requests the merge of the Alcohol and Substance Abuse (ASA) program with the Mental Health (MH) program in order to meet the intent of 2SSB 6312 (Mental Health, Chemical Dependency) and ESSB 6052 (2015-17 Enacted Budget). By supporting this budget structure request, BHSIA is expected to provide better oversight, coordination, and efficiency.

Fiscal Detail:

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

Staffing

Package Description:

Problem:

ASA will be moving from fee-for-service to managed care as result of 2SSB 6312, chapter 225, Laws of 2014 which directs the department to combine Alcohol and Substance Abuse and Mental Health into a combined rate that will be processed through ProviderOne and paid to the newly formed Behavioral Health Organizations (BHO). Currently, ProviderOne does not have the capability of paying out a combined BHO rate. ProviderOne splits expenditures appropriately to each program using separate program codes. In addition to the managed care rates, it is becoming increasingly difficult to manage the staffing costs between the two programs as integration naturally occurs.

Solution:

Effective July 1, 2016, merge ASA and MH into one program. Ideally, BHSIA wants to receive a new program code to make the merger of the two programs as seamless as possible.

Agency Contact: Sara Corbin (360) 902-8194
 Program Contact: Wendi Gunther (360) 725-2505

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Without combining the programs, BHSIA will not be able to manage the integrated system as intended. By combining the two programs, it provides for more visibility and better data with which to improve financial resource management.

Performance Measure Detail

Agency Level

Activity: C900 Program Support - Mental Health
 No measures linked to package

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

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

Department of Social and Health Services

DP Code/Title: M2-8D Budget Structure Changes
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

This decision package is essential to implement strategic objective 4.4: Implement managed care behavioral health integration by April 1, 2016.

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

This decision package supports Results Washington Goals:

Goal 5: Efficient, Effective & Accountable Government - Fostering a Lean culture that drives accountability and results for the people of Washington.

Goal 5: Efficient, Effective & Accountable Government - Resource Stewardship - Ensure that funding is used responsibly.

Goal 5: Efficient, Effective & Accountable Government - Transparency and Accountability - Ensure efficiency, performance, and accountability to the public by providing transparency and accountability in state agency operations.

Goal 5: Efficient, Effective & Accountable Government - Customer Satisfaction and Confidence - 1.1 Increase customer services.

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

Certain stakeholders who do not support integrating the two programs may have concerns. However, the BHOs would be in favor of a combined program as it will be less burdensome on them.

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

The department has had many discussions on how to address this issue, but research concluded that combining the two programs would be the only effective way to operate in the future.

What are the consequences of adopting or not adopting this package?

BHOs will be dealing with a fragmented system. The programs will struggle with projecting year end expenditures as well as identifying expenditures for the appropriate program.

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

None.

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

Request legislation submitted to build on prior legislative initiatives to create an integrated behavioral health service system, moving chemical dependency to managed care through behavioral health organizations by April 2016. The request creates a state behavioral health authority and the bill sets administrative functions for community behavioral health services.

Expenditure and revenue calculations and assumptions

Not applicable.

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

Not applicable.

Department of Social and Health Services

DP Code/Title: M2-8W Institution Vehicle Replacement
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

DSHS requests funding in the 2016 Supplemental Budget for the replacement of vehicles through lease-purchase that are critical in the support of the health, safety, and security of residents and staff for the department's institutional programs.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	230,000	230,000
Total Cost	0	230,000	230,000

Staffing

Package Description:

The department requires the replacement of necessary vehicles to meet the day-to-day needs of the clients in five institutions and maintenance operations. This includes vehicles for client transport and for the support of base operations and maintenance of these facilities. Most of these vehicles have a usable life span of five years but have been in operation from ten to 20 years, are difficult and expensive to maintain, and have become unreliable. Equipment beyond its useful life has been shown to become dangerous and is costly to repair. This request is to support the lease-purchase of vehicles through a certificate of participation (COP).

Juvenile Rehabilitation (JR)

This request funds the replacement of necessary vehicles to meet the day-to-day health and security needs of the youth placed into JR custody including replacement of vehicles used to transport youth work details in the forestry program and firefighting teams. The JR institutions have a very large base operations requirement including a fleet of about 70 vehicles on their campus. Requested equipment items are critical to ensure the health, safety and security of clients, public safety, and staff productivity.

Special Commitment Center (SCC)

SCC provides a specialized mental health treatment program on McNeil Island for civilly committed sex offenders who have completed their prison sentences. The majority of 67 SCC vehicles for the Total Confinement Facility (TCF) and Secure Community Transition Facilities (SCTF) are at least ten years old. Vehicles obtained since 2004 are primarily surplus vehicles handed down from other programs with many years of service already. It is no longer cost effective to repair these vehicles and in some cases their safety is in question. The SCTF program requires long distance travel with residents and these vehicles cannot be used for this purpose when there is a risk of breakdown. SCC cannot meet statutory community safety/security obligations with the current number of serviceable SCC fleet vehicles. SCC is obligated to provide transportation to medical and court-ordered treatment for residents while residing at the TCF and SCTF. Other vehicles in the SCC fleet or state service cannot be utilized as there is a requirement to have a Washington State Patrol (WSP) radio in each vehicle. This request includes a 1984 fire truck with tanker which has over 211,000 miles on it, has become unreliable, and is the only form of fire suppression on McNeil Island for both structural and wild fires.

Mental Health

This request funds the replacement of necessary vehicles to meet the day-to-day health and security needs of the state hospitals. These vehicles will serve a variety of campus needs for up to 1,100 residents and over 2,600 staff, including providing flexible transportation for client recreation and appointments and increase transportation availability to staff for groups or individuals for training classes and travel. The state hospitals have a very large base operations requirement including 96 buildings and a fleet of about 220 vehicles at Western State Hospital and Consolidated Support Services (CSS). The equipment to be replaced includes vehicles that far exceed reasonable life spans and are necessary for the safe, secure, and effective operation of these inpatient facilities. Some of the most behaviorally complex people in Washington State receive inpatient treatment at the state hospitals.

Department of Social and Health Services

DP Code/Title: M2-8W Institution Vehicle Replacement

Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Developmental Disabilities Administration (DDA)

This request funds the replacement of necessary vehicles to meet the day-to-day health and security needs of Residential Habilitation Centers (RHC) clients residing in the nursing facility and/or an Intermediate Care Facility for the Intellectually Disabled (ICF/ID). The RHCs have a very large base operations requirement including a fleet of about 250 vehicles on their campus'. These vehicles will serve a variety of campus needs for 900 residents and over 2,200 staff, including providing flexible transportation for client recreation and appointments and increase transportation availability to staff for groups or individuals for training classes and travel. The current vehicle options on campus are limited because of the higher level of use of this type of vehicle (as opposed to the larger capacity vans).

Consolidated Maintenance and Operations (CMO)

CMO and CSS provide services to institutions in JR, Mental Health (MH), Developmental Disabilities (DD), and SCC. Funding is requested for vehicles for maintenance and base support operations critical to the mission of each institution to support the health, safety, and security of clients and staff.

Agency Contact: Ken Brown (360) 902-7583

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Funding this request will strengthen the foundation for the current continuum of care and access to client services at the department's institutions. Appropriate safe, up to date, and functional transport and maintenance vehicles helps provide for healthy, safe, and secure facilities and campuses.

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

FY 1	FY 2
0.00	0.00

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

This decision package is essential to implementing program Strategic Objectives.

7.1: Maintain a productive, effective organization and maximize the ability to deliver services within available resources.

1.3: Fiscal stewardship of programs and activities.

4.5: To ensure clients residing in the Residential Habilitation Centers (RHCs) and Nursing Facilities are being supported to attain the highest possible quality of life.

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

This decision package supports the Results Washington goal(s) to:

Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians for a healthy start to a safe and supported future.

Goal 4: Healthy & Safe Communities - Safe People - Worker Safety - 2.5 Decrease workplace injury rates that result in missing three or more days from work.

Department of Social and Health Services

DP Code/Title: M2-8W Institution Vehicle Replacement
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

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

With some institutions operating at a deficit and other facilities marginally meeting their budget, the Department has been unable to purchase needed equipment. Maintenance of this equipment is expensive and over time has become a maintenance challenge often resulting in higher costs for rentals and contracting with outside vendors. It is essential that safe, functional equipment be provided to the department employees for use in accomplishing assigned tasks.

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

The request cannot be absorbed within existing resources. Repairing vehicles, when practical, is an option, but is not always feasible or cost effective. This alternative was chosen because it provides funding for immediate replacement of necessary vehicles to maintain safety and security for clients and staff.

What are the consequences of adopting or not adopting this package?

Failure to provide funding for the replacement vehicles presents a risk to program operations. Insufficient funding for safe and reliable vehicles exposes clients and staff to roadside mishaps and expensive facility repairs.

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

None

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment: AW M2-8W Institution Vehicles Replacment.xlsx

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

These costs are ongoing and continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
P Debt Service	0	230,000	230,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	0	230,000	230,000
<i>Total for Fund 001-1</i>	0	230,000	230,000
Total Overall Funding	0	230,000	230,000

**FY2016 Supplemental Budget
AW M2-8W Institution Vehicles Replacement**

Department of Social & Health Services

Program	Year			ISSD - TZ			Total		
	2016	2017	Total	2016	2017	Total	2016	2017	Total
020	0	44,000	44,000	0	0	0	0	44,000	44,000
030	0	230,000	230,000	0	0	0	0	230,000	230,000
040	0	151,000	151,000	0	0	0	0	151,000	151,000
135	0	153,000	153,000	0	0	0	0	153,000	153,000
160	0	0	0	0	0	0	0	0	0
Total	0	578,000	578,000	0	0	0	0	578,000	578,000

State/Other Split

Program	State			Federal			Total		
	2016	2017	Total	2016	2017	Total	2016	2017	Total
020	0	44,000	44,000	0	0	0	0	44,000	44,000
030	0	230,000	230,000	0	0	0	0	230,000	230,000
040	0	89,000	89,000	0	62,000	62,000	0	151,000	151,000
135	0	153,000	153,000	0	0	0	0	153,000	153,000
160	0	0	0	0	0	0	0	0	0
Total	0	516,000	516,000	0	62,000	62,000	0	578,000	578,000

Department of Social and Health Services

DP Code/Title: M2-8X Facility Maintenance Costs
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

Consolidated Maintenance and Operations (CMO), in support of department institutions, requests funding for equipment and goods and services in order to resolve building component, steam plant, wastewater treatment, and grounds deficiencies that are smaller in scope than capital projects, but beyond the scope of ordinary maintenance. By funding this request, the safety, security, and environmental conditions for residents and staff will be improved to meet minimum facility standards.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	243,000	243,000
Total Cost	0	243,000	243,000

Staffing

Package Description:

Problem Statement:

Current maintenance funding does not allow CMO to keep pace with increasing corrective work request demands due primarily to the advanced age of institution facilities and a shortage of staffing and funding to complete ongoing preventive maintenance. Inability to adequately maintain the facilities or replace components has resulted in decreased safety and security levels and created potential regulatory concerns. This continued deterioration of buildings and grounds results in premature system failure and the need for larger scale capital replacement.

The request includes the following types of work:

- Replacement and extended repair of failed ventilation components serving staff and client areas.
- Corrections to electrical wiring and panels.
- Installation of fall protection anchor points on roofs.
- Roofing repairs to reduce water intrusion and the chance of mold infestations in buildings.
- Interior and exterior door replacement/repair and associated security hardware to lower the risk of breaches in security.
- Upgrade and expansion of fire sprinkler systems to meet fire code.

Failure to maintain DSHS facilities will result in further deterioration of building and grounds assets and result in even greater cost to the state in the form of larger capital budget requests. With current funding levels, CMO activities are focused on reactive repair activities to emergent problems. Failing components are only repaired to maintain fundamental operation. Some components that cannot be repaired are left in a failed state. The state and facility occupants then accept the increased risk of a safety or security incident.

Proposed Solution:

Request funding to allow CMO to properly support the maintenance of department institutions and keep pace with increasing corrective work request demands. Labor will be performed using the existing CMO staffing allotment. All of these projects are expected to be completed in the 2015 17 Biennium. Individual project costs were estimated by DSHS Capital Programs and Maintenance staff.

Agency Contact: Ken Brown (360) 902 7583
Program Contact: Thomas Blume (360) 664 6028

Narrative Justification and Impact Statement

Department of Social and Health Services

DP Code/Title: M2-8X Facility Maintenance Costs
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

What specific performance outcomes does the agency expect?

This request will support the base operations of department institutions to help in preventing further deterioration of buildings and grounds.

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

FY 1

FY 2

0.00

0.00

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

This decision package is essential to implementing FSA's Strategic Objective.

7.1: Maintain a productive, effective organization and maximize the ability to deliver services within available resources.

4.5: To ensure clients residing in the Residential Habilitation Centers (RHCs) and Nursing Facilities are being supported to attain the highest possible quality of life.

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

This decision package supports the Results Washington goal(s) to:

Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians for a healthy start to a safe and supported future.

Goal 5: Efficient, Effective & Accountable Government - Fostering a Lean culture that drives accountability and results for the people of Washington.

Goal 4: Healthy & Safe Communities - Safe People - Worker Safety - 2.5 Decrease workplace injury rates that result in missing three or more days from work.

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

No stakeholder concerns are expected. It is expected all stakeholders would support improved facilities to conduct rehabilitation efforts.

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

The request cannot be absorbed within existing resources for the following reasons: maintenance funding has not kept pace with the institution needs due to a shortage of staffing and funding. This request funds projects smaller in scope than capital projects but beyond the capability and capacity of institution maintenance departments. This alternative was chosen because it provides funding for immediate repairs to facilities which will provide improved safety and security for clients and staff and prevent higher downstream costs.

What are the consequences of adopting or not adopting this package?

Failure to provide funding for maintenance repairs presents a risk to program operations and client and staff safety.

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

None

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

Department of Social and Health Services

DP Code/Title: M2-8X Facility Maintenance Costs
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment: AW M2-8X Facility Maintenance Costs.xlsx

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

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

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods\Other Services	0	243,000	243,000

DSHS Source Code Detail

		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding				
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	0	243,000	243,000
<i>Total for Fund 001-1</i>		0	243,000	243,000
Total Overall Funding		0	243,000	243,000

**FY16 Supplemental Budget
AW M2-8X Facility Maintenance Costs**

Department of Social & Health Services

Program	Year				ISSD - TZ				Total		
	2016	2017	Total		2016	2017	Total		2016	2017	Total
020	\$ 79,000	\$ 511,000	\$ 590,000		\$ -	\$ -	\$ -		\$ 79,000	\$ 511,000	\$ 590,000
030	\$ -	\$ 243,000	\$ 243,000		\$ -	\$ -	\$ -		\$ -	\$ 243,000	\$ 243,000
040	\$ 50,000	\$ 90,000	\$ 140,000		\$ -	\$ -	\$ -		\$ 50,000	\$ 90,000	\$ 140,000
135	\$ -	\$ 60,000	\$ 60,000		\$ -	\$ -	\$ -		\$ -	\$ 60,000	\$ 60,000
160	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Total	\$ 129,000	\$ 904,000	\$ 1,033,000		\$ -	\$ -	\$ -		\$ 129,000	\$ 904,000	\$ 1,033,000

State/Other Split

Program	State				Federal				Total		
	\$ 2,016	\$ 2,017	Total		\$ 2,016	\$ 2,017	Total		\$ 2,016	\$ 2,017	Total
020	\$ 79,000	\$ 511,000	\$ 590,000		\$ -	\$ -	\$ -		\$ 79,000	\$ 511,000	\$ 590,000
030	\$ -	\$ 243,000	\$ 243,000		\$ -	\$ -	\$ -		\$ -	\$ 243,000	\$ 243,000
040	\$ 30,000	\$ 54,000	\$ 84,000		\$ 20,000	\$ 36,000	\$ 56,000		\$ 50,000	\$ 90,000	\$ 140,000
135	\$ -	\$ 60,000	\$ 60,000		\$ -	\$ -	\$ -		\$ -	\$ 60,000	\$ 60,000
160	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Total	\$ 109,000	\$ 868,000	\$ 977,000		\$ 20,000	\$ 36,000	\$ 56,000		\$ 129,000	\$ 904,000	\$ 1,033,000

FY16 Supplemental Budget
AW M2-8X Facility Maintenance Costs

Program	Facility	Description	Unit Cost	Quantity	FY2016	FY2017		Total	Justification
RA					Cost	FTE	Cost		
020	EGCC	Door Replacement	\$ 8,400	1			\$ 8,400	\$ 8,400	Entry Man door replacement X7. These doors are rusting away and allowing rodents access into building
020	EGCC	Rollup Door Replacement	\$ 15,000	1	\$ 15,000			\$ 15,000	Service Bay Rollup door replacement X6. These service doors are non functional and past serviceable life.
020	EGCC	Roof Replacement	\$ 10,000	2	\$ 10,000		\$ 10,000	\$ 20,000	Both well house pump buildings are in need a new pitched and metal roof replacement. They are currently 50 years old, with a pea gravel roof coating and flat. There is not a lot of continued strength capability for snow loads that have been received here in the past.
020	EGCC	DDC Controls for Activities	\$ 18,600	1	\$ 18,600			\$ 18,600	DDC system are pneumatic controls that have all deteriorated. These were not replaced within the current ESCO project on campus. Currently we are controlling these manually based on customer complaints, and current temperatures outside. This was funded for FY15 but was unable to get purchased by the end of the fiscal year. Currently have the Sole Source paperwork filled out ready to go for this year.
020	EGCC	Lock Key update for all service buildings	\$ 65,000	2	\$ 35,000		\$ 30,000	\$ 65,000	The existing system is 47 years old and has had several lost keys over the years. This would offer a better and new security system along with providing the facility units with several key watcher systems so that keys have to be checked in and out daily through electronic key boxes. This would offer better security and accountability.
020	GHS	Carpet Replacement - multiple areas	\$ 10,000	1			\$ 10,000	\$ 10,000	Worn and torn with thread bare areas and wrinkles causing tripping hazard. Safety Concern in work areas include torn spots, snags, seams coming apart, worn areas.
020	GHS	Life safety fire system recertification	\$ 18,000	1			\$ 18,000	\$ 18,000	Required testing and expected repair of fire detection and suppression systems. Budget for future testing will be requested in regular budget cycle.
020	NYC	Replace two enclosures at wastewater plant.	\$ 6,000	1			\$ 6,000	\$ 6,000	Current enclosures are rusting and moisture is getting into electrical controls.
020	NYC	Replace cooling tower	\$ 10,000	1			\$ 10,000	\$ 10,000	Fiberglass cooling tower is 20 years old and disintegrating. Provides water for food supply refrigeration.
020	NYC	Install energy saving LED fixtures	\$ 18,000	1			\$ 18,000	\$ 18,000	Replace campus lights with LED.
020	Canyon View CF	Provide tightlines for roof drains	\$ 37,500	1			\$ 37,500	\$ 37,500	Many downspouts are missing tail pipes and all drain directly to the base of the building causing moisture damage and intrusion issues. Water must be redirected away from the facility to avoid entry into the building causing decay and mold.
020	Parke Creek CF	Provide tightlines for roof drains	\$ 43,500	1			\$ 43,500	\$ 43,500	Many downspouts are missing tail pipes and all drain directly to the base of the building causing moisture damage to siding and flooding of crawl space.
020	Parke Creek CF	Clean up and re-insulate attic	\$ 31,250	1			\$ 31,250	\$ 31,250	Insulation has been installed in an ineffective manner, and there is material left over from previous work.
020	Parke Creek CF	Replace Vocational Building Siding and attic ventilation	\$ 29,000	1			\$ 29,000	\$ 29,000	The siding at the gable ends above the CMU perimeter walls is T1-11 and is failing, the attic ventilation louvers are severely damaged
020	Parke Creek CF	Clean Crawl space	\$ 31,250	1			\$ 31,250	\$ 31,250	Remove plumbing and other debris from past projects, re-insulate, pipes have frozen and broken in the past
020	Ridgeview CF	Provide tightlines for roof drains	\$ 37,500	1			\$ 37,500	\$ 37,500	Some downspouts are missing tail pipes and all drain directly to the base of the building causing moisture damage and intrusion issues
020	Ridgeview CF	Clean Crawl space	\$ 6,250	1			\$ 6,250	\$ 6,250	Remove plumbing and other debris from past projects
020	Ridgeview CF	Replace Paving	\$ 45,000	1			\$ 45,000	\$ 45,000	The paving leading to the loading entrance is severely cracking and rutted. The majority of the paving associated with parking is maintained by the adjacent city Juvenile Justice Center, this section is directly related to deliveries for the facility

FY16 Supplemental Budget

AW M2-8X Facility Maintenance Costs

020	Ridgeview CF	Fire Sprinkler System Upgrade/Expansion	\$ 50,000	1			\$ 50,000	\$ 50,000	Any R2, R3 or I1 (new or significantly remodeled) must have full sprinkler systems per 2012 IBC 402 & 903. Entire system needs to be upgraded to current standards, and would need to be expanded with Kitchen project
020	Ridgeview CF	Fire Sprinkler Head Replacement	\$ 6,000	1			\$ 6,000	\$ 6,000	Fire Marshal identified that heads on current system need to be replaced,.
020	Ridgeview CF	Install fall protection anchor points on roofs	\$ 21,750	1			\$ 21,750	\$ 21,750	Roofs and gutters cannot be cleaned and roof top equipment cannot be maintained due to height limitations. This is necessary for maintenance of the facility and for service providers to access roof mounted equipment.
020	Ridgeview CF	Revise Laundry Venting	\$ 7,250	1			\$ 7,250	\$ 7,250	Lint commonly gets stuck in the vent ducts requiring maintenance to clean reducing the effectiveness of the dryers, creating a moisture and potential fire hazard
020	Twin Rivers CF	Install fall protection anchor points on roofs	\$ 21,750	1			\$ 21,750	\$ 21,750	Roofs and gutters cannot be cleaned and roof top equipment cannot be maintained due to height limitations. Necessary for maintaining roofs and roof mounted equipment
020	Twin Rivers CF	Parking Lot Asphalt Repair	\$ 33,000	1			\$ 33,000	\$ 33,000	The paving is severely cracking and rutted
BHSIA									
030	CSTC	Carpet Replacement - Admin Offices	\$ 6,000	1			\$ 6,000	\$ 6,000	Carpet is 20 plus years old. Worn and torn with threadbare areas and wrinkles causing a tripping hazard. Safety concern in work areas include torn areas, snags, the seams coming apart, and worn out.
030	ESH	Install fall protection anchor points on roofs	\$ 40,000	1			\$ 40,000	\$ 40,000	There is a minimum of twenty buildings spread throughout BHSIA that require fall protection. This is a life-safety issue for CMO staff that need to access the roofs of these building to perform maintenance operations. We are currently out of compliance with current WACs regarding fall protection for employees working at height above 10 feet.
030	WSH	Update electrical panel legends	\$ 75,000	1		1.0	\$ 77,000	\$ 77,000	One Non-perm FTE for one year. These are required to be updated on an annual basis. Most of ours through out WSH have never been updated.
030	WSH	Re-carpet of F1 patient Rooms	\$ 40,000	1			\$ 40,000	\$ 40,000	Ward F-1, Center for Forensic Services, Admission Ward, is in need of flooring replacement in every bedroom. These patient bedrooms are all wet cells where the water and urine has infiltrated the VCT curling and popping the tiles.
030	WSH	Install crane to lower chemicals into powerhouse.	\$ 20,000	1			\$ 20,000	\$ 20,000	Powerhouse staff are lifting caustic chemicals with a sling on a forklift and lowering into a landing at the bottom of a stairwell. This is an unsafe process with risk casing a chemical spill or running the forklift into the stairwell.
030	WSH	Install fall protection anchor points on roofs	\$ 40,000	1			\$ 40,000	\$ 40,000	There is a minimum of twenty buildings spread throughout BHSIA that require fall protection. This is a life-safety issue for CMO staff that need to access the roofs of these building to perform maintenance operations. We are currently out of compliance with current WACs regarding fall protection for employees working at height above 10 feet.
030	WSH	Storm System catch basins are in need of preventative maintenance and pumping out	\$ 20,000	1			\$ 20,000	\$ 20,000	We are out of compliance with the Clean Water Act and could face DOE citations
DDA									
040	FS	Install fall protection anchor points on roofs	\$ 30,000	1			\$ 30,000	\$ 30,000	There is a minimum of 35 buildings spread throughout DDA that require fall protection for CMO staff. This is a life-safety issue for CMO staff that need to access the roofs of these building to perform maintenance operations. We are currently out of compliance with current WACs regarding fall protection for employees working at a height above 10 feet.

FY16 Supplemental Budget

AW M2-8X Facility Maintenance Costs

040	FS	Generator Repair (Duplex's 44-52, Dietary and Laundry Electrical Backup)	\$ 50,000	1	\$ 50,000		\$ 50,000	\$ 50,000	The generator supplies backup power for Duplex's 44-52, Dietary, Laundry and part of the 200 building. The part of the 200 bldg. that it supplies is the communications room. It has a UPS backup but that would not last long and communications would go down campus wide. Dietary could shift their menu's for a short period of time and the laundry would be shut down, the duplex's would go dark. This generator is a little unique as it supplies 4160 to the different transformers for the units. So we would need to find a portable generator with those spec's and tie it into the steam plant. In short if this generator went down we would be in a world of hurt until we could find and tie in another generator.
040	LV	Install fall protection anchor points on roofs	\$ 30,000	1			\$ 30,000	\$ 30,000	There is a minimum of 35 buildings spread throughout DDA that require fall protection for CMO staff. This is a life-safety issue for CMO staff that need to access the roofs of these building to perform maintenance operations. We are currently out of compliance with current WACs regarding fall protection for employees working at a height above 10 feet.
040	RS	Install fall protection anchor points on roofs	\$ 30,000	1			\$ 30,000	\$ 30,000	There is a minimum of 35 buildings spread throughout DDA that require fall protection for CMO staff. This is a life-safety issue for CMO staff that need to access the roofs of these building to perform maintenance operations. We are currently out of compliance with current WACs regarding fall protection for employees working at a height above 10 feet.
SCC									
135	SCC	Install fall protection anchor points on roofs	\$ 5,000	12			\$ 60,000	\$ 60,000	There is a minimum of twelve buildings at SCC that require fall protection. This is a life-safety issue for CMO staff that need to access the roofs of these building to perform maintenance operations. We are currently out of compliance with current WACs regarding fall protection for employees working at height above 10 feet.
Totals			\$ 129,000			1.0	\$ 904,000	\$ 1,033,000	

	FY2016		FY2017		2015-17
	State	Federal	State	Federal	Total
020					
EGCC-G99	\$ 79,000		\$ 48,000	\$ -	\$ 127,000
GHS-G99			\$ 28,000	\$ -	\$ 28,000
NYC-G99			\$ 34,000	\$ -	\$ 34,000
Community Facilities			\$ 401,000	\$ -	\$ 401,000
TOTAL	\$ 79,000	\$ -	\$ 511,000	\$ -	\$ 590,000
030					
CSTC-G99			\$ 6,000	\$ -	\$ 6,000
ESH-G99			\$ 40,000	\$ -	\$ 40,000
WSH-G99			\$ 197,000	\$ -	\$ 197,000
TOTAL	\$ -	\$ -	\$ 243,000	\$ -	\$ 243,000
040					
FS-G99	\$ 30,000	\$ 20,000	\$ 18,000	\$ 12,000	\$ 80,000
LV-G99			\$ 18,000	\$ 12,000	\$ 30,000
RS-G99			\$ 18,000	\$ 12,000	\$ 30,000
TOTAL	\$ 30,000	\$ 20,000	\$ 54,000	\$ 36,000	\$ 140,000
135					
SCC-G99	\$ -	\$ -	\$ 60,000	\$ -	\$ 60,000
TOTAL	\$ 109,000	\$ 20,000	\$ 868,000	\$ 36,000	\$ 1,033,000

Department of Social and Health Services

DP Code/Title: M2-9S Equipment Replacement Costs
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

DSHS requests funding in the 2016 Supplemental Budget for the replacement of equipment that is critical in the support of the health, safety, and security of residents and staff for the department's institutional programs.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	287,000	757,000	1,044,000
Total Cost	287,000	757,000	1,044,000

Staffing

Package Description:

The department requires the replacement of necessary equipment to meet the day-to-day needs of the clients served in the 13 institutions and community facilities. This includes medical and diagnostic equipment that serves clients directly and the support structure housing clients and staff comprising approximately 5 million square feet and 500 buildings.

Juvenile Rehabilitation

This request funds the replacement of necessary equipment to meet the day-to-day needs of the youth placed into Juvenile Rehabilitation custody. Requested equipment items are critical to ensure the health, safety and security of clients, public safety, and staff productivity.

When youth are committed, it is the department's responsibility to operate a secure 24-hour facility in which youth sleep, eat, continue education, receive mental health and behavioral therapy, and have access to health care. This round the clock care supervision results in extensive use of institutional equipment-furniture, bedding, security, laundry, janitorial, office, and communication equipment. Equipment beyond its useful life has been shown to become dangerous and is costly to repair.

Mental Health

This request funds the replacement of necessary equipment to meet the day-to-day health and security needs of the state hospitals. This equipment supports campus needs for up to 1,100 residents and over 2,600 staff. The equipment to be replaced includes items that far exceed reasonable life spans and are necessary for the safe, secure, and effective operation of these inpatient facilities. Some of the most behaviorally complex people in Washington State receive inpatient treatment at the state hospitals. The state hospitals and Child Study & Treatment Center (CSTC) provides patient evaluation, mental health therapy, medical treatment (including radiology, dental, pharmacy, and laboratory), physical, speech and occupational therapies, and appropriate levels of supportive physical care. The facility operates 24 hours a day, seven days a week. Typically, the facility operates at capacity most of the year.

Developmental Disabilities Administration

Residential Habilitation Centers (RHC) may be certified as a nursing facility and/or an Intermediate Care Facility for the Intellectually Disabled (ICF/ID). Nursing services are provided to all residents, many of whom have substantial physical disabilities. ICF/ID services include health care, dental care, vocational training, therapy (physical, speech, occupational, psychiatric, psychological/behavioral), and limited recreational activities. Respite and crisis services are offered on a short term basis. Each RHC operates in a unique environment and are subject to federal regulations. Equipment requirements vary based on resident census and individual needs, staff employed, campus size, services offered and regulatory demand. Nurse call systems and key control systems are requested to be upgraded as cited by Centers for Medicare & Medicaid and to meet federal requirements

Department of Social and Health Services

DP Code/Title: M2-9S Equipment Replacement Costs
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Special Commitment Center (SCC)

The Special Commitment Center Program (SCC), operated by DSHS, provides a specialized mental health treatment program on McNeil Island for civilly committed sex offenders who have completed their prison sentences. The majority of equipment used at the Total Confinement Facility (TCF) and Secure Community Transition Facilities (SCTF) is at least ten years old. Since the program is maintained on McNeil Island, the program has additional equipment needs related to island maintenance. It is no longer cost effective to repair some equipment items and in some cases the safety of residents and staff is in question.

Consolidated Maintenance and Operations (CMO)

The CMO provides maintenance and operations services to institutions in Juvenile Rehabilitation, Mental Health, Developmental Disabilities, and the Special Commitment Program. Funding is requested for equipment to support the individual needs of the critical mission of each institution and the needs of the CMO to support the health, safety, and security of clients and staff.

Agency Contact: Ken Brown (360) 902-7583

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Funding this request will strengthen the foundation for the current continuum of care and access to client services at the department's institutions. Appropriate safe, up to date, and functional equipment supports, and provides for healthy, safe, and secure facilities and campuses.

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

FY 1	FY 2
0.00	0.00

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

This decision package is essential to implementing program Strategic Objectives.

7.1: Maintain a productive, effective organization and maximize the ability to deliver services within available resources.

1.3: Fiscal stewardship of programs and activities.

4.5: To ensure clients residing in the Residential Habilitation Centers (RHCs) and Nursing Facilities are being supported to attain the highest possible quality of life.

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

This decision package supports the Results Washington goal(s) to:

Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians for a healthy start to a safe and supported future.

Goal 4: Healthy & Safe Communities - Safe People - Worker Safety - 2.5 Decrease workplace injury rates that result in missing three or more days from work.

Department of Social and Health Services

DP Code/Title: M2-9S Equipment Replacement Costs
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

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

With some institutions operating at a deficit and other facilities marginally meeting their budget, the Department has been unable to purchase needed equipment. Maintenance of this equipment is expensive and over time has become a maintenance challenge often resulting in higher costs for rentals and contracting with outside vendors. It is essential that safe, functional equipment be provided to the department employees for use in accomplishing assigned tasks.

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

The request cannot be absorbed within existing resources for the following reasons. Repairing equipment, when practical, is an option, but is not always feasible or cost effective. This alternative was chosen because it provides funding for immediate replacement of necessary equipment to maintain safety and security for clients and staff.

What are the consequences of adopting or not adopting this package?

Failure to provide funding for the replacement of medical, information technology, and safety equipment necessary to sustain the health and safety of clients and staff presents a risk to program operations. Insufficient funding for essential equipment exposes clients and staff to roadside mishaps and expensive facility repairs.

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

None

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment: AW M2-9S - Equipment Replacement Costs.xlsx

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

These costs are ongoing and continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
J Capital Outlays	287,000	757,000	1,044,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	287,000	757,000	1,044,000
<i>Total for Fund 001-1</i>	287,000	757,000	1,044,000
Total Overall Funding	287,000	757,000	1,044,000

**FY2016 Supplemental Budget
AW M2-9S - Essential Equipment**

Department of Social & Health Services

Program	Year			ISSD - TZ			Total		
	2016	2017	Total	2016	2017	Total	2016	2017	Total
020	76,000	234,000	310,000	0	0	0	76,000	234,000	310,000
030	287,000	757,000	1,044,000	0	0	0	287,000	757,000	1,044,000
040	575,000	2,094,000	2,669,000	0	0	0	575,000	2,094,000	2,669,000
135	146,000	536,000	682,000	0	0	0	146,000	536,000	682,000
160	0	0	0	0	0	0	0	0	0
Total	1,084,000	3,621,000	4,705,000	0	0	0	1,084,000	3,621,000	4,705,000

State/Other Split

Program	State			Federal			Total		
	2016	2017	Total	2016	2017	Total	2016	2017	Total
020	76,000	234,000	310,000	0	0	0	76,000	234,000	310,000
030	287,000	757,000	1,044,000	0	0	0	287,000	757,000	1,044,000
040	339,000	1,236,000	1,575,000	236,000	858,000	1,094,000	575,000	2,094,000	2,669,000
135	146,000	536,000	682,000	0	0	0	146,000	536,000	682,000
160	0	0	0	0	0	0	0	0	0
Total	848,000	2,763,000	3,611,000	236,000	858,000	1,094,000	1,084,000	3,621,000	4,705,000

**FY2016 Supplemental Budget
AW M2-9S - Essential Equipment**

Agency Overview

Program	Program Request		Total
	FY 2016	FY 2017	
Juvenile Rehabilitation			
Echo Glen	\$ -	\$ 38,000	\$ 38,000
Green Hill	\$ -	\$ 40,000	\$ 40,000
Naselle	\$ -	\$ 48,000	\$ 48,000
CMO G99	\$ 5,000	\$ 11,000	\$ 16,000
Community Residential Facilities	\$ 63,000	\$ 85,000	\$ 148,000
JR Regions	\$ 8,000	\$ 12,000	\$ 20,000
Request for JR	\$ 76,000	\$ 234,000	\$ 310,000
Special Commitment Center	\$ 91,000	\$ 536,000	\$ 627,000
CMO G99	\$ 55,000	\$ -	\$ 55,000
Request for SCC	\$ 146,000	\$ 536,000	\$ 682,000
Request for RA	\$ 222,000	\$ 770,000	\$ 992,000
Mental Health			
Eastern State	\$ 282,000	\$ 528,000	\$ 810,000
Western State	\$ -	\$ -	\$ -
CSTC	\$ 5,000	\$ 19,000	\$ 24,000
CMO/CSS G99	\$ -	\$ 210,000	\$ 210,000
Request for BHSIA-MH	\$ 287,000	\$ 757,000	\$ 1,044,000
Development Disabilities			
Fircrest	\$ 120,000	\$ 500,000	\$ 620,000
Rainier School	\$ 200,000	\$ 94,000	\$ 294,000
Lakeland Village	\$ -	\$ 1,500,000	\$ 1,500,000
Yakima Valley	\$ 250,000	\$ -	\$ 250,000
CMO/CSS G99	\$ 5,000	\$ -	\$ 5,000
Request For DDA	\$ 575,000	\$ 2,094,000	\$ 2,669,000
Biennium Totals	\$ 1,084,000	\$ 3,621,000	\$ 4,705,000

Note: Program numbers include CMO/CSS.

Department of Social and Health Services

DP Code/Title: **M2-9T Transfers**

Program Level - **030 BHSIA - Mental Health**

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

DSHS requests the shift of FTEs and funding among programs in the 2015 17 Biennial Budget. This transfer will align FTEs and funds with the programs where the costs are incurred. The net impact is zero.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	(892,000)	(907,000)	(1,799,000)
001-C General Fund - Basic Account-Medicaid Federal	(52,000)	(57,000)	(109,000)
Total Cost	(944,000)	(964,000)	(1,908,000)

Staffing

Package Description:

DSHS requests internal transfers among several program budgets resulting in a net zero funding change for the department. This request aligns program appropriations with planned expenditures. DSHS requests the following adjustments for the 2015 17 Biennial Budget:

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

Program 110 Administration and Supporting Services (ADMIN) will transfer compensation adjustments for staff in the Information Systems Services Division (Program 150) to other DSHS programs. ISSD is a chargeback program where the funding resides in program's Sub Object TZ budget. ADMIN will transfer GF State in the amount of \$468,000 for Fiscal Year 16 (FY16) and \$1,005,000 for FY17 to the other programs. The transfer will realign the funding with the correct DSHS programs to be charged by ISSD.

Communications Manager
(Program 010 to Program 110):

Program 010 Children's Administration will transfer 0.40 of an FTE and \$70,000 in GF State Funding (\$86,000 total) to administration Program 110. This transfer will result in the communications position being funded all from one program.

Consolidated Support Services (CSS) Funding
(Program 030 to Program 040):

When the Compensation Impact Model was developed the staff from CSS were included in the Mental Health Division Program 030. The CSS staff support both Eastern State Hospital and Lakeland Village. Transfer \$381,000 GF State / \$459,000 total funds for the staff providing services to Lakeland Village to the Developmental Disabilities Administration (DDA) Program 040.

DDA to Aging and Long Term Support Administration (ALTSA) Transfer
(Program 040 to Program 050):

Transfer of 17.1 FTEs and \$1,943,000 GF State / \$3,784,000 Total funds from DDA to ALTSA for Individual & Family Services (IFS) / Basic Plus / Community First Choice Option (CFCO) / Mandatory Workload Step as well as IT and Program staff.

DDA Category 2000 to Category 1000 Transfer
(Program 040):

Within DDA transfer three (3) Nursing Care Consultants from Category 2000 to Category 1000 and one (1) training position from Category 1000 to Category 2000. Net transfer between categories is 2.0 FTEs, \$320,000 GF State / \$534,000 total in funding.

Department of Social and Health Services

DP Code/Title: **M2-9T Transfers**

Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

ALTSA to ADMIN Board of Appeals
(Program 050 to Program 110):

When the Health Care Authority (HCA) was created a number of positions were transferred from DSHS to HCA. There were two (2) Review Judges that were transferred from ADMIN, with a Review Judge and Paralegal 2 (50%) remaining that are charged to ALTSA. The work being done by these positions is for all DSHS programs. Transfer 1.5 FTEs and \$177,000 GF State / \$339,000 Total funds from ALTSA to ADMIN for the work that is being performed that benefits all programs within DSHS.

Fleet Rate Reduction

(Program 145 to Programs 010, 020, 030, 040, 050, 060, 070, 100 and 110):

The 2015 17 Biennial Budget included a reduction in funding for Fleet Services. This reduction was placed in the PTOA (Program 145) budget. Fleet Costs are charged to each program using the Fleet Services. The reduction needs to be transferred from PTOA to the affected programs.

Office of the Chief Information Officer (OCIO)

(Programs 010, 020, 030, 040, 050, 060, 070, 100, 110 and 135 to Program 145):

OCIO monthly costs are currently being distributed to all the programs. The 2015 17 Biennial Budget included a reduction for the OCIO costs that was placed in the PTOA budget. When reviewing the reduction and process for the monthly payment, it was determined that the funding should be transferred from all programs to PTOA (Program 145). This is a payment to another state agency so it should reside in the PTOA budget and expenditures.

WaTech

(Programs 010, 020, 030, 040, 050, 060, 070, 100, 110 and 135 to Program 145):

WaTech monthly costs are currently being distributed to all the programs. The 2015 17 Biennial Budget included some adjustments to the WaTech funding that was placed in the PTOA budget. When reviewing the adjustments, as well a change in the monthly invoice process from WaTech, it was determined that the funding should be transferred from all programs to PTOA (Program 145) for Security Gateway, Enterprise Security, Secure File & State Data Network, and HRMS Production Support. This is a payment to another state agency so it should reside in the PTOA budget and expenditures.

ISSD Reorganization

(Programs 010, 020, 030, 040, 050, 060, 070, 100, 110, 135 and 150):

ISSD has reorganized resulting in a transfer of FTEs from ISSD to Admin for the Technology Services Division. This transfer results in a change in the amount of TZ that should be allocated in each program. TZ and other objects are adjusted in Admin and ISSD to reflect this change in ISSD.

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

Agency Contact: Bill Jordan (360) 902 8183

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

These transfers will realign the funding with the DSHS programs that are charged for the services.

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

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

Department of Social and Health Services

DP Code/Title: M2-9T Transfers

Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

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

The budget request supports DSHS Goals: Health - Each individual and each community will be healthy, and Public Trust - Strong management practices will be used to ensure quality and efficiency.

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

This decision package supports the Results Washington goals to: Goal 5: Efficient, Effective & Accountable Government - Resource Stewardship - Ensure that funding is used responsibly, and Goal 5: Efficient, Effective & Accountable Government - Transparency and Accountability - Ensure efficiency, performance, and accountability to the public by providing transparency and accountability in state agency operations.

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

None

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

The request transfers funding between programs so that the needs can be met within existing resources.

What are the consequences of adopting or not adopting this package?

These transfers will realign the funding with the DSHS programs that are charged for the services.

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

This request has no impact on the capital budget.

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment AW M2 9T Transfers.xlsx.

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

The transfer is one-time, and then all costs associated with it will be ongoing and will carry-forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	(110,000)	(162,000)	(272,000)
B Employee Benefits	(89,000)	(98,000)	(187,000)
E Goods\Other Services	(618,000)	(618,000)	(1,236,000)
T Intra-Agency Reimbursements	(127,000)	(86,000)	(213,000)
Total Objects	(944,000)	(964,000)	(1,908,000)

Department of Social and Health Services

DP Code/Title: **M2-9T Transfers**

Program Level - **030 BHSIA - Mental Health**

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	(892,000)	(907,000)	(1,799,000)
<i>Total for Fund 001-1</i>		(892,000)	(907,000)	(1,799,000)
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u>	<u>Title</u>			
19TA	Title XIX Assistance (FMAP)	(10,000)	(10,000)	(20,000)
19UL	Title XIX Admin (50%)	(42,000)	(47,000)	(89,000)
<i>Total for Fund 001-C</i>		(52,000)	(57,000)	(109,000)
Total Overall Funding		(944,000)	(964,000)	(1,908,000)

**2016 Supplemental Budget
AW M2-9T Transfers**

Program	FTEs			FY 2016										FY 2017										2015-17 Biennium									
	FY16	FY17	Total	A	B	E	ED	G	J	P	TZ	Total	A	B	E	ED	G	J	P	TZ	Total	A	B	E	ED	G	J	P	TZ	Total			
110 Administration & Supporting Services																																	
1. ISSD Compensation Adjustments			0.0		(236,000)						(232,000)	(468,000)		(524,000)							(481,000)	(1,005,000)	0	(760,000)	0	0	0	0	0	(713,000)	(1,473,000)		
2. Communications Manager	0.4	0.4	0.4	32,000	10,000						42,000		33,000	11,000								44,000		65,000	21,000	0	0	0	0	0	0	86,000	
6. ALTA to ADMIN - Board of Appeals	1.5	1.5	1.5	116,000	43,000	8,000					2,000	169,000	116,000	44,000	8,000						2,000	170,000		232,000	87,000	16,000	0	0	0	0	4,000	339,000	
7. Fleet Program Rate Reduction			0.0					(6,000)			(6,000)						(6,000)				(6,000)		0	0	0	0	(12,000)	0	0	0	(12,000)		
8. OCIO Funding Transfer			0.0			(33,000)					(33,000)				(33,000)						(33,000)		0	0	0	0	0	0	0	0	(66,000)		
9. WaTech Funding Transfer			0.0			(161,000)					(156,000)				(161,000)						(156,000)		0	0	(66,000)	0	0	0	0	0	(66,000)		
10. ISSD Reorganization	55.8	55.8	55.8	4,142,000	1,324,000	1,070,000			310,000		(3,244,000)	3,602,000	4,509,000	1,516,000	759,000			310,000			(3,380,000)	3,714,000	8,651,000	2,840,000	1,829,000	0	0	620,000	0	(6,624,000)	7,316,000		
110 Total	57.7	57.7	57.7	4,290,000	1,141,000	884,000	0	(6,000)	310,000	0	(3,469,000)	3,150,000	4,658,000	1,047,000	573,000	0	(6,000)	310,000	0	(3,854,000)	2,728,000	8,948,000	2,188,000	1,457,000	0	(12,000)	620,000	0	(7,323,000)	5,878,000			
135 Special Commitment Center																																	
1. ISSD Compensation Adjustments			0.0								7,000	7,000									15,000	15,000	0	0	0	0	0	0	0	22,000	22,000		
8. OCIO Funding Transfer			0.0			(2,000)					(2,000)				(2,000)						(2,000)	(2,000)	0	0	(4,000)	0	0	0	0	0	(4,000)		
9. WaTech Funding Transfer			0.0			(104,000)					3,000	(101,000)			(104,000)						3,000	(101,000)	0	0	(208,000)	0	0	0	0	6,000	(202,000)		
10. ISSD Reorganization			0.0								(73,000)	(73,000)									(73,000)	(73,000)	0	0	0	0	0	0	0	0	(146,000)		
135 Total	0.0	0.0	0.0	0	0	(106,000)	0	0	0	0	(63,000)	(169,000)	0	0	(106,000)	0	0	0	0	(55,000)	(161,000)	0	0	(212,000)	0	0	0	0	(118,000)	(330,000)			
145 Payments to Other Agencies																																	
7. Fleet Program Rate Reduction			0.0			133,000			0			133,000			133,000			0				133,000	0	0	266,000	0	0	0	0	0	266,000		
8. OCIO Funding Transfer			0.0			327,000						327,000			327,000							327,000	0	0	654,000	0	0	0	0	0	654,000		
9. WaTech Funding Transfer			0.0			6,960,000						6,960,000			6,960,000							6,960,000	0	0	13,920,000	0	0	0	0	0	13,920,000		
145 Total	0.0	0.0	0.0	0	0	7,420,000	0	0	0	0	0	7,420,000	0	0	7,420,000	0	0	0	0	0	0	7,420,000	0	0	14,840,000	0	0	0	0	0	14,840,000		
150 Information System Services Division																																	
1. ISSD Compensation Adjustments			0.0		236,000						(236,000)	0		524,000							(524,000)	0	0	760,000	0	0	0	0	0	(760,000)	0		
9. WaTech Funding Transfer			0.0			232,000					(232,000)	0			232,000						(232,000)	0	0	0	464,000	0	0	0	0	0	(464,000)		
10. ISSD Reorganization	(55.8)	(55.8)	(55.8)	(4,142,000)	(1,324,000)	(1,070,000)	0	0	(310,000)	0	6,846,000	0	(4,509,000)	(1,516,000)	(759,000)	0	0	(310,000)	0	0	7,094,000	0	(8,651,000)	(2,840,000)	(1,829,000)	0	0	(620,000)	0	13,940,000	0		
150 Total	(55.8)	(55.8)	(55.8)	(4,142,000)	(1,088,000)	(838,000)	0	0	(310,000)	0	6,378,000	0	(4,509,000)	(992,000)	(527,000)	0	0	(310,000)	0	0	6,338,000	0	(8,651,000)	(2,080,000)	(1,365,000)	0	0	(620,000)	0	12,716,000	0		
160 Consolidated Field Services																																	
160 Total	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Agency-Wide Total:	0	0	0.0	0	0	266,000	0	(266,000)	0	0	0	0	0	0	266,000	0	(266,000)	0	0	0	0	0	0	0	532,000	0	(532,000)	0	0	0	0		

NOTES:

- Information System Services Division (ISSD) compensation adjustments from Administration & Supporting Services (Admin). Item adjusts object TZ costs. No Carry Forward Level (CFL) adjustment needed for the 2017-19 Biennial budget.
- Children's Administration transfer of Communications Manager funding (40%) to Administration and Supporting Services.
- Transfer Compensation Impact Model (CIM) funding from Mental Health Division to Developmental Disabilities Administration for Consolidated Support Services (CSS). All CSS positions were included in the Mental Health Division when the CIM file was created.
- Transfer FTEs and Funding from Developmental Disability Administration (DDA) to Aging and Long-Term Support Administration (ALTA) for IFS / Basic+ / CFCC / Mandatory Workload Step / IT staff and Program Staff.
- Transfer FTEs and Funding from Category 2000 to Category 1000 within the Developmental Disabilities Administration (DDA). Three (3) Nursing Care Consultants from Category 2000 to Category 1000 and One (1) Training position from Category 1000 to Category 2000.
- Transfer FTEs and Funding from Aging and Long-Term Support Administration (ALTA) to Administration and Supporting Services (ADMIN) for the Board of Appeals. This adjustment is needed because of a previous transfer to the Health Care Authority that should have come out of ALTA instead of ADMIN. No CFL Adjustment needed for the 2017-19 Biennial budget.
- Transfer the Fleet Program Rate Reduction from Payments to Other Agencies (PTOA) to all other DSHS Programs.
- Transfer the costs of the Office of the Chief Information Officer (OCIO) from the DSHS Programs to PTOA.
- Transfer the costs for WaTech from DSHS Programs to PTOA.
- ISSD has been reorganized, with a portion of the staff being transferred to Admin. This results in a change of TZ funding at the program level.

Department of Social and Health Services

DP Code/Title: M2-CM L&I Settlement Agreement
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

The Behavioral Health and Service Integration Administration (BHSIA) requests funding and 11.2 FTEs in order to backfill staffing on the wards at Western State Hospital (WSH) and Eastern State Hospital (ESH) while staff complete additional annual safety training hours. By funding this request, BHSIA is expected to meet one of the recommendations of the Ad Hoc Safety committee and resolve citation and notice No. 317399111 from Washington State Department of Labor and Industries (L&I). This backfill will allow staff the opportunity to increase safety training to support a reduction in violence.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	1,136,000	1,015,000	2,151,000
Total Cost	1,136,000	1,015,000	2,151,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	11.2	11.2	11.2

Package Description:

Problem Statement

Currently, the actual amount of annual training received by employees varies widely based on multiple factors including: staff shortages which will not allow for team members to leave the ward to attend training, variable prioritization of training, and unclear expectations. The ad hoc safety committee was convened to make recommendations on strategies to decrease violence at the state hospitals and has identified training as one of the key factors in reducing violence. Their recommendations are based on final reports from multiple independent evaluators of safety and violence at the state hospitals generated since 2001.

Targeted training gives staff the greatest resources for prevention of violence and an increase of safety. The intention of this change is to standardize the annual training received statewide across the state hospitals and job classes. If this request is not funded, recent collaborative efforts by DSHS and labor organizations to address the problem will be compromised and a key mitigation strategy for reducing patient violence, patient-to staff assaults, and industrial insurance claims and premiums will not be implemented.

Proposed Solution

Funding will provide for a staffing level that allows 24/7 staff to leave the ward and attend critical training offered on campus. This request supports the clear expectation that training is a priority. Ensuring consistent curriculum is taught across the hospitals in competency or skills labs; and hands on training is provided to maintain and improve safety of staff and patients is critical. Utilizing a consistent core of skills training will ensure like data is reported and compared across the hospitals, reinforcing the goal of sustaining a safe environment for staff and patients.

Agency Contact: Sara Corbin (360) 902-8194
Program Contact: Victoria Roberts (360) 725-3715

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Department of Social and Health Services

DP Code/Title: M2-CM L&I Settlement Agreement
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

BHSIA expects a reduction in the rate of patient to staff violence and assaults. This will reduce patient assault related industrial insurance claims and contribute to a reduction in DSHS industrial insurance premiums through L&I. It is also desired and expected that patient care will be improved with the ongoing training given to staff ensuring they have access to the support and materials necessary to excel.

Other desired and expected results are improved staff morale and retention at the state hospitals, improved labor relations, and a reduction in citations and investigations by L&I.

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

FY 1

FY 2

0.00

0.00

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

This decision package is essential to implementing BHSIA's Strategic Objective 1.1: Decrease the number of patient-to-staff assault claims filed at Eastern State Hospital, Western State Hospital and the Child Study and Treatment Center. By funding this request, we expect a reduction in the rate of patient to staff violence and assaults. This will reduce patient assault related industrial insurance claims and contribute to a reduction in DSHS industrial insurance premiums through L&I.

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

This decision package supports the Results Washington Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians for a healthy start to a safe and supported future. We expect improved quality of patient care and a reduction in the rate of patient to staff violence and assaults by funding this request.

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

Services Employees International Union (SEIU) Healthcare 1199NW will actively support this request as it will provide training for nursing staff.

Washington Federation of State Employees (WFSE) will actively support this request as it provides ongoing and necessary strategies for increasing training for their designated members.

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

The Ad Hoc Safety Committee was convened to make recommendations on strategies to decrease violence at the state hospitals and has identified training as one of the key factors in reducing violence. Their recommendations are based on final reports from multiple independent evaluators of safety and violence at the state hospitals generated since 2001.

What are the consequences of adopting or not adopting this package?

If this request is not funded, recent collaborative efforts by DSHS and labor organizations to address the problem will be compromised and a key mitigation strategy for reducing patient violence, patient-to staff assaults, and industrial insurance claims and premiums will not be implemented.

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

This request has no relationship to the state's capital budget.

Department of Social and Health Services

DP Code/Title: M2-CM L&I Settlement Agreement
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

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

This request would not require changes to existing statutes, rules, or contracts.

Expenditure and revenue calculations and assumptions

Request based on the unfunded portion from the 2015-17 Agency request.

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

These costs are ongoing and will continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	768,000	684,000	1,452,000
B Employee Benefits	359,000	322,000	681,000
T Intra-Agency Reimbursements	9,000	9,000	18,000
Total Objects	1,136,000	1,015,000	2,151,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	1,136,000	1,015,000	2,151,000
<i>Total for Fund 001-1</i>	1,136,000	1,015,000	2,151,000
Total Overall Funding	1,136,000	1,015,000	2,151,000

Department of Social and Health Services

DP Code/Title: M2-CP Regulatory Compliance - BHSIA
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

Consolidated Maintenance & Operations (CMO) requests funding and FTEs in the FY 2016 Supplemental to meet its maintenance obligations to support institutional accreditation, certification, and regulatory compliance at Eastern State Hospital (ESH) and Western State Hospital (WSH). In 2014 The Joint Commission (TJC) increased its regulatory standards by an estimated 20 percent resulting in additional resources required to meet this need. Negative audit findings by Centers for Medicare and Medicaid (CMS) at WSH and recent mock audits in preparation for a TJC visit at ESH identified numerous reportable deficiencies that put accreditation and continued federal funding at risk. Without additional maintenance support, ESH and WSH will not meet federally-mandated accreditation and certification requirements.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	1,249,000	3,789,000	5,038,000
Total Cost	1,249,000	3,789,000	5,038,000

Staffing

Package Description:

Problem Statement:

CMO does not have adequate funding to meet its maintenance obligations at ESH and WSH. These responsibilities include services, regulatory compliance, preventative and corrective maintenance, programmatic efforts, and projects (in-house and Capital). In an effort to provide an acceptable level of services (transportation of clients, waste management, laundry, etc.) and maintain a seemingly losing battle with ever-increasing must-do repair demands, CMO is not able to effectively execute its preventative maintenance program which would cover 95% of its regulatory compliance responsibilities.

Resulting negative findings from the recent Centers for Medicare and Medicaid (CMS) audit at WSH and mock audits at ESH are a direct reflection of the level of capability provided by CMO. Negative findings included fire safety, electrical safety, and anti-ligature staving in essence that the hospital fails to provide an environment that is conducive to the safety of its psychiatric patient population. The main areas of concern are life-safety and environment-of-care, and clearly acknowledge that current CMO staffing at the institutions is inadequate to provide regulatory compliance and also maintain a minimum level of service/maintenance stewardship.

With current funding levels, demands placed on CMO far exceed its capabilities. With the additional impact of Trueblood on ESH and WSH, CMO's capabilities will be further stretched. Without additional maintenance support, the state hospitals will not meet accreditation requirements resulting in decertification of wards by CMS and loss of federal funding.

Proposed Solution:

CMO has identified the following maintenance obligations and needs to meet TJC and CMS standards:

-- Provide funding for 38.5 maintenance staff at ESH and WSH and fund the completion of projects to meet accreditation and certification facility requirements, particularly preventative maintenance of climate control systems as required by ESH's TJC Utility Management Plan and WSH's CMS corrective action plan. These FTEs will resolve findings such as door replacements to maintain lines of sight with patients, cleaning fire detectors and sprinkler heads, and repairing sidewalks. Because TJC has increased its regulatory standards by 20 percent, this funding will continue into ensuing biennia. Startup is April 1, 2016.

-- Provide funding for goods and services as required per trade position for the cost of materials required for regulatory compliance, such as preventative maintenance, and completion of identified citation-remedy projects (sidewalk repair, HVAC upgrades, and environment of care). Provide equipment funding for vehicles at ESH.

Department of Social and Health Services

DP Code/Title: M2-CP Regulatory Compliance - BHSIA
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Agency Contact: Ken Brown (360) 259-2063
Program Contact: Thomas Blume (360) 280-8493

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

1. Desired results include the enhanced partnership of CMO in aiding the institution in meeting accreditation/certification requirements through adequate and proper regulatory compliance measures. Funding will allow CMO to achieve desired results without decreasing current maintenance/service levels.
2. Without funding, CMO will have to move resources to regulatory compliance preventative maintenance and away from other areas such as services to the institution and repair needs. Funding would negate that shift in resources.
3. Funding will have a dramatic effect on the efficiency of CMO not just for regulatory compliance, but also for each institution as a whole. CMO would be able to provide a higher level of service as increased resources would be made available in completing compliance, safety, and maintenance/service efforts.
4. Funding of this request will have a positive change in the output CMO is able to provide in FY 2017. Increased resources (staff and budget) will allow CMO to increase its level of stewardship to the institution by achieving a higher number of compliance, safety, and maintenance/service efforts.

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

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

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

This decision package is essential to implementing BHSIA's Strategic Objective.

- 2.1: Reduce workplace injuries.
- 5.3: Reduce energy consumption in leased facilities and state-owned buildings.

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

This decision package supports the Results Washington goal(s) to:

Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians for a healthy start to a safe and supported future.

Goal 4: Healthy & Safe Communities - Safe People - Help keep people safe in their homes, on their jobs, and in their communities.

Goal 5: Efficient, Effective & Accountable Government - Resource Stewardship - Ensure that funding is used responsibly.

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

If not funded, the primary concern by stakeholders will be the potential for state hospital ward decertification and the loss of federal funding. All primary stakeholders are in support of this supplemental budget request.

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

Alternatives explored, aside from this supplemental budget request, include:

1. Utilizing CMO resource levels as they currently stand,

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2. ESH providing funding to CMO from its operating budget, and
3. BSHIA providing funding to CMO from its allocated budget.

The latter two options are not attainable due to budget limitations for program requirements. Utilizing current CMO resource levels would lower its overall stewardship to the institution to a point that adequate service, compliance, and safety efforts would be at risk.

What are the consequences of adopting or not adopting this package?

Continued inadequate levels of service to the institutions including compliance and safety efforts. Potential for failed TJC and CMS audits resulting in ward decertification and loss of federal funding.

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

None

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment: M2-CP Regulatory Compliance - BHSIA.xlsx

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

These costs are ongoing and continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	478,000	1,948,000	2,426,000
B Employee Benefits	227,000	942,000	1,169,000
E Goods\Other Services	418,000	854,000	1,272,000
G Travel	2,000	6,000	8,000
J Capital Outlays	114,000	0	114,000
T Intra-Agency Reimbursements	10,000	39,000	49,000
Total Objects	1,249,000	3,789,000	5,038,000

DSHS Source Code Detail

<u>Overall Funding</u>		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	1,249,000	3,789,000	5,038,000
<i>Total for Fund 001-1</i>		1,249,000	3,789,000	5,038,000
Total Overall Funding		1,249,000	3,789,000	5,038,000

2016 Supplemental Budget
M2-CP Regulatory Compliance - BHSIA

Summary - Regulatory Compliance - BHSIA

	FTEs	Salaries	Benefits	Goods & Services	Leases	Personnel Services	Travel	Equipment	Computer Lease	ISSD	Total
		A	B	E	ED	EN	G	J	P	TZ	
Fiscal Year 2016	9.7	478,000	227,000	418,000	-	-	2,000	115,000	-	9,000	1,249,000
Total	9.7	478,000	227,000	418,000	-	-	2,000	115,000	-	9,000	1,249,000

	FTEs	Salaries	Benefits	Goods & Services	Leases	Personnel Services	Travel	Equipment	Computer Lease	ISSD	Total
		A	B	E	ED	EN	G	J	P	TZ	
Fiscal Year 2017	38.5	1,948,000	942,000	854,000	-	-	7,000	-	-	38,000	3,789,000
Total	38.5	1,948,000	942,000	854,000	-	-	7,000	-	-	38,000	3,789,000

	FY 2016	FY 2017	2015-17
FTE's	9.7	38.5	24.1
A - Salaries	\$ 478,000	\$ 1,948,000	\$ 2,426,000
B - Benefits	\$ 227,000	\$ 942,000	\$ 1,169,000
E - Goods & Services	\$ 418,000	\$ 854,000	\$ 1,272,000
ED - Leases	\$ -	\$ -	\$ -
G - Travel	\$ 2,000	\$ 7,000	\$ 9,000
J - Equipment	\$ 115,000	\$ -	\$ 115,000
P - Computer Lease	\$ -	\$ -	\$ -
TZ - ISSD	\$ 9,000	\$ 38,000	\$ 47,000
	\$ 1,249,000	\$ 3,789,000	\$ 5,038,000
DA - General Fund - State	\$ 1,249,000	\$ 3,789,000	\$ 5,038,000

2016 Supplemental Budget
M2-CP Regulatory Compliance - BHSIA

CSS - Eastern State Hospital
FY 2015 UTILIZED LABOR HOURS

SHOP	FY 2015 LABOR HOURS						FY 2015 FTEs		
	CORRECTIVE	REGULATORY	PREVENTATIVE	PROGRAMMATIC	PROJECT	TOTALS	ESTIMATED NEEDED FTEs	CURRENT FTEs	AVAILABLE FTEs (Current-Needed)
PLUMBING	985	1,829	-	371	992	4,178	2.8	1.8	-1.0
ELECTRICAL	1,555	665	861	572	213	3,866	2.6	2.7	0.1
MECHANICAL	666	176	3,400	947	25	5,214	3.5	3.6	0.1
HVAC	1,435	177	176	20	2,362	4,170	2.8	2.3	-0.5
CARPENTER	1,599	1,446	-	1,273	2,327	6,645	4.5	3.6	-0.9
TOTALS	6,240	4,293	4,437	3,183	5,919	24,072	16.2	14.0	-2.2

FY 2016 & FY 2017 ADDITIONAL REGULATORY COMPLIANCE LABOR HOURS PER YEAR

SHOP	ESTIMATED ADDED HOURS	ESTIMATED NEEDED FTEs	AVAILABLE FTEs	FTEs REQUIRED (Available-Needed)	REQUESTED FTEs	FTE DIFFERENCE (Requested - Required)
PLUMBING	4,347	2.9	-1.0	-4.0	3.9	-0.1
ELECTRICAL	12,644	8.5	0.1	-8.4	8.4	0.0
MECHANICAL	1,434	1.0	0.1	-0.9	0.9	0.0
HVAC	269	0.2	-0.5	-0.7	0.7	0.0
CARPENTER	3,218	2.2	-0.9	-3.1	3.1	0.0
TOTALS	21,912	14.8	-2.2	-17.0	17.0	0.0

CMO - Western State Hospital
FY 2015 UTILIZED LABOR HOURS

SHOP	FY 2015 LABOR HOURS						FY 2015 FTEs		
	CORRECTIVE	REGULATORY	PREVENTATIVE	PROGRAMMATIC	PROJECT	TOTALS	ESTIMATED NEEDED FTEs	CURRENT FTEs	AVAILABLE FTEs (Current-Needed)
PLUMBING	5,239	62	606	652	1,895	8,454	5.7	4.0	-1.7
ELECTRICAL	6,583	244	425	2,058	8	9,317	6.3	1.5	-4.8
LIFE SAFETY	616	4,925	-	111	-	5,652	3.8	5.0	1.2
CARPENTER	3,947	90	-	2,362	4,264	10,664	7.2	4.0	-3.2
TOTALS	16,386	5,321	1,031	5,182	6,167	34,087	23.0	14.5	-8.5

FY 2016 & FY 2017 ADDITIONAL REGULATORY COMPLIANCE LABOR HOURS PER YEAR

SHOP	ESTIMATED ADDED HOURS	ESTIMATED NEEDED FTEs	AVAILABLE FTEs	FTEs REQUIRED (Available-Needed)	REQUESTED FTEs	FTE DIFFERENCE (Requested - Required)
PLUMBING	23,949	16.2	-1.7	-17.9	3.8	-14.0
ELECTRICAL	-	0.0	-4.8	-4.8	8.5	3.7
LIFE SAFETY	-	0.0	1.2	1.2	2.6	3.8
CARPENTER	990	0.7	-3.2	-3.9	6.6	2.7
TOTALS	24,939	16.8	-8.5	-21.5	21.5	-3.8

2016 Supplemental Budget
M2-CP Regulatory Compliance - BHSIA

OBJECTS E AND J TOTAL

CSS - Eastern State Hospital
April 1, 2016 start date

SHOP	FY 2016 FTEs	FY 2017 FTEs	OBJECT E ONE-TIME	OBJECT E RECURRING	OBJECT J ONE-TIME	OBJECT J RECURRING	FY 2016 OBJECT E	FY 2016 OBJECT J	FY 2017 OBJECT E	FY 2017 OBJECT J	FY 2016 TOTAL	FY 2017 TOTAL	BIENNIAL TOTAL
Plumbing	0.9	3.7	\$ 8,189	\$ 32,442	\$ 23,000	\$ -	\$ 16,299	\$ 23,000	\$ 32,442	\$ -	\$ 39,299	\$ 32,442	\$ 71,741
Electrical	0.8	3.3	\$ 13,104	\$ 92,723	\$ 23,000	\$ -	\$ 36,285	\$ 23,000	\$ 92,723	\$ -	\$ 59,285	\$ 92,723	\$ 152,008
Mechanical	0.2	0.9	\$ 8,161	\$ 12,465	\$ 23,000	\$ -	\$ 11,277	\$ 23,000	\$ 12,465	\$ -	\$ 34,277	\$ 12,465	\$ 46,742
HVAC	0.2	0.7	\$ 12,103	\$ 11,600	\$ 23,000	\$ -	\$ 15,003	\$ 23,000	\$ 11,600	\$ -	\$ 38,003	\$ 11,600	\$ 49,603
Carpenter	0.5	2.0	\$ 8,336	\$ 17,536	\$ 23,000	\$ -	\$ 12,720	\$ 23,000	\$ 17,536	\$ -	\$ 35,720	\$ 17,536	\$ 53,256
TOTALS	2.7	10.6	\$ 49,893	\$ 166,766	\$ 115,000	\$ -	\$ 92,000	\$ 115,000	\$ 167,000	\$ -	\$ 207,000	\$ 167,000	\$ 373,000

Source	% of Total	Fiscal Year 1	Fiscal Year 2
State	93.16%	193,000	156,000
Federal	6.84%	14,000	11,000
Local	0.00%	0	0
		207,000	167,000

CMO - Western State Hospital
April 1, 2016 start date

SHOP	FY 2016 FTEs	FY 2017 FTEs	OBJECT E ONE-TIME	OBJECT E RECURRING	OBJECT J ONE-TIME	OBJECT J RECURRING	FY 2016 OBJECT E	FY 2016 OBJECT J	FY 2017 OBJECT E	FY 2017 OBJECT J	FY 2016 TOTAL	FY 2017 TOTAL	BIENNIAL TOTAL
Plumbing	1.0	3.8	\$ 19,718	\$ 85,446	\$ -	\$ -	\$ 41,080	\$ -	\$ 85,446	\$ -	\$ 41,080	\$ 85,446	\$ 126,526
Electrical	2.1	8.5	\$ 85,884	\$ 197,320	\$ -	\$ -	\$ 135,214	\$ -	\$ 197,320	\$ -	\$ 135,214	\$ 197,320	\$ 332,534
Carpenter	1.7	6.6	\$ 35,218	\$ 118,272	\$ -	\$ -	\$ 64,786	\$ -	\$ 118,272	\$ -	\$ 64,786	\$ 118,272	\$ 183,058
Life Safety FTEs	0.7	2.6	\$ 13,419	\$ 52,592	\$ -	\$ -	\$ 26,567	\$ -	\$ 52,592	\$ -	\$ 26,567	\$ 52,592	\$ 79,159
Maint Mech 2													
Electrician													
Plumber													
TOTALS	5.4	21.5	\$ 154,238	\$ 453,630	\$ -	\$ -	\$ 268,000	\$ -	\$ 454,000	\$ -	\$ 268,000	\$ 454,000	\$ 721,000

SHOP	FTEs REQUESTED	OBJECT E ONE-TIME	OBJECT E RECURRING	FY 2016 OBJECT E	FY 2017 OBJECT E	BIENNIAL TOTAL
Plumbing	3.8	\$ 19,718	\$ 85,446	\$ 105,164	\$ 85,446	\$ 190,610
Electrical	8.5	\$ 85,884	\$ 197,320	\$ 283,204	\$ 197,320	\$ 480,524
Life Safety	2.6	\$ 13,419	\$ 52,592	\$ 66,011	\$ 52,592	\$ 118,603
Carpenter	6.6	\$ 35,218	\$ 118,272	\$ 153,490	\$ 118,272	\$ 271,762
TOTALS	21.5	\$ 154,238	\$ 453,630	\$ 607,868	\$ 453,630	\$ 1,061,498

Source	% of Total	Fiscal Year 1	Fiscal Year 2
State	93.16%	250,000	423,000
Federal	6.84%	18,000	31,000
Local	0.00%	0	0
		268,000	454,000

Department of Social and Health Services

DP Code/Title: M2-CZ 1115 Statewide Medicaid Project
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

The Behavioral Health Services Integration Administration (BHSIA) requests a placeholder in federal appropriation authority to implement a demonstration waiver in order to initiate targeted essential community supports, i.e., Supportive Housing (SH)/Supported Employment (SE). By applying social determinants of health interventions such as supportive housing and supported employment services, BHSIA hopes to ensure individuals do not continue the traumatic cycle of homelessness and experience the negative consequences of long-term unemployment. SH and SE are identified in Second Substitute Senate Bill (S2SSB) 6312 (2014) as services intended to improve the quality of behavioral health services and promote the rehabilitation, reintegration, and participation in treatment services. They are an integral part of the community mental health system. The 1115 Medicaid Demonstration Waiver provides the opportunity to transform behavioral health services into a healthier, recovery-oriented system. BHSIA is expected to implement SH and SE under the eligibility determined in the federal Centers for Medicare and Medicaid Services (CMS) waiver application and complete an evaluation of the cost neutrality of the services while increasing the consumer outcomes as identified in House Bill (HB) 1519 (2013).

Fiscal Detail:

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

Staffing

Package Description:

Problem Statement

Behavioral health problems and homelessness are intertwined. Homelessness interferes with the ability to receive and benefit from services, including services provided for behavioral health conditions. Being homeless jeopardizes the chances for successful recovery. Substantial evidence links long-term unemployment to poor physical and mental health outcomes, even in the absence of pre-existing conditions and makes paying for housing even more challenging. The rates of employment outcomes in Washington for those with mental health and substance use disorders are much lower than the national rate (National Outcomes Measurement System (NOMS), 2011).

Proposed Solution

Through the 1115 Healthier Washington Demonstration Waiver, BSHIA will develop criteria to target supportive housing and supported employment services to Medicaid beneficiaries who are most likely to benefit from the services. Supportive Housing services are designed to enhance an individual's ability to prepare for and transition to housing from institutional settings and homelessness. This service helps to support the individual in being a successful tenant in his/her housing arrangement, and thus, better able to sustain their tenancy.

There is a deep research base supporting the efficacy of developing employment strategies for people with significant psychiatric disabilities. The supported employment design matches an individual and an employer based on the individual's preferences and the business needs. Ongoing support provides the individual an opportunity to be successful in integrating into the job setting.

Section 1115 of the Social Security Act grants the federal government authority to approve experimental, pilot or demonstration projects, including expenditure authority for designing and implementing improved Medicaid programs, including changes in eligibility, benefits, cost sharing and provider payments. Washington is seeking approval from CMS for an 1115 demonstration

Department of Social and Health Services

DP Code/Title: M2-CZ 1115 Statewide Medicaid Project

Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

waiver to leverage savings achieved from past rebalancing efforts. The funding will be used to implement targeted foundational community support services, i.e., SH and SE.

Agency Contact: Sara Corbin (360) 902-8194
Program Contact: Carla Reyes (360) 725-2260

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Preliminary modeling suggests that approximately 7,500 individuals would be eligible for SH services, with about 40 percent, or 3,000, engaged on a monthly basis. We estimate that 40 percent of the engaged population would be Medicaid expansion new adults. As work proceeds to refine the definition of eligibility and benefits, modeling results will be revised.

The employment rate prior to Medicaid expansion hovered around 10 percent, based on quarterly reports generated by DSHS Research and Data Analysis (RDA) (2014). Nationally, SE service penetration is averaged at two percent (Substance Abuse and Mental Health Services Administration [SAMHSA]); in Washington the SE service penetration is 0 percent. Increasing the SE penetration to three percent upon full implementation would average 4-5 hours per user monthly. Based on experience with fidelity reviews of providers in Oregon, we estimate that it will take 48 months to reach full program capacity. As work proceeds to refine the eligibility and benefits, modeling results will be revised.

Performance Measure Detail

Agency Level

Activity: C093 Special Projects - Mental Health

No measures linked to package

Incremental Changes

FY 1

FY 2

0.00

0.00

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

This decision package is essential to implementing BHSIA's Strategic Objective:

- 3.4: Increase rates of employment and earnings for those receiving BHSIA-funded chemical dependency treatment.
- 4.2: Partner within DSHS on health system transformation to ensure that recovery, independence, wellness, person-centered principles and strength-based services are embedded in the State Innovation Model, Medicaid global waiver and other initiatives.

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

This decision package supports the Results Washington goal(s) to:

Goal 4: Healthy & Safe Communities - Support People - Help the most vulnerable people become independent and self-sufficient.

Goal 4: Healthy & Safe Communities - Safe People - Help keep people safe in their homes, on their jobs, and in their communities.

Department of Social and Health Services

DP Code/Title: M2-CZ 1115 Statewide Medicaid Project
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

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

Governor Inslee's Disability Employment Task Force was created under Executive Order 13-02 and has been engaging stakeholders since 2013 on increasing employment for people with disabilities, including those with behavioral health challenges. Expanding Medicaid to include a SE benefit was identified as a Phase One focus area.

The draft waiver application has been vetted through two 30-day public comment periods, public forums and a number of individual meetings with interested stakeholders. Tribes have also been engaged and are interested in implementing SH and SE services for their members. Interested stakeholders include the Washington State Rehabilitation Council, Provider Associations, Housing Authorities, Providers, Legal Advocates, Housing Providers, Foundations and the Business Community. Advocates are interested in expanding housing and employment services to individuals who are homeless, discharging from institutional settings, at risk of homelessness and in greater demand for services and supports. They are interested in ensuring that eligible individuals are fully informed about the options and choices available as they select and consent how to receive services for which they are eligible.

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

This is one aspect of the state's 1115 demonstration waiver application. Other options are being pursued by Health Care Authority (HCA) and Aging and Long-term Support Administration (AL TSA).

What are the consequences of adopting or not adopting this package?

The state would forgo federal funds to provide services for people in need of care, but currently do not have access to those services. It is also an opportunity to implement services that may reduce higher cost services and promote recovery as indicated by RDA Report 11.170, which states that nearly half of the individuals discharged from residential chemical dependency treatment and 30 percent of individuals discharged from state mental health hospitals are homeless one year post discharge.

SAMHSA has identified SE model as an evidence-based practice and issued a toolkit in 2010 to help communities implement the model. SE is effective with individuals of all ages and works in urban and rural communities. Regardless of the economy, people with mental illness are more likely to find jobs if helped by a SE program than any other type of vocational service. Engrossed House Bill (EHB) 1519 (2013) directs the Behavioral Health System to maximize the use of evidence-based and research based practices to improve client outcomes such as employment rates and stable housing in the community.

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

This request has no impact on the capital budget.

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

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

These costs are ongoing and will continue into future biennia.

Department of Social and Health Services

DP Code/Title: M2-WK IT Systems Infrastructure
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

DSHS requests funding in the 2016 Supplemental Budget for the replacement of information technology (IT) equipment that has passed end of useable life and provides critical support data network infrastructure needed to maintain data transport across the agency and to business partners in support of DSHS clients. This request is to support the lease-purchase of IT equipment through a certificate of participation (COP).

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	35,000	35,000
001-C General Fund - Basic Account-Medicaid Federal	0	4,000	4,000
Total Cost	0	39,000	39,000

Staffing

Package Description:

Problem Statement:

The department requires the replacement of necessary IT infrastructure equipment to meet the day-to-day operational needs of the department. These needs exceed the department's base equipment funding levels. Not replacing this end of life equipment greatly increases risk to the agency in both loss of vendor support for critical IT infrastructure resulting in increased outages and the loss of security updates which provides protection for confidential and sensitive client data. These risks put the agency in jeopardy of failed federal compliance audits and/or lawsuits if confidential client data is compromised. Factors that motivate this project include federal and state laws, statutes and policies such as the following:

- o Federal requirements mandate protection of Federal Tax Information (FTI) under IRS 1075
- o Internal Revenue Code (IRC) 6103 - Confidentiality and disclosure of returns and return information
- o State law (Chapter 19.255 RCW PERSONAL INFORMATION - NOTICE OF SECURITY BREACHES)
- o OCIO Policy 141 - securing Information Technology Assets

Proposed Solution:

Services and Enterprise Support Administration (SESA)

SESA staff and IT systems support mission critical network services of DSHS. SESA requests funding to procure replacement of end of life equipment that supports mission critical network services of DSHS; consisting of the border firewall, servers, routers and switches. This funding request will support data network infrastructure needed to maintain data transport across the agency and business partners supporting and serving citizens of Washington State. This funding request represents DSHS infrastructure needed to integrate with WaTech statewide network shared services, which is used for data transport. One of the components of this request refers to procuring the DSHS enterprise perimeter firewall. This equipment acts as a gatekeeper to control access between the internal DSHS network and the WaTech-managed networks including the State Government Network (SGN) and Inter-government network (IGN) as well as the public Internet. Equipment included in this funding request is: DSHS agency border firewall, statewide routing and switching equipment, and equipment supporting agency wide security authentication. Any disruption in infrastructure services impacts agency staff, business partners, clients, and the public when contacting the agency for services. DSHS will not be able to retire existing end of life systems, which are now at high risk of failure and prevents the department from transforming its service delivery model to one that can improve its service capabilities without continued increases in the cost of providing those services. The result will be compromises and heightened risk to client safety and wellbeing along with case workers diminished ability to serve them as the population at risk increases.

Department of Social and Health Services

DP Code/Title: M2-WK IT Systems Infrastructure
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

This request funds the replacement of necessary IT systems equipment to meet the day-to-day needs of the youth placed into Juvenile Rehabilitation (JR) custody. Requested equipment items are critical to ensure operation of the program case management. Equipment beyond its useful life has been shown to become a risk to client confidentiality. Recovery software is currently used for backup and recovery of two of our virtual hosts, which support the operations and maintenance of our Automated Client Tracking (ACT) system, which supports operations in 24/7 direct care facilities. Renewing these licenses ensures the ability to continue to be able to successfully exercise the disaster recovery plan. Failure to renew these licenses would seriously degrade our ability to exercise our disaster recovery plan, resulting in the long-term outage of the ACT system in the event of a disaster.

The Dell EqualLogic Storage Area Network (SAN) addresses two problems. JR currently has a slower SAN, which is causing a performance bottleneck, which causes database "timeouts" due to deadlocks between transactions. Because the current SAN has limited storage due to increased utilization, the ACT system transferred to the requested faster SAN which would avoid the errors associated with the performance bottleneck of the current SAN, and free up space on the current slower SAN. The additional space is needed to accommodate the ever-increasing size of the application, database and file server backups.

Aging and Long Term Services Administration (ALTSA) and Developmental Disabilities Administration (DDA)
ALTSA and DDA currently have inadequate server capacity to support SharePoint. Currently, they use SharePoint 2007 in a production environment, which is running at near capacity in terms of a Central Processing Unit (CPU), Memory and Storage. If the administrations migrated to SharePoint 2013 without any server/memory/storage increases they will run into performance issues, which will affect applications such as the Comprehensive Assessment Reporting Evaluation (CARE) and Tracking Incidents of Vulnerable Adults (TIVA). The administrations are trying to avoid this by isolating SharePoint 2013 into its own environment. The migration to SharePoint 2013 will start in September 2016.

CARE is the main case management tool, which is used by 4,500+ case managers to intake, assess and authorize services for 60,000+ clients. Performance degradation in CARE could potentially mean clients not getting the services in a timely manner. TIVA is the main Incident Reporting tool, which contains Residential Complaints as well as Adult Protective Services Incidents. Performance degradation in TIVA could potentially mean not being able to get the investigations taken care of in a timely manner.

This request includes personal computers at end of usable life for DDA which would put the program on the same funding stream for personal computers as in ALTSA.

Special Commitment Center (SCC)
SCC provides a specialized mental health treatment program on McNeil Island for civilly committed sex offenders who have completed their prison sentences. The majority of equipment used at the Total Confinement Facility (TCF) and Secure Community Transition Facilities (SCTF) has exceeded its useful life. The IT infrastructure supports institution and island security such as the i.LON server replacement of NCB parts that control communications. This system allows communication between staff through intercom buttons throughout the facility and between residents (in their rooms) to staff in case of personal medical emergency or lockdown. The network switches, laptops and desktops are eight years old and are used to document security, clinical, resident treatment and progress notes as well as administrative tasks.

Agency Contact: Ken Brown (360) 902-7583

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Procurement will involve tracking all levels of this project; deployment schedules, Quality Assurance reviews and post-performance service metric analysis. Funding this request will strengthen the foundation for the current continuum of care and access to client services. Client support systems will continue to operate as designed.

Department of Social and Health Services

DP Code/Title: M2-WK IT Systems Infrastructure
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Performance Measure Detail

Agency Level

Activity: C900 Program Support - Mental Health

Incremental Changes

FY 1

FY 2

Outcome Measures

001116 Program Support

0.00%

0.00%

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

This decision package is essential to implementing SESA's Strategic Objective.

1.1 Provide data, analyses, and information to support innovations that improve the effectiveness of services to clients.

1.3: Fiscal stewardship of programs and activities.

1.1 Provide data, analyses, and information to support innovations that improve the effectiveness of services to clients.

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

This decision package supports the Results Washington Goal 5: Efficient, Effective & Accountable Government - Resource Stewardship - Ensure that funding is used responsibly.

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

This funding request supports the agency and Washington State citizens it serves with updated, consistent and reliable network infrastructure and systems.

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

One alternative is to continue to use systems infrastructure equipment well beyond the end of its usable life. This alternative would greatly increase the risk to the department of system failure and possible breaches in client confidentiality. Repairing equipment, when practical, is an option, but is not always feasible or cost effective. This alternative was chosen because it provides funding for immediate replacement of necessary equipment to maintain safety and security for clients and staff.

What are the consequences of adopting or not adopting this package?

Failure to provide funding for the replacement of information technology equipment presents a risk to program operations. Programs have already exceeded their base equipment budgets and do not have the capacity to support this need. Insufficient funding for essential equipment exposes clients, staff, and the department to excessive risk.

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

None

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment: AW M2-WK IT Systems Infrastructure.xlsx

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

These costs are ongoing and carry forward into future biennia.

Department of Social and Health Services

DP Code/Title: M2-WK IT Systems Infrastructure
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
P Debt Service	0	39,000	39,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	0	35,000	35,000
<i>Total for Fund 001-1</i>	0	35,000	35,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources</u> <u>Title</u>			
19TA Title XIX Assistance (FMAP)	0	4,000	4,000
<i>Total for Fund 001-C</i>	0	4,000	4,000
Total Overall Funding	0	39,000	39,000

2016 Supplemental Budget
AW M2-WK IT Systems Infrastructure

Department of Social & Health Services

Program	Year				ISSD - TZ				Total		
	2016	2017	Total		2016	2017	Total		2016	2017	Total
010	\$ -	\$ 55,000	\$ 55,000		\$ -	\$ -	\$ -		\$ -	\$ 55,000	\$ 55,000
020	\$ -	\$ 21,000	\$ 21,000		\$ -	\$ -	\$ -		\$ -	\$ 21,000	\$ 21,000
030	\$ -	\$ 39,000	\$ 39,000		\$ -	\$ -	\$ -		\$ -	\$ 39,000	\$ 39,000
040	\$ 470,000	\$ 968,000	\$ 1,438,000		\$ -	\$ -	\$ -		\$ 470,000	\$ 968,000	\$ 1,438,000
050	\$ -	\$ 100,000	\$ 100,000		\$ -	\$ -	\$ -		\$ -	\$ 100,000	\$ 100,000
060	\$ -	\$ 191,000	\$ 191,000		\$ -	\$ -	\$ -		\$ -	\$ 191,000	\$ 191,000
070	\$ -	\$ 1,000	\$ 1,000		\$ -	\$ -	\$ -		\$ -	\$ 1,000	\$ 1,000
100	\$ -	\$ 12,000	\$ 12,000		\$ -	\$ -	\$ -		\$ -	\$ 12,000	\$ 12,000
110	\$ -	\$ 70,000	\$ 70,000		\$ -	\$ -	\$ -		\$ -	\$ 70,000	\$ 70,000
135	\$ -	\$ 52,000	\$ 52,000		\$ -	\$ -	\$ -		\$ -	\$ 52,000	\$ 52,000
160	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Total	\$ 470,000	\$ 1,509,000	\$ 1,979,000		\$ -	\$ -	\$ -		\$ 470,000	\$ 1,509,000	\$ 1,979,000

State/Other Split

Program	State				Federal				Total		
	2016	2017	Total		2016	2017	Total		2016	2017	Total
010	\$ -	\$ 50,000	\$ 50,000		\$ -	\$ 5,000	\$ 5,000		\$ -	\$ 55,000	\$ 55,000
020	\$ -	\$ 21,000	\$ 21,000		\$ -	\$ -	\$ -		\$ -	\$ 21,000	\$ 21,000
030	\$ -	\$ 35,000	\$ 35,000		\$ -	\$ 4,000	\$ 4,000		\$ -	\$ 39,000	\$ 39,000
040	\$ 282,000	\$ 586,000	\$ 868,000		\$ 188,000	\$ 382,000	\$ 570,000		\$ 470,000	\$ 968,000	\$ 1,438,000
050	\$ -	\$ 52,000	\$ 52,000		\$ -	\$ 48,000	\$ 48,000		\$ -	\$ 100,000	\$ 100,000
060	\$ -	\$ 113,000	\$ 113,000		\$ -	\$ 78,000	\$ 78,000		\$ -	\$ 191,000	\$ 191,000
070	\$ -	\$ 1,000	\$ 1,000		\$ -	\$ -	\$ -		\$ -	\$ 1,000	\$ 1,000
100	\$ -	\$ -	\$ -		\$ -	\$ 12,000	\$ 12,000		\$ -	\$ 12,000	\$ 12,000
110	\$ -	\$ 52,000	\$ 52,000		\$ -	\$ 18,000	\$ 18,000		\$ -	\$ 70,000	\$ 70,000
135	\$ -	\$ 52,000	\$ 52,000		\$ -	\$ -	\$ -		\$ -	\$ 52,000	\$ 52,000
160	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Total	\$ 282,000	\$ 962,000	\$ 1,244,000		\$ 188,000	\$ 547,000	\$ 735,000		\$ 470,000	\$ 1,509,000	\$ 1,979,000

Department of Social and Health Services

DP Code/Title: M2-WM Technical Corrections
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

DSHS requests technical corrections in the 2016 Supplemental Budget for the Children's Administration (CA), Rehabilitation Administration (RA), Behavioral Health and Service Integration Administration (BHSIA) Mental Health Division (MHD), Developmental Disability Administration (DDA), Aging & Long Term Support Administration (AL TSA), Economic Services Administration (ESA), Division of Vocational Rehabilitation (DVR), Administration & Supporting Services (Admin), Special Commitment Center (SCC), and Consolidated Field Services (CFS).

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	548,000	1,323,000	1,871,000
001-C General Fund - Basic Account-Medicaid Federal	41,000	97,000	138,000
Total Cost	589,000	1,420,000	2,009,000

Staffing

Package Description:

Research and Data Analysis (RDA) FTEs only
(Program 110):

RDA provides support to DSHS programs as well as other state agencies for special projects needing data and analytical skills. There are Memorandums of Understanding with the programs or other state agencies for the special projects. Funding for the projects is provided by the programs and other state agencies. The costs for projects within DSHS are charged to the program providing the funding. For other state agencies reimbursement is based on monthly invoices sent to the benefiting agency. In either case, the FTE expenditures are not recovered. This request would provide for 16.0 FTEs for the Special Projects.

Admin Special Projects FTEs only
(Program 110):

Funding was provided for Improving Service Delivery. During the Carry Forward Level process the FTEs related to the funding were removed. The funding allows RDA to design, test, implement, maintain and enhance highly complex programming processes integrating disparate data sources into analytical processes that meet legislatively required health care quality and outcome metric reporting requirements. This request would restore the 2.0 FTEs for the program.

Consolidated Field Services (CFS) Regional Business Centers (RBCs) FTE only
(Program 160):

When the CFS budget was determined for the RBCs it was based on funding for 22 FTEs. Only 21 FTEs were transferred from the programs to CFS. This request is for 1.0 FTE to align the number of FTEs with the funding for the RBCs.

DDA Specialized Services
(Program 040):

The 2015 17 Biennial Budget placed all of the funding for Specialized Services in Category 2000. Some of the services are provided by professional services, Budget Unit H54, Category 1000. This request moves the funding between Categories within DDA the net impact is zero.

Reconciliation of Lease Facilities
(Program 010, 060, 100 and 110):

The Total Need for Leases for the 2015 17 Biennium is \$122,180,000. The amount provided in the 2015 17 Biennial Budget was

Department of Social and Health Services

DP Code/Title: M2-WM Technical Corrections
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

\$87,000. This leaves a Carry Forward Level (CFL) of \$122,093,000. The DSHS Agency Request CFL was \$122,040,000. This request is for \$53,000 to bring the funding for Lease Facilities into line with the Total Need for Leases. GF State \$84,000 / GF Federal (\$21,000)

Compensation for New FTEs
(Programs 010, 020, 030, 040, 050, 060 and 135)

There were several steps in the 2015 17 Biennial Budget that either added or removed FTEs and related salaries and benefits to the DSHS programs. These FTE changes are not reflected in the Compensation Impact Model file so any increases in compensation (3% + 1.8%, Health Insurance Premium and Pension Rates) would not have been included in the funding provided to the agency for the FTEs. This request is for \$3,670,000 GF State, \$4,865,000 Total funds.

Compensation Impact Model Correction
(Programs 020, 160):

When reconciling the funding provided to the agency for the various compensation steps (WFSE, Coalition, SEIU, Non Rep, etc.) it was determined that the amount of funding in two programs was incorrect. Working with the Office of Financial Management compensation staff, the following was determined: For JRA there was a reallocation of the Juvenile Rehabilitation classifications. OFM calculated the increase on 572 affected positions. The actual number of positions affected was 649. The JRA request is for \$263,000 for the biennium. In the Admin budget, the amount of funding provided should have been the amount needed for Admin, Information Support Services Division, and CFS. The CFS information was not included in the output that was used to enter the funding into the DSHS budget. The Admin request is for \$764,000 for the biennium. The CFS funding is distributed out to the programs based on the chargeback methodology for CFS. The total request is for \$881,000 GF State, \$1,027,000 Total Funds.

DDA Financial Eligibility
(Program 040):

DDA requests 3.3 FTE and \$571,000 Total Funds, \$144,000 GF State, for financial eligibility workers for new workload due to the caseload increase resulting from implementing the Community First Choice (CFC) Medicaid state plan option. These positions were inadvertently left out of the budget appropriation for DDA to implement the CFC initiative.

MHD Category Correction
(Program 030):

MHD requests the transfer of \$2,000 in FY18 and \$5,000 in FY19, General Fund State funding from Category 1000 to Category 9000. This transfer will correct the category for the Carry Forward Level G05 Biennialize Employee PEBB Rate.

These technical corrections will bring the funding into line with anticipated expenditures throughout the agency.

Agency contact: Bill Jordan 360 902 8183.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Funding this request will prevent any negative impact on client services.

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

FY 1	FY 2
0.00	0.00

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

Department of Social and Health Services

DP Code/Title: M2-WM Technical Corrections
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

The budget request supports DSHS Goals: Health - Each individual and each community will be healthy, and Public Trust - Strong management practices will be used to ensure quality and efficiency.

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

This decision package supports the Results Washington goals to: Goal 5: Efficient, Effective & Accountable Government - Resource Stewardship - Ensure that funding is used responsibly, and Goal 5: Efficient, Effective & Accountable Government - Transparency and Accountability - Ensure efficiency, performance, and accountability to the public by providing transparency and accountability in state agency operations.

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

None

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

The request cannot be absorbed within existing resources without reducing the funding for services to clients.

What are the consequences of adopting or not adopting this package?

Funding this request will prevent any negative impact on client services.

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

This request has no impact on the capital budget.

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment AW M2 WM Technical Corrections.xlsx.

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

These technical corrections are one time, and then all costs associated with it will be ongoing and will carry forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	395,000	893,000	1,288,000
B Employee Benefits	194,000	527,000	721,000
Total Objects	589,000	1,420,000	2,009,000

Department of Social and Health Services

DP Code/Title: **M2-WM Technical Corrections**

Program Level - **030 BHSIA - Mental Health**

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	548,000	1,323,000	1,871,000
<i>Total for Fund 001-1</i>		548,000	1,323,000	1,871,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u>	<u>Title</u>			
19TA	Title XIX Assistance (FMAP)	41,000	97,000	138,000
<i>Total for Fund 001-C</i>		41,000	97,000	138,000
Total Overall Funding		589,000	1,420,000	2,009,000

2016 Supplemental Budget
M2-WM Technical Corrections
COMPENSATION FOR NEW FTEs

FY 2016	PROGRAM							TOTAL
	010 CA	020 RA	030 MHD	040 DDA	050 ALTSA	060 ESA	135 SCC	
SALARY	58,000	2,000	343,000	216,000	148,000	196,000	(2,000)	961,000
BENEFITS	32,000	-	194,000	108,000	87,000	105,000	-	526,000
TOTAL	90,000	2,000	537,000	324,000	235,000	301,000	(2,000)	1,487,000
STATE	88,000	2,000	500,000	191,000	122,000	223,000	(2,000)	1,124,000
FEDERAL	2,000	-	37,000	133,000	113,000	78,000	-	363,000
TOTAL	90,000	2,000	537,000	324,000	235,000	301,000	(2,000)	1,487,000

FY 2017	PROGRAM							TOTAL
	010 CA	020 RA	030 MHD	040 DDA	050 ALTSA	060 ESA	135 SCC	
SALARY	118,000	(5,000)	788,000	442,000	369,000	318,000	(9,000)	2,021,000
BENEFITS	78,000	(4,000)	527,000	303,000	245,000	215,000	(7,000)	1,357,000
TOTAL	196,000	(9,000)	1,315,000	745,000	614,000	533,000	(16,000)	3,378,000
STATE	191,000	(9,000)	1,225,000	440,000	320,000	395,000	(16,000)	2,546,000
FEDERAL	5,000	-	90,000	305,000	294,000	138,000	-	832,000
TOTAL	196,000	(9,000)	1,315,000	745,000	614,000	533,000	(16,000)	3,378,000

BIENNIAL TOTAL	PROGRAM							TOTAL
	010 CA	020 RA	030 MHD	040 DDA	050 ALTSA	060 ESA	135 SCC	
SALARY	206,000	(3,000)	1,288,000	633,000	491,000	541,000	(11,000)	3,145,000
BENEFITS	80,000	(4,000)	564,000	436,000	358,000	293,000	(7,000)	1,720,000
TOTAL	286,000	(7,000)	1,852,000	1,069,000	849,000	834,000	(18,000)	4,865,000
STATE	279,000	(7,000)	1,725,000	631,000	442,000	618,000	(18,000)	3,670,000
FEDERAL	7,000	-	127,000	438,000	407,000	216,000	-	1,195,000
TOTAL	286,000	(7,000)	1,852,000	1,069,000	849,000	834,000	(18,000)	4,865,000

Department of Social and Health Services

DP Code/Title: M2-WN State Data Center Adjustments
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

DSHS requests funding in the 2016 Supplemental Budget for the increase in facility charges by WaTech for information technology (IT) equipment enclosures in the new State Data Center. Revised Code of Washington (RCW) 43.41A.150 states, "state agencies shall locate all existing and new servers in the State Data Center". The equipment located in the State Data Center provides critical IT infrastructure needed to support and serve DSHS clients.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	10,000	10,000	20,000
001-C General Fund - Basic Account-Medicaid Federal	1,000	1,000	2,000
Total Cost	11,000	11,000	22,000

Staffing

Package Description:

Problem:

RCW 43.41A.150 requires all state agencies to locate all existing and new IT equipment into the new State Data Center. The facility costs for locating this equipment in the new State Data Center has significantly increased for DSHS. These increased costs exceed the agency's current funding levels for this service due to this required change. The IT equipment moved into the new State Data Center supports IT infrastructure needed to provide critical support to serve the citizens of Washington State.

Solution:

DSHS recently completed the required migration of moving existing and new Information Technology equipment from the OB2 Data Center to the new State Data Center by the June 30, 2015 deadline to comply with RCW 43.41A.150. The facility costs have increased from \$53,000 for FY15 using the OB2 Data Center to \$511,200 for FY16 and future years (based on current usage) using the new State Data Center.

The new State Data Center rates are based on both enclosure space and electrical usage. The new rate formula is:

- \$1000 per 42 RU enclosures per month @5KW and \$500 per 2.5KW increase up to a maximum of 12.5 KW or

- \$650 per 21 RU maximum per month @2.5KW for a partially filled enclosure.

DSHS has 4 enclosures costing \$650, 20 enclosures costing \$1000, 8 enclosures costing \$1500, and 4 enclosures costing \$2000 per month.

Agency Contact: Don Petrich 360-902-7831

Program Contact: Pat Marsh 360-902-7721

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

DSHS is utilizing the new State Data Center in compliance with RCW 43.41A.150. The new State Data Center reduces security risks for state agencies and provides a robust and reliable facility environment for IT equipment providing critical client services. Funding this request will strengthen the foundation for delivering these critical services to citizens in need.

Department of Social and Health Services

DP Code/Title: M2-WN State Data Center Adjustments
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Performance Measure Detail

Agency Level

Activity: C900 Program Support - Mental Health

No measures linked to package

Incremental Changes

FY 1

FY 2

0.00

0.00

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

This decision package is essential in supporting strategic objects:

- 1.1 Provide data, analyses, and information to support innovations that improve the effectiveness of services to clients.
- 1.3: Fiscal stewardship of programs and activities.

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

This decision package support Results Washington Goal 5: Efficient, Effective & Accountable Government - Resource Stewardship - Ensure that funding is used responsibly.

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

This funding request supports the agency and Washington State citizens it serves with updated, consistent and reliable information technology infrastructure and systems.

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

DSHS consolidated and virtualized as much of the DSHS information technology equipment as possible prior to the migration from the OB2 Data Center to the new State Data Center to reduce the total costs and footprint at the new State Data Center.

No other alternatives were available as this migration was required by law (RCW 43.41A.150).

What are the consequences of adopting or not adopting this package?

Failure to provide funding for the increased mandatory costs presents a risk to program operations. Programs have already exceeded their base information technology budgets and do not have the capacity to support this need. Insufficient funding for essential information technology services exposes clients, staff, and the department to excessive risk.

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

None.

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

This request allows DSHS to comply with RCW 43.41A.150 without negatively impacting funding for direct client services.

Expenditure and revenue calculations and assumptions

Please see attached M2-WN State Data Center Adjustment workbook.

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

All costs are one-time; however, if there are adjustments in rates, DSHS will ask for an adjustment to compensate for that future rate adjustment.

Department of Social and Health Services

DP Code/Title: M2-WN State Data Center Adjustments
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
T Intra-Agency Reimbursements	11,000	11,000	22,000

DSHS Source Code Detail

Overall Funding	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	10,000	10,000	20,000
<i>Total for Fund 001-1</i>	10,000	10,000	20,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources</u> <u>Title</u>			
19UL Title XIX Admin (50%)	1,000	1,000	2,000
<i>Total for Fund 001-C</i>	1,000	1,000	2,000
Total Overall Funding	11,000	11,000	22,000

Department of Social and Health Services
M2-WN State Data Center Adjustment Workbook

Program	FY2016	FY2017	Total
010	71,000	71,000	142,000
020	13,000	13,000	26,000
030	11,000	11,000	22,000
040	15,000	15,000	30,000
050	50,000	50,000	100,000
060	276,000	276,000	552,000
070	2,000	2,000	4,000
100	5,000	5,000	10,000
110	12,000	12,000	24,000
135	3,000	3,000	6,000
150	0	0	0
Total	458,000	458,000	916,000

Program	FY2016 EL	FY2016 TZ	FY2017 EL	FY2017 TZ
010	38,000	33,000	38,000	33,000
020	6,000	7,000	6,000	7,000
030	0	11,000	0	11,000
040	0	15,000	0	15,000
050	33,000	17,000	33,000	17,000
060	173,000	103,000	173,000	103,000
070	0	2,000	0	2,000
100	0	5,000	0	5,000
110	0	12,000	0	12,000
135	0	3,000	0	3,000
150	208,000	(208,000)	208,000	(208,000)
Total	458,000	0	458,000	0

Program	FY2016 GFS	FY2016 FED	FY2016 Total	FY2017 GFS	FY2017 FED	FY2017 Total	2015-17 GFS	2015-17 FED	2015-17 Total
010	69,000	2,000	71,000	69,000	2,000	71,000	138,000	4,000	142,000
020	13,000	0	13,000	13,000	0	13,000	26,000	0	26,000
030	10,000	1,000	11,000	10,000	1,000	11,000	20,000	2,000	22,000
040	9,000	6,000	15,000	9,000	6,000	15,000	18,000	12,000	30,000
050	26,000	24,000	50,000	26,000	24,000	50,000	52,000	48,000	100,000
060	172,000	104,000	276,000	172,000	104,000	276,000	344,000	208,000	552,000
070	2,000	0	2,000	2,000	0	2,000	4,000	0	4,000
100	5,000	0	5,000	5,000	0	5,000	10,000	0	10,000
110	10,000	2,000	12,000	10,000	2,000	12,000	20,000	4,000	24,000
135	3,000	0	3,000	3,000	0	3,000	6,000	0	6,000
150	0	0	0	0	0	0	0	0	0
Total	319,000	139,000	458,000	319,000	139,000	458,000	638,000	278,000	916,000

Department of Social and Health Services

DP Code/Title: M2-WP MS Office 365
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

DSHS requests funding in the 2016 Supplemental Budget for the purchase of Microsoft Office 365 and Enterprise CAL Suite software license for the department. By funding this request, the department will be able to improve productivity, reduce legal exposure regarding license tracking, provide enhanced abilities for legal discovery and public disclosure requests, and remain in compliance with federal Health Insurance Portability and Accountability Act (HIPAA) and Internal Revenue Service (IRS) 1075 Category 3 and Category 4 data requirements.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	239,000	171,000	410,000
001-C General Fund - Basic Account-Medicaid Federal	17,000	13,000	30,000
Total Cost	256,000	184,000	440,000

Staffing

Package Description:

Problem:

DSHS currently operates using minimal basic licenses for the primary business tools used across the Department. Without this critical upgrade, the Department continues to fall further behind in IT advancements which limits capabilities in developing an enterprise cloud strategy to enable the Department to remain in alignment with the broader overall state strategy and direction for information technology. Without needed upgrades to key business tools utilized enterprise-wide, the Department is at risk for federal audit findings in relation to HIPPA and IRS 1075 laws, which could result in significant monetary penalties for crucial federal funding streams. The Department is further at risk to legal exposure around license tracking, legal discovery and public disclosure requests.

The Department currently is unable to utilize such features as delivering key performance indicators on SharePoint dashboards, enhanced search of documents, and automated document routing and approvals, which could reduce time to delivery of services. Currently there is no ability to integrate Office documents and Business Analytics Reporting. This prevents the use of intelligent dashboards for making better business decisions and tracking performance indicators. In addition, the Department will incur additional licensing and other fees for the use of Skype for Business conferencing.

With the upgrade to Microsoft Office 365 and the Enterprise CAL Suite, DSHS Programs can realize the full business productivity features of SharePoint, Office, Skype for Business conferencing and applications developed using the Microsoft environment. This software will always operate on the latest release giving users immediate access to ever-changing technological advancements. Office 365 and the Enterprise CAL Suite moves DSHS from a per device licensing to a per user licensing method for some products. In field offices, this means that fewer licenses are likely to be required. This will position DSHS stakeholders to access critical e-mails, schedules, tasks, etc. from anywhere, thereby increasing productivity from the latest workflow and collaboration based office tools. Platform enhancements will result in zero productivity loss and reduced time to value realization. The Department can save key resources by significantly reducing capital investments and increasing transparency in terms of service cost and improved billing processes.

Solution:

DSHS would upgrade 19,181 user licenses from the current basic license of the Microsoft Enterprise Agreement to the Microsoft Office 365 and Enterprise CAL Suite. This upgrade requires no organizational change management requirements, is technically

Department of Social and Health Services

DP Code/Title: **M2-WP MS Office 365**

Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

simple, will not require any change in business operations, and will not introduce any new technical complexity into the environment. This will provide new capabilities to improve security across the Department's enterprise, and is designed to significantly modernize a core part of state IT infrastructure using a cloud-based approach with primary goals and outcomes well defined, and results that can be measured immediately upon completion.

Agency Contact: Don Petrich 360-902-7831
Program Contact: Kristine Marree Williams 360-902-8040

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Procurement of the Microsoft Office 365 and Enterprise CAL Suite license offers upgrades to SharePoint, Skype for Business conferencing and other features that provide the ability to implement improvements such as management dashboards tied to key indicators (providing real time decision data), search for documents across all DSHS SharePoint sites (improving ability to locate documents for public disclosure and the like), direct editing of files from SharePoint web pages (improving productivity and reducing duplication of files), and conferencing features (reducing the need for travel costs and time), among many other features.

Performance Measure Detail

Agency Level

Activity: C900 Program Support - Mental Health

No measures linked to package

Incremental Changes

FY 1	FY 2
0.00	0.00

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

This decision package is essential to implement the following strategic objectives:

- 1.1 Provide data, analyses, and information to support innovations that improve the effectiveness of services to clients.
- 5.14 Ensure technology investments meet current and emerging business needs.

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

This decision package supports the following Result Washington Goals:

Goal 5: Efficient, Effective & Accountable Government - by reducing future ongoing costs while continuously improving services; supporting a more productive workforce and increasing/maintaining the timely delivery of state services; ensuring funding is used responsibly by increasing the percentage of projects with measured improvements in cost, quality, time and customer and employee satisfaction; keeping the Microsoft service platform efficient, nimble, and cost-effective; improving service, and providing increased options to partners and clients.

Goal 5: Efficient, Effective & Accountable Government - Resource Stewardship - Ensure that funding is used responsibly.

Goal 5: Efficient, Effective & Accountable Government - Transparency and Accountability - Ensure efficiency, performance, and accountability to the public by providing transparency and accountability in state agency operations.

Goal 5: Efficient, Effective & Accountable Government - Customer Satisfaction and Confidence - 1.1 Increase customer services.

Department of Social and Health Services

DP Code/Title: M2-WP MS Office 365

Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

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

The stakeholders are the DSHS users who will benefit from Microsoft Office 365 and Enterprise CAL Suite. Some of the agencies that DSHS interacts/partners with have developed applications that require Office 365 and the Enterprise CAL Suite to be able to connect and use. WaTech is implementing some communication services that require users to have Office 365. This Office 365 and Enterprise CAL Suite procurement will enhance the work efficiency of our internal stakeholders by providing the ability to use document workflow for initiating, tracking, document review and approval, issue tracking, and signature collection. DSHS stakeholders will also have access to Systems Center data protection manager to secure their desktops.

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

The Department considered the alternative of continuing with minimal basic licenses through the Microsoft Enterprise Agreement and not upgrading to the Microsoft Office 365 and Enterprise CAL Suite software license. However, minimal basic licenses for the primary business tools used across the Department impede productivity, expose the agency to legal and financial risks around license tracking, legal discovery and public disclosure requests, and limit the Department's abilities to move to a shared service cloud model, improve communications and support workflow automation.

By funding this request, the Department will be able to improve productivity, reduce legal exposure regarding license tracking, provide enhanced abilities for legal discovery and public disclosure requests, and remain in compliance with a strategic stance for federal HIPAA and IRS 1075 Category 3 and Category 4 data requirements.

What are the consequences of adopting or not adopting this package?

Consequences of not funding this package include reduced productivity and increased legal and financial risk around license tracking, legal discovery and public disclosure requests.

Not upgrading the primary business tools used enterprise-wide limits the Department's abilities to move to a shared service cloud model, improve communications and support workflow automation.

Without upgrades to the key business tools utilized enterprise-wide, the Department is also at risk for federal audit findings in relation to HIPAA and IRS 1075 Category 3 and 4 data requirements, which could result in significant monetary penalties and loss of crucial federal funding streams.

Without this upgrade, the Department is also unable to utilize such features as:

- Automated document routing and approval workflows, which could reduce time for delivering services.
- Improved communications between staff and across programs through tools such as Skype for Business conferencing service (without incurring additional licensing and other fees).
- Collaboration between SharePoint and other applications such as Microsoft Dynamics CRM.
- Intelligent dashboards for making better business decisions and tracking performance indicators.
- Enhanced search and electronic discovery of documents for improved efficiencies in work processes and in response to public disclosure and investigative requests.

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

None.

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

None.

Expenditure and revenue calculations and assumptions

Department of Social and Health Services

DP Code/Title: M2-WP MS Office 365
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Please see attached M2-WP MS Office 365 workbook.

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

Costs are one-time but need to continue forward in the 2017-19 Carry Forward Level.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods\Other Services	256,000	184,000	440,000

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	239,000	171,000	410,000
<i>Total for Fund 001-1</i>		239,000	171,000	410,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u>	<u>Title</u>			
19UL	Title XIX Admin (50%)	17,000	13,000	30,000
<i>Total for Fund 001-C</i>		17,000	13,000	30,000
Total Overall Funding		256,000	184,000	440,000

Department of Social and Health Services

M2-WP MS Office 365 Workbook

Program	FY2016	FY2017	Total
010	250,000	250,000	500,000
020	99,000	69,000	168,000
030	256,000	184,000	440,000
040	336,000	228,000	564,000
050	125,000	125,000	250,000
060	533,000	533,000	1,066,000
070	7,000	7,000	14,000
100	37,000	37,000	74,000
110	93,000	93,000	186,000
135	62,000	40,000	102,000
Total	1,798,000	1,566,000	3,364,000

Program	FY2016 GFS	FY2016 FED	FY2016 Total	FY2017 GFS	FY2017 FED	FY2017 Total	2015-17 GFS	2015-17 FED	2015-17 Total
010	244,000	6,000	250,000	244,000	6,000	250,000	488,000	12,000	500,000
020	99,000	0	99,000	69,000	0	69,000	168,000	0	168,000
030	239,000	17,000	256,000	171,000	13,000	184,000	410,000	30,000	440,000
040	198,000	138,000	336,000	135,000	93,000	228,000	333,000	231,000	564,000
050	66,000	59,000	125,000	66,000	59,000	125,000	132,000	118,000	250,000
060	333,000	200,000	533,000	333,000	200,000	533,000	666,000	400,000	1,066,000
070	6,000	1,000	7,000	6,000	1,000	7,000	12,000	2,000	14,000
100	37,000	0	37,000	37,000	0	37,000	74,000	0	74,000
110	76,000	17,000	93,000	76,000	17,000	93,000	152,000	34,000	186,000
135	62,000	0	62,000	40,000	0	40,000	102,000	0	102,000
Total	1,360,000	438,000	1,798,000	1,177,000	389,000	1,566,000	2,537,000	827,000	3,364,000

Information Technology Addendum

Recsum Code and Title Agency Wide – DSHS M2-WP MS Office 365

Brief Description: The Services and Enterprise Support Administration (SESA) requests funding in the 2016 Supplemental Budget for the purchase of Microsoft Office 365 and Enterprise CAL Suite software license for the Department. By funding this request, the Department will be able to improve productivity, reduce legal exposure regarding license tracking, provide enhanced abilities for legal discovery and public disclosure requests, and remain in compliance with federal HIPAA and IRS 1075 Category 3 and Category 4 data requirements.

If this investment includes the use of servers, do you plan to use the state data center?

- Yes No, waiver received No, waiver not received Does not apply

Business Transformation - This criteria is used to assess the IT proposals supporting business changes made to improve service or access to information for agency customers or citizens.

Business Process Improvement: Primary goal of the proposal is to transform an agency business process -- This criterion will be used to assess the transformative nature of the project (INTENT: to incent agencies to take transformative projects that may include risk).

By moving to the Microsoft Office 365 and Enterprise CAL Suite software license for the Department, we will obtain additional features that will allow us to transform our business processes and enhance our services through the use of enhanced desktop productivity tools across the agency.

- There is an increasing need for the SharePoint ECAL as part of the SharePoint 2013 Project. These features include:
 - Business Intelligence to allow for enterprise wide use of scorecards and trending analysis, using real time data.
 - Enterprise Search features to allow for more efficient response to discovery requests.
 - Could be cost offsets from current BI expenditures.
- As we move towards an Enterprise System Center Configuration Manager solution we will require the System Center Suite CAL, included with the ECAL, which will allow us to better manage workstations and better align with recent OCIO policy and standards for products reaching end of life.
- Exchange Enterprise benefits:
 - Help support the mobility initiative by giving us the ability to apply advanced ActiveSync policies, which will give a higher level of management of mobile devices.

2016 Supplemental Budget Department of Social and Health Services

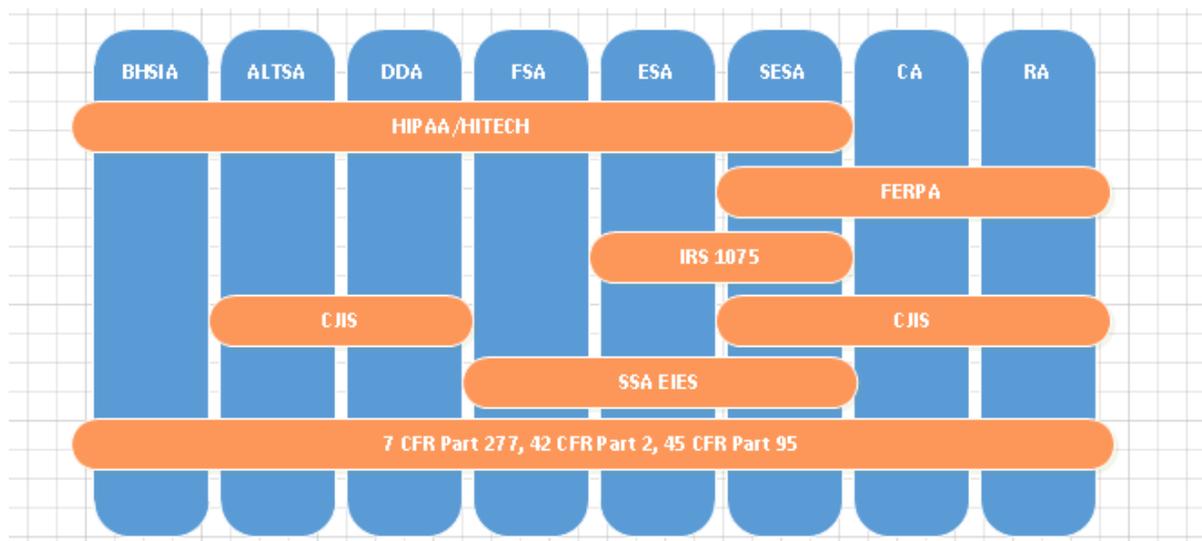
- Data Loss Prevention will provide the Department with the ability to control the release of sensitive data, such as PII, credit cards, or any data determined to be sensitive.

Procurement of the Microsoft Office 365 and Enterprise CAL Suite license offers upgrades to SharePoint, Skype for Business conferencing and other features that provide the ability to transform business processes by implementing improvements such as management dashboards tied to key indicators (providing real time decision data), searching for documents across all DSHS SharePoint sites (improving ability to locate documents for public disclosure and the like), direct editing of files from SharePoint web pages (improving productivity and reducing duplication of files), and conferencing features (reducing the need for travel costs and time), among many other features.

Risk Mitigation: Primary goal is to mitigate risks associated with transformative initiatives. This criterion will be used to determine if the initiative provides adequate resources to mitigate risks associated with a transformative initiative. Risk planning may include budgeting for independent Quality Assurance, organizational change management, training, staffing, etc. (INTENT: Drive business value by encouraging risk taking that is well managed.)

Without upgrades to the key business tools utilized enterprise-wide, the Department is at risk for federal audit findings in relation to HIPAA and IRS 1075 category 3 and 4 data requirements, which could result in significant monetary penalties and loss of crucial federal funding streams.

DSHS Federal Privacy and Information Security Compliance Requirements



Customer Facing Value: Add value in short increments -- This criterion will be used to determine if the initiative provides “customer-facing value” in small increments, quickly to drive our agile strategy. (INTENT: drive agencies to producing value more quickly and incrementally).

The customers immediately receiving value from this investment are the DSHS users who will quickly benefit from Microsoft Office 365 and Enterprise CAL Suite.

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Procurement of the Microsoft Office 365 and Enterprise CAL Suite license offers upgrades to SharePoint, Skype for Business conferencing and other features that provide customers the ability to implement improvements such as management dashboards tied to key indicators (providing real time decision data), search for documents across all DSHS SharePoint sites (improving ability to locate documents for public disclosure and the like), direct editing of files from SharePoint web pages (improving productivity and reducing duplication of files), and conferencing features (reducing the need for travel costs and time), among many other features.

This Office 365 and Enterprise CAL Suite procurement will enhance the work efficiency of our internal customers by providing the ability to use document workflow for initiating, tracking, document review and approval, issue tracking, and signature collection. DSHS customers will also have access to Systems Center data protection manager to secure their desktops.

As some of the agencies that DSHS interacts/partners with have developed applications that require Office 365 and the Enterprise CAL Suite to be able to connect and use, customers will quickly receive value by being able to use these partners' applications.

Customers will also see value through reduced future ongoing costs and continuously improving services; supporting a more productive workforce and increasing/maintaining the timely delivery of state services; ensuring funding is used responsibly by increasing the percentage of projects with measured improvements in cost, quality, time and customer and employee satisfaction; keeping the Microsoft service platform efficient, nimble, and cost-effective; improving service, and providing increased options to partners and clients

Open Data: New datasets exposed -- This criterion will be used to assess if the initiative will increase public access to searchable, consumable machine readable data from state agencies. (INTENT: to drive agencies to make more data available to citizens. We also value make data available internally for better decision making).

This Office 365 and Enterprise CAL Suite procurement will make data available internally for better decision making.

The Department will be able to take advantage of features such as SharePoint dashboards to speed and improve decision making through delivery of key performance indicators and integration of Office documents and Business Analytics Reporting; enhanced document searches, which would assist in timelier response to legal discovery and public disclosure requests; as well as automated workflows for document routing and approvals, which could speed and improve decisions as well as reduce time to delivery of services.

Transparency/Accountability: Project is clear, measurable, and immediate -- This criterion will be used to assess if the initiative specifies the following: 1. Are the goals articulated? 2. Are performance outcomes identified, quantified and measurable? (INTENT: agency with better project and outcome performance measure get more points).

The investment's goals for procuring Microsoft Office 365 and Enterprise CAL Suite include:

2016 Supplemental Budget Department of Social and Health Services

- reducing future ongoing costs while improving services
- supporting a more productive workforce
- providing enhanced abilities for legal discovery and public disclosure requests
- strengthening compliance with federal HIPAA and IRS 1075 Category 3 and Category 4 data security requirements
- reducing legal exposure regarding license tracking, legal discovery and public disclosure requests
- keeping the Microsoft service platform efficient, nimble, and cost-effective
- improving service and providing increased options to partners and clients

The functionality resulting from productivity software licensing at the Office 365 and Enterprise CAL Suite level includes improved communication, collaboration, presence, synchronous communications (instant messaging), enterprise content management, information rights management, client workstation security, server and Web security, client and server real-time monitoring and updates, conferencing, Web-based forms solutions, and business data connectors, among many other features.

Sample performance outcomes include:

- Time/productivity gains through improved ability to locate documents across current information boundaries and overcome lack of search features across sister organizations (without which documents are unnecessarily duplicated and cause increased IT storage requirements and costs)
- Reduced travel time and associated costs by using multi-point group video conferencing through Skype for Business conferencing, and eliminating the need to pay for additional licenses for WebEx, GoToMeeting, or other conferencing services currently used in the Department
- Better/faster decision-making as a result of access to real-time decision support through key performance indicators highlighted in management dashboards posted on SharePoint webpages or sent via e-mails directly to management wherever they can access Outlook
- Improved collaboration and productivity, and reduced duplication of files, through direct editing of files from SharePoint webpages

Sample performance measures include:

- Improved response times for public disclosure requests as a result of better document search capabilities
- Reduction in IT storage costs for documents as a result of reduced duplication of files
- Reduction in license costs for WebEx, GoToMeeting and other conferencing services as a result of using Skype for Business conferencing included in the Microsoft Enterprise CAL Suite of products.

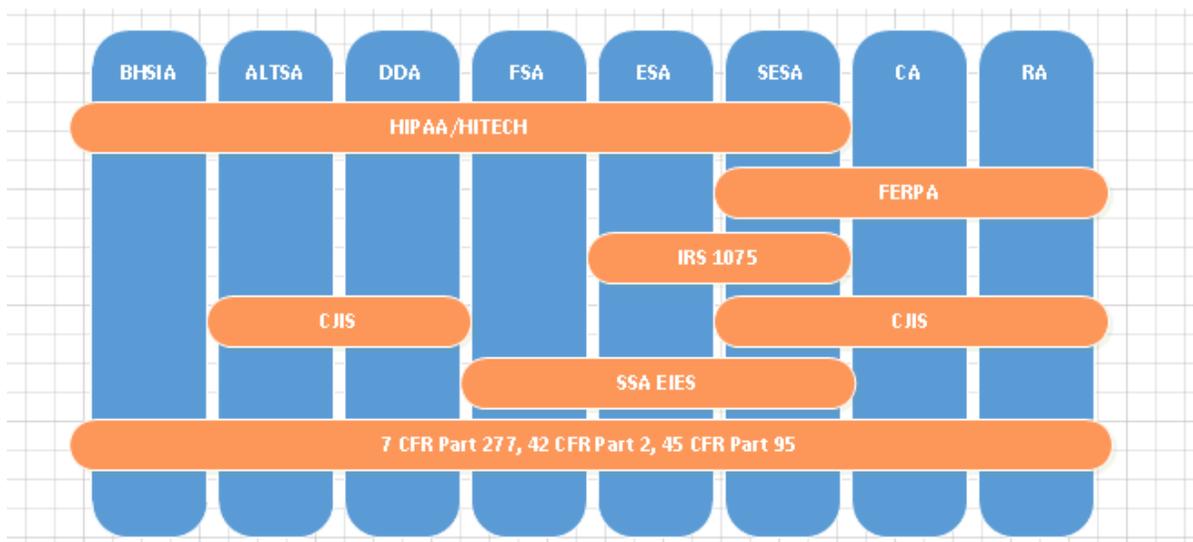
Technology Strategy Alignment – This criteria is used to assess the alignment of the request to the larger technology strategy of the state.

Security: Improve agency security - This criterion will be used to assess the improvements to the overall security posture for an agency. (INTENT: to award additional points to projects where intent is to improve the security across an agency).

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The investment enhances the overall security posture for DSHS through the use of key business tools across the enterprise that allow for better protection of Category 3 and Category 4 data covered by regulations such as HIPAA, IRS 1075 and others pictured below. The Department's data is at risk without the improved infrastructure security provided by these software products.

DSHS Federal Privacy and Information Security Compliance Requirements



Modernization of state government: Cloud first -- This criterion will be used to assess if the initiative will result in replacing legacy systems with contemporary solutions that drive our cloud-first strategy. (INTENT: to drive agencies to look more intently at leveraging cloud based solutions).

This will be a key step for DSHS to develop an enterprise cloud strategy in alignment with broader state strategy; to identify and move key workloads to the cloud; to always be on the latest software release, and to allow seamless upgrades as part of service.

This investment allows the Department to move forward in adoption of Cloud services. This Microsoft Office 365 software license helps position the Department to take advantage of Cloud-based business tools and processes, promotes innovative delivery of services by allowing for more Cloud adoption to increase agility and pace of government, and improves security by allowing integration of Cloud technology with the Department's infrastructure.

This investment will reduce our dependency on legacy systems. It will also enhance and modernize our current desktop productivity tools, allowing for a more efficient and secure computing environment. These enhanced toolsets will increase the availability of business analytical tools to all staff for improved decision making.

Mobility: New mobile services for citizens -- This criterion will be used to assess the contribution of the initiative to support mobile government services for citizens and a mobile workforce. (INTENT: to drive agencies to look for ways to deliver results and

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services that are accessible to citizen from mobile devices. We value mobility for employees as well but value mobility for citizens more).

This investment does not directly improve mobile access to services for customers.

Interoperability: Adds value in 6 months -- This criterion will be used to determine if the initiative provides a technology system or software application that distributes, consumes, or exchanges data. (INTENT: drive agencies to acquiring and/or developing systems that are interoperable across the state enterprise).

This investment provides a suite of Microsoft software applications that are interoperable across the state enterprise and promote improved communication, collaboration, presence, synchronous communications (instant messaging), enterprise content management, information rights management, client security, server and Web security, client and server real-time monitoring and updates, conferencing, Web-based forms solutions, and business data connectors, among many other features.

The shared Microsoft platform also enables development of more interoperable applications across the state enterprise.

Financial - This criterion will be used to assess the initiatives financial contribution. The extent the initiative uses other fund sources, reduces cost for the state, or captures new or unrealized revenue.

Captures new or unrealized revenue: This criteria is calculated based on the amount of new or unrealized revenue captured by the end of biennium 17-19 as a proportion of total investment. To get the full points in this criteria projects must capture at least 5x the amount of the investment by the end of biennium 17-19.

This investment does not generate new revenue or capture additional revenue left “on the table” by current solutions.

Reduces Costs: This criteria is calculated based on the amount of cost reduction by the end of biennium 17-19 as a proportion of total investment. To get the full points in this criteria projects must reduce costs by at least 2x the amount of the investment by the end of biennium 17-19.

This investment could eliminate the need for additional agreements with other software vendors (McAfee; WebEx) which could result in a cost savings of over \$150,000 per year. This will also reduce the number of CRM licenses required as the Enterprise CAL would allow reports to be generated from CRM data and viewed in SharePoint. Users could view these reports via the SharePoint site, eliminating the need of an explicit CRM license.

Leverages Federal/Grant Funding: This criteria is to calculate the degree in which projects are funded by federal or grant dollars. Projects that are fully funded by federal or grant sources receive full points.

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Many program areas in DSHS receive federal or grant dollars and have requested the expansion of the licensing agreement to support management of documents within their workflow processes, and other features that the Office 365 and Enterprise CAL Suite provide to meet their business needs. We estimate approximately 30% of the cost is expected to be federally funded.

The following chart shows the federal/state funding splits for these licensing costs.

PROJECTED COSTS TO MOVE TO O365												
Program	Number of Users based on Jan 2015 Renewal Counts	Year 1 True Up Payment - Feb 2016 (FY16) One Time Payment - to bring remaining 259 Users to ECAL Suite and readiness for O365 Add On - Covers thru end of term	O365 Increase for Year 2 (March 2016)	O365 Increase for Year 3 (March 2017)	FY16 State	FY16 Federal	FY17 State	FY17 Federal	FY16 State Rounded	FY16 Federal Rounded	FY17 State Rounded	FY17 Federal Rounded
TOTALS	19181	\$233,080.87	\$1,565,896.48	\$1,565,896.48	1,360,814	438,164	1,176,973	388,923	1,360,000	438,000	1,177,000	389,000
010 CA	2878	\$0.00	\$250,558.39	\$250,558.39	244,294	6,264	244,294	6,264	244,000	6,000	244,000	6,000
020 JRA	1108	\$29,697.69	\$69,361.24	\$69,361.24	99,059	0	69,361	0	99,000	0	69,000	0
030 MH HQ	60	\$0.00	\$5,986.20	\$5,986.20	5,577	409	5,577	409	6,000	0	6,000	0
030 MH CSTC	153	\$5,399.58	\$8,897.79	\$8,897.79	13,319	978	8,289	609	13,000	1,000	8,000	1,000
030 MH ESH	706	\$19,798.46	\$43,934.68	\$43,934.68	59,374	4,359	40,930	3,005	59,000	4,000	41,000	3,000
030 MH WSH	1958	\$47,696.29	\$124,917.79	\$124,917.79	160,807	11,807	116,373	8,544	161,000	12,000	116,000	9,000
040 DDA	3749	\$107,990.60	\$227,727.82	\$227,727.82	198,141	137,577	134,405	93,323	198,000	138,000	135,000	93,000
050 AAS	1502	\$0.00	\$123,509.46	\$123,509.46	64,324	59,186	64,324	59,186	64,000	59,000	64,000	59,000
060 ESA	4974	\$0.00	\$533,151.37	\$533,151.37	333,380	199,772	333,380	199,772	333,000	200,000	333,000	200,000
070 DASA	55	\$0.00	\$6,846.70	\$6,846.70	5,548	1,299	5,548	1,299	6,000	1,000	6,000	1,000
100 DVR	321	\$0.00	\$37,051.38	\$37,051.38	37,051	0	37,051	0	37,000	0	37,000	0
050 ODDH	13	\$0.00	\$1,595.19	\$1,595.19	1,595	0	1,595	0	2,000	0	2,000	0
110 /150	1024	\$0.00	\$92,403.47	\$92,403.47	75,891	16,513	75,891	16,513	76,000	17,000	76,000	17,000
135 SCC	680	\$22,498.25	\$39,955.00	\$39,955.00	62,453	0	39,955	0	62,000	0	40,000	0

Department of Social and Health Services

DP Code/Title: M2-WQ Food and Medical Adjustments
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

DSHS requests funding in the 2016 Supplemental Budget for increased food and medical costs that is critical to the support of the health, safety, and security of residents and staff in the department's institutional programs.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	113,000	117,000	230,000
Total Cost	113,000	117,000	230,000

Staffing

Package Description:

Problem Statement:

Inflation of food and medical services impact department institutions by reducing their purchasing power for services that must be provided to agency clients. These program costs are not forecasted and programs have no other way to cover the inflationary increases of client services.

Proposed Solution:

DSHS requests funding to cover inflation related cost increases of food in institutions and non-forecasted professional medical services and supplies. DSHS institutions operate very close to appropriated funding levels. Without the funding to meet inflationary costs client services will be negatively impacted.

Many clients served in DSHS institutions have special dietary needs and require a variety of specialized diets to keep meals in compliance with patient care regulations and meet standards of care. Other client meals must meet US Department of Agriculture nutritional guidelines. These requirements and others normally result in higher raw food and labor costs. According to data produced by the US Department of Labor, Bureau of Labor Statistics (BLS), the Puget Sound region has experienced an annual average food inflation rate of 2.0 percent over the last five years for the cost of raw foodstuffs used in institutional programs (Rehabilitation Administration, Developmental Disabilities Administration, and Behavioral Health and Service Integration Administration). In a typical day, DSHS feeds as many as 2,600 institutionalized clients in these three programs three times a day, as well as the attendant direct care staff. This request includes only those institutions whose average cost increases since 2010 exceed the 2.0 percent BLS reported rate.

According to data produced by the BLS, the western states have experienced an annual average increase in non-forecasted medical costs of 2.8 percent over the last five years. This includes the cost of pharmaceuticals, medical supplies, and off-campus medical services. DSHS institutions transitioned to use of generic drugs, when available, several years ago. Costs for some programs have risen despite the use of generics. This request includes only those institutions whose average cost increases since 2010 exceed the 2.8 percent BLS reported rate.

Agency Contact: Ken Brown (360) 902-7583

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

DSHS expects this funding to protect services to clients by counteracting, to at least some degree, rising inflation related

Department of Social and Health Services

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costs. Nutritious and high quality food and the appropriate medical supplies and services will be provided and contribute to healthy, safe, and secure facilities and campuses.

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

FY 1

FY 2

0.00

0.00

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

This decision package is essential to implementing program Strategic Objectives.

1.1: Youth in JR will have increased access to a coordinated delivery of medical, behavioral health and long-term services and supports to improve their health status.

4.1: Improve health care outcomes for individuals with high medical risk factors by implementing Medicaid Health Home benefits.

4.5: To ensure clients residing in the Residential Habilitation Centers (RHCs) and Nursing Facilities are being supported to attain the highest possible quality of life.

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

This decision package supports the Results Washington goal(s) to:

Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians for a healthy start to a safe and supported future.

Goal 4: Healthy & Safe Communities - Healthy People - Provide access to good medical care to improve people's lives.

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

It is expected that stakeholders will support this proposal. With some institutions operating at a deficit and other facilities marginally meeting their budget, the Department has very limited options other than to pay the higher costs. Institutions constantly strive to maintain the lowest per meal cost possible while at the same time meeting nutritional requirements of special diets and USDA requirements for juvenile offenders.

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

This request cannot be absorbed within existing resources. DSHS programs operate very close to appropriated funding levels. These program costs are not forecasted and have no other way to cover increasing costs to serve clients.

What are the consequences of adopting or not adopting this package?

DSHS will not be able to absorb this cost increase without an offsetting reduction in client service programs.

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

None

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

Department of Social and Health Services

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See attachment: AW M2-WQ Food and Medical Adjustments.xlsx

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

These costs are ongoing and continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods\Other Services	113,000	117,000	230,000

DSHS Source Code Detail

Overall Funding	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	113,000	117,000	230,000
<i>Total for Fund 001-1</i>	113,000	117,000	230,000
Total Overall Funding	113,000	117,000	230,000

**FY 2016 Supplemental Budget
AW M2-WQ Food and Medical Adjustments**

Fiscal Year	Fiscal Year			Fiscal Year			Total
	2016			2017			2015-17
	GF-State	Federal	Total	GF-State	Federal	Total	
JRA							
G20 Community Residential Services			0				
G42 Echo Glen Children's Center	47,000		47,000	50,000		50,000	97,000
G44 Green Hill School	134,000		134,000	154,000		154,000	288,000
G45 Naselle Youth Camp							
Total Program	181,000		181,000	204,000		204,000	385,000
MH							
G91 Eastern State Hospital							
G92 Western State Hospital	113,000		113,000	117,000		117,000	230,000
G94 Child Study and Treatment Center							
Total Program	113,000		113,000	117,000		117,000	230,000
DDA							
H31 Fircrest	15,000	10,000	25,000	15,000	10,000	25,000	50,000
H33 Rainier	57,000	40,000	97,000	59,000	41,000	100,000	197,000
H34 Lakeland Village	65,000	45,000	110,000	68,000	47,000	115,000	225,000
H35 Yakima Valley Nursing Facility	9,000	7,000	16,000	9,000	7,000	16,000	32,000
Total Program	146,000	102,000	248,000	151,000	105,000	256,000	504,000
SCC							
G73 SCTF - Pierce County	0		0	0		0	0
G74 SCTF - King County	0		0	0		0	0
G90 Special Commitment Center	0		0	0		0	0
Total Program	0		0	0		0	0
Total Request	440,000	102,000	542,000	472,000	105,000	577,000	1,119,000

**FY 2016 Supplemental Budget
M2-WQ Food Cost Inflation**

Fiscal Year	2010	2011	2012	2013	2014	2015	Average %	Average Expend FY's	Fiscal Year		Total		
							Change	2013-15	2016	2017	2015-17		
JRA													
G20 Community Residential Services	216,312	261,426	337,776	331,377	343,857	380,157	12.5%		351,797			Received funding for USDA requirements in 2013-15 budget, \$240,000 in FY14 and \$230,000 in FY15.	
G42 Echo Glen Children's Center	268,323	301,887	341,134	415,951	452,300	440,923	10.7%		436,391				
G43 Maple Lane School													
G44 Green Hill School	451,992	448,448	513,321	568,126	568,802	545,951	4.1%		560,959				
G45 Naselle Youth Camp	214,839	205,885	213,183	245,691	233,482	207,774	-0.3%		228,982				
Total Program	1,151,465	1,217,647	1,405,415	1,561,145	1,598,440	1,574,804	6.6%		1,578,129			Supplemental not warranted.	
MH													
G91 Eastern State Hospital	879,938	863,769	861,252	870,215	922,314	899,925	0.5%		897,485			Consider Supplemental for WSH	
G92 Western State Hospital	2,737,862	2,692,234	2,776,591	3,086,589	3,211,208	3,245,273	3.5%		3,181,023	113,000	117,000		230,000
G94 Child Study and Treatment Center	174,984	138,840	137,104	134,830	138,060	138,968	-4.1%		137,286				
Total Program	3,792,785	3,694,843	3,774,947	4,091,633	4,271,582	4,284,166	2.5%		4,215,794	113,000	117,000		230,000
DDA													
H31 Fircrest	688,500	509,356	598,625	613,487	656,425	615,040	-1.1%		628,317			Consider Supplemental for Rainier Consider Supplemental for LV	
H33 Rainier	814,026	804,834	944,464	903,378	962,836	968,752	3.8%		944,988	36,000	37,000		73,000
H34 Lakeland Village	704,112	728,053	778,709	801,982	825,173	877,034	4.5%		834,729	38,000	39,000		77,000
H35 Yakima Valley Nursing Facility	244,969	275,102	239,525	212,029	180,004	219,016	-1.1%		203,683				
H36 Frances Haddon Morgan						732							
H59 State Operated Living Alternative					8,640	8,248			6,438				
H60 Community Crisis Stabilization Services				2,426									
Total Program	2,451,607	2,317,344	2,561,323	2,533,301	2,633,809	2,688,089	2.0%		2,618,400	74,000	76,000	150,000	
SCC													
G72 Community Services												Food and Medical costs are forecasted.	
G72 Special Comm-Community Services													
G73 SCTF - Pierce County	14,457	20,402	16,557	20,079	22,121	26,856	15.0%		23,019				0
G74 SCTF - King County	4,077	7,449	11,355	9,897	8,282	9,461	24.0%		9,214				0
G90 Special Commitment Center	579,829	734,922	624,338	660,026	715,265	730,921	5.6%		702,071				0
Total Program	598,362	762,773	652,250	690,002	745,669	767,238	5.9%		734,303	0	0	0	
Total Food Request									187,000	193,000	380,000		

Recommendation: Submit Supplemental for WSH, Rainier, and Lakeland Village. Facilities have exceeded the CPI average of 2% increase from 2010 - 2014.

2010 Base Year - Percentage Change	2010	2011	2012	2013	2014	2015	Average % Change
JRA							
G20 Community Residential Services		21%	29%	-2%	4%	11%	12.5%
G42 Echo Glen Children's Center		13%	13%	22%	9%		10.7%
G43 Maple Lane School							
G44 Green Hill School		-1%	14%	11%	0%	-4%	4.1%
G45 Naselle Youth Camp		-4%	4%	15%	-5%	-11%	-0.3%
Total Program		6%	15%	11%	2%	-1%	6.6%
MH							
G91 Eastern State Hospital		-2%	0%	1%	6%	-2%	0.5%
G92 Western State Hospital		-2%	3%	11%	4%	1%	3.5%
G94 Child Study and Treatment Center		-21%	-1%	-2%	2%	1%	-4.1%
Total Program		-3%	2%	8%	4%	0%	2.5%
DDA							
H31 Fircrest		-26%	18%	2%	7%	-6%	-1.1%
H33 Rainier		-1%	17%	-4%	7%	1%	3.8%
H34 Lakeland Village		3%	7%	3%	3%	6%	4.5%
H35 Yakima Valley Nursing Facility		12%	-13%	-11%	-15%	22%	-1.1%
H36 Frances Haddon Morgan							
H59 State Operated Living Alternative							
H60 Community Crisis Stabilization Services							
Total Program		-5%	11%	-1%	4%	2%	2.0%
SCC							
G72 Community Services							
G72 Special Comm-Community Services							
G73 SCTF - Pierce County		41%	-19%	21%	10%	21%	15.0%
G74 SCTF - King County		83%	52%	-13%	-16%	14%	24.0%
G90 Special Commitment Center		27%	-15%	6%	8%	2%	5.6%
Total Program		27%	-14%	6%	8%	3%	5.9%

**FY 2016 Supplemental Budget
MJ2-WQ Medical Cost Inflation**

	2010	2011	2012	2013	2014	2015	Average % Change	Average Expend FY's 2013-15	Fiscal Year		Total 2015-17	
									2016	2017		
JRA												
G20 Community Residential Services	6,067	4,936	5,133	4,273	3,937	6,507	5.2%	4,906	0	0	0	
G42 - Echo Glen Children's Center	855,277	799,831	936,071	1,050,120	962,726	1,047,698	4.6%	1,020,181	47,000	50,000	97,000	
G43 Maple Lane School											0	
G44 Green Hill School	469,008	501,664	840,115	960,595	953,379	816,540	14.7%	910,171	134,000	154,000	288,000	
G45 Naselle Youth Camp	450,047	441,465	259,351	389,984	396,934	328,109	-1.7%	371,676				
Total Program	1,780,399	1,747,896	2,040,670	2,404,971	2,316,976	2,198,854	4.8%	2,306,934	181,000	204,000	385,000	Decreasing Trend
MH												
G91 Eastern State Hospital	3,316,443	3,420,495	3,206,650	2,500,127	2,752,131	2,800,162	-2.7%	2,684,140				
G92 Western State Hospital	5,841,094	6,154,643	5,470,783	3,554,245	4,396,923	4,684,352	-2.1%	4,211,840				
G94 CSTC	1,421,841	1,199,724	1,294,172	1,165,377	1,340,631	1,112,965	-3.9%	1,206,324				
Total Program	10,579,377	10,774,862	9,971,605	7,219,749	8,489,685	8,597,479	-2.9%	8,102,304				Decreasing Trend
DDA												
H31 Fircrest	1,613,525	1,450,889	1,286,212	749,346	987,599	1,413,421	2.3%	1,050,122	25,000	25,000	50,000	
H33 Rainier	2,014,417	2,023,960	2,019,006	1,603,617	1,933,213	2,235,925	3.2%	1,924,252	61,000	63,000	124,000	
H34 Lakeland Village	1,128,406	1,137,298	1,244,505	1,187,675	1,288,622	1,460,903	5.5%	1,312,400	72,000	76,000	148,000	
H35 Yakima Valley Nursing Facility	604,313	672,890	648,065	650,643	590,933	671,036	2.5%	637,537	16,000	16,000	32,000	
H36 Frances Haddon Morgan												
Total Program	5,360,660	5,285,037	5,197,789	4,191,281	4,800,367	5,781,285	2.5%	4,924,311	174,000	180,000	354,000	
SCC												
G73 SCTF - Pierce County	89,096	33,927	39,786	241,512	64,118	32,009	67.8%	112,546				
G74 SCTF - King County	71,379	140,468	70,504	259,943	73,537	35,250	38.4%	122,910				
G90 Special Commitment Center	1,554,096	1,073,676	957,514	1,283,404	1,512,685	1,258,189	-1.3%	1,351,426				
Total Program	1,714,571	1,248,071	1,067,805	1,784,859	1,650,340	1,325,447	-0.3%	1,586,882				Food and Medical costs are forecasted.
Total Medical Request									355,000	384,000	739,000	

Recommendation: Submit Supplemental for Echo Glen, Green Hill, Fircrest, Rainier, Lakeland Village, and Yakima Valley only. Facilities have exceeded the CPI average of 2.8% increase from 2010 - 2014.

2010 Base Year - Percentage Change	2010	2011	2012	2013	2014	2015	Average % Change
JRA							
G20 Community Residential Services		-19%	4%	-17%	-8%	65%	5.2%
G42 Echo Glen Children's Center		-6%	17%	12%	-8%	9%	4.6%
G43 Maple Lane School							
G44 Green Hill School		7%	67%	14%	-1%	-14%	14.7%
G45 Naselle Youth Camp		-2%	-41%	50%	2%	-17%	-1.7%
Total Program		-2%	17%	18%	-4%	-5%	4.8%
MH							
G91 Eastern State Hospital		3%	-6%	-22%	10%	2%	-2.7%
G92 Western State Hospital		5%	-11%	-35%	24%	7%	-2.1%
G94 Child Study and Treatment Center		-16%	8%	-10%	15%	-17%	-3.9%
Total Program		2%	-7%	-28%	18%	1%	-2.9%
DDA							
H31 Fircrest		-10%	-11%	-42%	32%	43%	2.3%
H33 Rainier		0%	0%	-21%	21%	16%	3.2%
H34 Lakeland Village		1%	9%	-5%	8%	13%	5.5%
H35 Yakima Valley Nursing Facility		11%	-4%	0%	-9%	14%	2.5%
H36 Frances Haddon Morgan							
Total Program		-1%	-2%	-19%	15%	20%	2.5%
SCC							
G72 Community Services							
G72 Special Comm-Community Services							
G73 SCTF - Pierce County		-62%	17%	507%	-73%	-50%	67.8%
G74 SCTF - King County		97%	-50%	269%	-72%	-52%	38.4%
G90 Special Commitment Center		-31%	-11%	34%	18%	-17%	-1.3%
Total Program		-27%	-14%	67%	-8%	-20%	-0.3%

Department of Social and Health Services

DP Code/Title: M2-WT CLIP Capacity
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

The Behavioral Health Service Integration Administration (BHSIA) requires funding in four areas to improve wait times for youth to receive prompt medically necessary mental health services and treatment in Washington State's Children's Long-Term Inpatient Program (CLIP) system. These funds are also necessary to meet a seven-day performance target for forensic services as outlined in Revised Code of Washington (RCW) 10.77.068.

Fiscal Detail:

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

Staffing

Package Description:

Problem:

The CLIP system provides inpatient psychiatric treatment for youth (6-17 years of age) who require the highest level of behavioral health care in our state. Reducing wait times for forensic youth and CLIP admissions will also reduce the time children spend waiting in alternate facilities.

The two primary pathways for admission into CLIP are involuntary-admission, through a 180-day Involuntary Treatment Act (ITA) court order, and voluntary-admission. Under RCW 71.34.760(1), if a child is involuntarily committed on a 180-day ITA court order for inpatient treatment, DSHS has a statutory obligation to "accept immediately and place the minor" in a state-funded long-term evaluation and treatment facility. Currently, due to CLIP bed limitations, youth on 180-day ITA orders are placed on the CLIP waitlist based upon the ITA court order date. From State Fiscal Year (SFY) 2014 to current, children on ITA orders, average 38 days on the wait list until actual CLIP admission. A CLIP waitlist is also maintained for voluntary-CLIP admission.

A seven-day timeframe for admission for forensic services also applies to children. RCW 10.77.068 sets performance targets and deadlines for completing competency evaluations and for admission to the state hospitals for competency services. Because most child forensic services are delivered almost exclusively at one cottage (Orcas) of the state's child psychiatric hospital (Child Study and Treatment Center), capacity here is currently insufficient to meet timeliness standards.

The overall state-wide CLIP system bed capacity is being supplanted by private insurance companies that contract with state-contracted CLIP facilities at significantly higher reimbursement rates. Current state-contracted CLIP facilities are paid a state reimbursement rate of \$544.00 per bed, per day. Private insurance entities are paying on average \$750 per day, per bed, for the same facilities. CSTC incurs a cost of \$860 per day, per bed. As a result of the above, many beds in the "state CLIP system" are not available because they are serving the private insurance system. An additional complication occurs because children with the toughest behaviors, and forensic services children, are often declined for service by the private state CLIP network meaning they can only be served by the CSTC, and often only two of the CSTC's cottages are appropriate for them.

Finally, often the Behavioral Rehabilitation System (BRS), which is designed to serve behavioral activities less serious than the CLIP system, is asked to fill the gap until CLIP beds are available. Enhancing the CLIP system will better allow the BRS system to function at the activity level it is designed for.

Department of Social and Health Services

DP Code/Title: M2-WT CLIP Capacity
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Solution:

- Provide a dedicated seven-bed child forensic unit and one additional child forensic evaluator to allow timely completion of RCW 10.77 competency evaluation and restoration treatments related to children.
- Providing ten additional CLIP beds will allow CSTC to reduce waitlists to acceptable levels.
- Increasing the state-contracted CLIP reimbursement bed rate will offer competitive rates and secure needed contracted CLIP beds from the existing network or new network members.
- Increasing the overall CLIP bed capacity will facilitate the BRS system.

Agency Contact: Sara Corbin (360) 902-8194
Program Contact: LaRessa Fourre (360) 725-3207

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

DSHS has struggled with ensuring available bed capacity for services. Addressing the factors contributing to longer wait times for CLIP services will assist with the following goals:

- Provide better forensic evaluations and restoration services for children within required timelines.
- Provide ITA admissions for children within required timelines.
- Secure current CLIP bed capacity by offering competitive CLIP reimbursement rates.
- Adding additional CLIP beds to the overall CLIP system facilitates the BRS system.

Performance Measure Detail

Agency Level

Activity: C070 Mental Health Services - Children's Long-term Treatment Programs (CLIP)

No measures linked to package

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

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

This decision package is essential to implementing BHSIA's Strategic Objective:
4.1: Improve health care outcomes for individuals with high medical risk factors by implementing Medicaid Health Home benefits.

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

This decision package supports the Results Washington goal(s) to:
Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians for a healthy start to a safe and supported future.
Goal 4: Healthy & Safe Communities - Healthy People - Provide access to good medical care to improve people's lives.
Goal 4: Healthy & Safe Communities - Healthy People - 1.2.A.a Increase the percentage of mental health consumers receiving a services within 7 days after discharge from an inpatient setting.

Department of Social and Health Services

DP Code/Title: M2-WT CLIP Capacity
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

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

Addressing the issues that have contributed to increased wait time to be admitted to CLIP has far reaching impacts by providing Washington State's Medicaid population timely access to needed services. In addition, many youth served in CLIP are also being served by more than one DSHS child-serving agency and improved admission times for these youth will assist in decreasing cross-system challenges. Most importantly, youth that meet medical necessity for CLIP and those needing forensic services will benefit by improved access to those services and timely completion of forensic evaluation and restoration services.

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

DBHR contacted current CLIP providers to see if they could increase the number of beds, but contractors are concerned with their current rates and the difficulty of the population. The department also explored increase capacity at CSTC but again there is no alternatives for expanding the number of inpatient beds for kids.

What are the consequences of adopting or not adopting this package?

Waitlists will continue to grow and kids will not be able to access the level of care needed in a timely manner.

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

This request has no impact on the capital budget.

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

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

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

Department of Social and Health Services

DP Code/Title: PL-CQ TJC and CMS Quality Assurance
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

The Behavioral Health and Service Integration Administration (BHSIA) requests funding for 2.0 FTEs to establish Washington Management Service (WMS) positions for a Performance Improvement Manager and an Accreditation and Standards Manager at Western State Hospital (WSH). The purpose of this request is to address service delivery quality issues and survey citations issued by regulatory agencies. Negative survey findings put federal and private health insurance funding for the hospital in jeopardy. By funding this request, BHSIA expects improved compliance with regulatory standards and improved patient care quality outcomes.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	302,000	302,000
Total Cost	0	302,000	302,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	0.0	2.0	1.0

Package Description:

Problem Statement:

As a result of budget reductions of WMS positions in previous years, the WSH Quality Management Department lacks sufficient resources to maintain, improve upon and verify standards of accreditation and performance improvement metrics to meet the minimum standards to operate a 900+ bed psychiatric hospital. The loss of these positions has become most obvious in a recent Centers for Medicare and Medicaid Services (CMS) Recertification Site Survey this past fiscal year, as well as from unannounced the Joint Commission (TJC) surveys. Additional resources are necessary to meet the ongoing challenges to meet state and federal regulatory requirements. If this request is not funded, CMS/TJC certification will be at higher risk, which could result in a loss of federal and local revenue. The hospital has worked to meet certification requirements within existing resources, but has experienced numerous site survey citations. Currently, the Director of Quality Management functions in the role of Accreditation and Standards Manager and Performance Improvement Manager, as well as a variety of other essential roles within the hospital. The Director of Quality Management is not able to adequately fill all of these roles; therefore, accreditation and quality assurance activities have suffered.

Proposed Solution:

The two requested FTE's will address survey and quality issues by:

Accreditation & Standards Manager: This position will have principal responsibility in the management and oversight of the hospital's compliance with national accreditation and CMS conditions of participation. This includes ensuring that the hospital meets all state and federal hospital licensing, accreditation and certification requirements, clinical standards and practices, and direct patient care and treatment standards. This position will work collaboratively across hospital organizational units and foster collaboration among hospital managers, staff, the department, BHSIA, and WSH divisions and outside entities.

Performance Improvement Manager: This position will be responsible for all hospital-wide performance improvement related activities. It will manage and coordinate organization-wide efforts to ensure that performance improvement projects are developed and managed using a data-driven focus that sets priorities for improvements aligned to ongoing strategic initiatives. This position will design, direct and manage performance improvement projects (PIP) that utilize various means and methods of project management.

Department of Social and Health Services

DP Code/Title: PL-CQ TJC and CMS Quality Assurance

Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Agency Contact: Sara Corbin (360) 902-8194
Program Contact: Victoria Roberts (360) 725-3715

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Funding this request will result in higher quality services to patients and improved accreditation survey outcomes. This will help to reduce patient and staff injury rates, reduce seclusion/restraint hours, staff turnover, and the potential negative publicity that would result from poor patient outcomes. Through quality assurance accreditation activities, WSH will be able to proactively identify areas of concern and address them before negative events occur. This will improve quality of care and enhance the lives of hospital patients. These positions will also help ensure the hospital receives the maximum federal and local funding possible.

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

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

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

This decision package is essential to implementing BHSIA's Strategic Objective.

1.2: Reduce the quarterly rates of patient seclusion hours at Eastern State Hospital and maintain the rates of seclusion hours at Western State Hospital.

Improved Quality Assurance activities will allow for additional analysis of seclusion/restraint events, which will lead to additional strategies to reduce instances. This will improve the quality of patient outcomes and bring WSH into alignment with regulatory expectations and national standards.

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

This decision package supports the Results Washington goal(s) to:

Goal 4: Healthy & Safe Communities - Healthy People - Provide access to good medical care to improve people's lives.

Funding the two requested positions will improve the quality of services to patients at WSH, resulting in better patient outcomes, potentially shorter stays, and improved survey findings by regulatory agencies.

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

There are no stakeholders that would be opposed to this investment. Stakeholders that would benefit by this investment include the patients and staff of the hospital by improving the quality of services.

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

No alternatives were explored as existing staff cannot take on the additional workload.

Department of Social and Health Services

DP Code/Title: PL-CQ TJC and CMS Quality Assurance
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

What are the consequences of adopting or not adopting this package?

WSH will continue to struggle to meet accreditation standards and survey expectations. This could result in loss of accreditation and millions of dollars of local and federal revenue. Hospital patients will have the benefit of a robust quality assurance program that promotes the highest quality of care and shorter hospital stays. WSH may experience negative publicity as a result of quality of care issues identified during accreditation surveys.

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

This request has no impact on the capital budget.

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

Calculations are based on two WMS Band 2 FTEs calculated using the DSHS Staffing Model.

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

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

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	0	204,000	204,000
B Employee Benefits	0	63,000	63,000
E Goods\Other Services	0	13,000	13,000
G Travel	0	7,000	7,000
J Capital Outlays	0	12,000	12,000
P Debt Service	0	1,000	1,000
T Intra-Agency Reimbursements	0	2,000	2,000
Total Objects	0	302,000	302,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	0	302,000	302,000
<i>Total for Fund 001-1</i>	0	302,000	302,000
Total Overall Funding	0	302,000	302,000

Department of Social and Health Services

DP Code/Title: PL-S1 Psychiatrist Workload Study
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

The Behavioral Health and Service Integration Administration (BHSIA) requests \$250,000 to contract with the University of Washington (UW) School of Psychiatry and Behavioral Sciences to create a clinical staffing model in collaboration with Western State Hospital (WSH) and Eastern State Hospital (ESH). By funding this request, BHSIA is expected to improve the deployment of medical staff while creating a system that supports growth and retention of valuable medical personnel.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	50,000	200,000	250,000
Total Cost	50,000	200,000	250,000

Staffing

Package Description:

Problem:

BHSIA is not able to recruit and retain an adequate number of psychiatrists to appropriately staff the state hospitals without the use of extra duty pay and locum tenens. This is compounded, in part, by the clinical model currently employed by the state hospitals which has not been updated in many years. Medical staff are responsible for administrative and routine medical care that could be provided by other licensed health care professionals. By not funding this request, the state hospitals will continue to rely on locum tenens, reduce admissions, or possibly close state hospital wards.

Solution:

The UW School of Psychiatry and Behavioral Sciences has the knowledge, skill and clinical expertise to assist the hospital in developing a new clinical model of care that honors the role of the physicians and acknowledges the value that others can bring to the clinical team as well as an independent assessment of need. If funded, BHSIA will work collaboratively with the UW to develop and implement a new model of care that will:

- Improve mental health services at the state hospitals;
- Develop training opportunities in state of the art forensic psychiatry to develop a work force of expert health care professionals; and
- Provide training to state hospital staff on the implementation of the new model of care.

This collaboration is designed to improve clinical outcomes of the population served, and reduce costs to the state hospitals.

Agency Contact: Sara Corbin (360) 902-8194
Program Contact: Victoria Roberts (360) 725-3715

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

By partnering with the UW, BHSIA will engage with experienced faculty members as well as a partnering with physician leaders and other staff at the state hospitals. The expected result is to train an outstanding workforce of psychiatrists/psychologist and other mental health professionals to serve the needs of forensic patients at the state hospitals.

Department of Social and Health Services

DP Code/Title: PL-S1 Psychiatrist Workload Study
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

FY 1

FY 2

0.00

0.00

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

This decision package is essential to implement strategic objective 1.5: Increase the rates of active treatment hours delivered at Eastern State Hospital and Western State Hospital.

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

This decision package supports Results Washington Goals:

Goal 4: Healthy & Safe Communities - Healthy People - Provide access to good medical care to improve people's lives.

Goal 5: Efficient, Effective & Accountable Government - Fostering a Lean culture that drives accountability and results for the people of Washington.

Goal 5: Efficient, Effective & Accountable Government - Resource Stewardship - Ensure that funding is used responsibly.

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

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

BHSIA has been working diligently to hire and retain psychiatrists at Western State Hospital and Eastern State Hospital. Due to the national and state shortage of these professionals the state cannot compete with the rising compensation packages and alternative work environments. In order to continue to operate and expand the state hospitals the department must look at how best to use diminishing resources.

What are the consequences of adopting or not adopting this package?

The state hospitals will be required to reduce admissions and potentially close wards. The Certification Standards established by the Center for Medicare and Medicaid Services do not allow a hospital to operate without adequate medical coverage.

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

This request has no impact on the capital budget.

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

Changes to working conditions will need to be bargained with the Coalition which represents the Union of Physicians of Washington.

Expenditure and revenue calculations and assumptions

Contract estimate based on similar study costs.

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

Department of Social and Health Services

DP Code/Title: PL-S1 Psychiatrist Workload Study
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Not applicable.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
C Professional Svc Contracts	50,000	200,000	250,000

DSHS Source Code Detail

Overall Funding	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	50,000	200,000	250,000
<i>Total for Fund 001-1</i>	50,000	200,000	250,000
Total Overall Funding	50,000	200,000	250,000

Department of Social and Health Services

DP Code/Title: PL-S2 CSTC Staffing Needs
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

The Behavioral Health and Service Integration Administration (BHSIA) requests funding for 3.0 FTEs, one Chemical Dependency Counselor (CDC), one Staff Development Coordinator, and one Psychiatric Child Care Counselor 3 (PCCC3) at the Child Study and Treatment Center (CSTC) in order to establish and maintain an active treatment program, meet staff training needs, and establish and maintain an active therapeutic safety program.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	335,000	319,000	654,000
Total Cost	335,000	319,000	654,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	3.0	3.0	3.0

Package Description:

Problem:

CSTC's patient population is at enormous risk for substance abuse. Approximately 20 to 30 percent of youth have co-morbid alcohol and drug abuse histories at the time of admission. Further, essentially all CSTC patients are at-risk for substance abuse as adults, given their psychiatric syndromes, family histories and exposure to trauma. CSTC is currently unable to provide substance use disorder (SUD) treatment services for these patients. The value of SUD assessment and support was established in the past; however, due to budget reductions this essential service was eliminated.

Further, due to budget reductions in 2010, CSTC lost a Staff Development Coordinator position. The loss of the position significantly impacted CSTC's resources for staff development, including comprehensive new employee orientation, ongoing training in safety and therapeutic interventions, and health care record competency. In the past five years, CSTC has adopted or enhanced several evidence-based practices, including "Motivational Interviewing," "Dialectical Behavioral Therapy," "Trauma-Focused Cognitive Behavioral Therapy " and "Collaborative Problem Solving." In addition, CSTC will implement an electronic health record in the fall of 2015. These effective initiatives substantially increase CSTC's training demands.

CSTC/School program currently lacks the leadership and organizational structure necessary to consistently maintain a therapeutic and safe educational environment. During the last school year, 35 percent of staff injuries, 47 percent of patient seclusions, and 37 percent of patient restraints occurred at school. Efforts to resolve this safety concern have not succeeded, primarily due to inadequate staffing to provide consistent support and leadership in adopting a "therapeutic classroom" school program.

Solution:

A full-time CDC will establish and maintain an active treatment program for all CSTC patients. This program will provide a comprehensive assessment for substance use disorders. Those identified with co-morbid SUD histories, or at risk for abusing, will receive SUD counseling. This will include individual and group therapy employing research-based practices and psychoeducational interventions for both child and family members. Ongoing assessment by the CDC will assist in identifying and implementing the necessary discharge planning to address longer-term SUD needs extending into early adulthood.

The Staff Development Coordinator will establish a staff development program at CSTC. This position will be responsible for restructuring CSTC's New Employee Orientation, evaluating, updating, and redesigning as needed current training modules, coordinating training events throughout the center, making full use of the Learning Management System (LMS) to track and

Department of Social and Health Services

DP Code/Title: PL-S2 CSTC Staffing Needs
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

maintain training compliance, and assisting in coordinating and training of employees to ensure successful implementation of current and future evidence-based treatment programs.

A PCCC 3 will establish and maintain an active therapeutic safety program in the classroom for all CSTC patients. This leadership position will champion the application of evidence-based practices and principles to include Life Skills Crisis Intervention (LSCI) and Positive Behavioral Interventions and Support (PBIS/Re-Ed). This additional position for our schools will provide direct support to school staff during critical events along with the operational leadership to safely maintain a quality education program for our CSTC youth.

Agency Contact: Sara Corbin (360) 902-8194
Program Contact: Rick Mehlman (253) 756-2735

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

By funding these three FTEs, CSTC is expected to reduce readmission rates as well as rates of juvenile detention and drug-related crimes for this high-risk population, and therefore, increase community safety while reducing the high costs of psychiatric hospitalization and inpatient drug treatment program admissions.

In addition, CSTC employees will be better equipped with the knowledge and skills to competently provide effective treatment and support to our clients. This will directly impact the quality of care provided, which will lead to more effective, high quality services, lower lengths of stay, and consequent overall reduction in costs.

We also expect to see a significant reduction in patient assaults, staff injuries and increased student time in the classroom. Over the academic year, we expect to note an overall improvement in academic performance as measured by standardized testing.

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

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

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

This decision package is essential to implement the following strategic objectives:

- 1.4: Reduce the quarterly rates of seclusion and restraint hours at the Child Study and Treatment Center.
- 3.1: Maintain the percentage of 10th graders who report using marijuana in the past 30 days at 19 percent and reduce the percentage of 10th graders who report drinking alcohol in the past 30 days.
- 3.3: Increase outpatient chemical dependency treatment retention for youth.

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

This decision package supports Results Washington Goals:

Goal 4: Healthy & Safe Communities - Safe People - Worker Safety - 2.5 Decrease workplace injury rates that result in missing three or more days from work.

Department of Social and Health Services

DP Code/Title: PL-S2 CSTC Staffing Needs
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Goal 4: Healthy & Safe Communities - Healthy People - 1.2.Y.e Decrease the percentage of youths who report smoking marijuana in the past 30 days.

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

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

No alternatives were explored. Existing staff do not have the expertise or capacity to take on the necessary workload.

What are the consequences of adopting or not adopting this package?

If these three positions are not funded, a significant percentage of adolescents admitted for complex problems will continue to not receive integrated and comprehensive treatment for their co-morbid substance use disorder needs. This will continue to result in a subgroup of high-risk youth failing in their community placements due to untreated SUD problems.

In addition, administrative leadership staff at CSTC will continue coordinating and implementing the current training modules when time permits. This will continue to be done in a piecemeal fashion with few opportunities to reevaluate and update training modules, including New Employee Orientation, and to establish a staff development program based on best practices and principles of effective treatment and support for our clients.

Furthermore, CSTC/School staff will continue in their efforts to implement evidence-based practices in the schools, but likely with minimal gains.

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

This request has no impact on the capital budget.

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

WMS Band 2, Psychiatric Child Care Counselor 3, and Psychologist 4 calculated using the DSHS Staffing Model.

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

These costs are ongoing and will continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	201,000	205,000	406,000
B Employee Benefits	91,000	94,000	185,000
E Goods\Other Services	21,000	16,000	37,000
J Capital Outlays	18,000	0	18,000
P Debt Service	1,000	1,000	2,000
T Intra-Agency Reimbursements	3,000	3,000	6,000
Total Objects	335,000	319,000	654,000

Department of Social and Health Services

DP Code/Title: PL-S2 CSTC Staffing Needs

Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

DSHS Source Code Detail

Overall Funding	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	335,000	319,000	654,000
<i>Total for Fund 001-1</i>	335,000	319,000	654,000
Total Overall Funding	335,000	319,000	654,000

Department of Social and Health Services

DP Code/Title: PL-S3 BH Quality Management Team
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

The Behavioral Health and Service Integration Administration (BHSIA), Division of Behavioral Health and Recovery (DBHR) requests 6.0 FTEs to comprise a Quality Management Team to support achieving performance goals outlined in federal and state statutes, class action lawsuit settlement agreements, and performance measures designed to improve the quality of care provided to Washington State residents.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	221,000	406,000	627,000
001-C General Fund - Basic Account-Medicaid Federal	147,000	270,000	417,000
Total Cost	368,000	676,000	1,044,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	3.0	6.0	4.5

Package Description:

Problem:

DBHR is required by state and federal law and by the TR vs. Quigley & Teeter Settlement Agreement to develop and maintain a robust quality management program. Currently, the department is out of compliance with the Centers for Medicare and Medicaid Services (CMS) requirements for follow-up on corrective actions with identified Regional Support Networks (RSN) performance gaps as well as the requirement to have a combined Health Care Authority (HCA)/ Department of Social and Health Services (DSHS) Quality Strategy. The one DBHR staff person specifically dedicated to managing quality initiatives retired in 2013. The Decision Support and Evaluation (DSE) Office Chief established the DBHR Quality Improvement Committee (QIC) and delegated various quality functions either within DSE or to contract management staff. Previous state budget cuts have reduced staff dedicated to monitoring contracts, which decreased the amount of oversight staff could provide. Many compliance review activities are outsourced to the External Quality Review Organization (EQRO) which has resulted in fragmented, inconsistent feedback to RSNs and little follow-up by DBHR in response to identified gaps in performance. DBHR quality monitoring activities will continue to be limited if this request is not funded.

Solution:

Form a quality team within DBHR whose functions would include:

- Managing the EQRO contract and monitoring related federal requirements including Performance Improvement Plans (PIP), grievances, and Quality Assurance and Performance Management (QAPI) functions;
- Finalizing with Health Care Authority a joint HCA/DSHS Quality Strategy;
- Updating the DBHR Quality Management plan in alignment with the Quality Strategy and other federal requirements; and
- Implementing the quality strategy and quality management plan.

These are minimal requirements to fill a large gap in performance monitoring and non-compliance with statutory and regulatory requirements. The plan would be implemented as soon as funding was available and positions were filled.

By funding this request, DBHR will have the capacity to meet federal requirements for a combined HCA/DSHS Quality Strategy and accurately monitor performance during significant system integration efforts such as the transition to Behavioral Health Organizations (BHO). Performance monitoring capacity is minimal within the division; there is insufficient capacity to meet federal requirements and achieve substantial improvements.

Department of Social and Health Services

DP Code/Title: PL-S3 BH Quality Management Team
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Agency Contact: Sara Corbin 360-902-8194
Program Contact: Chris Imhoff 360-725-3770

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

A Quality Management Team will support achieving performance goals outlined in federal and state statutes, class action lawsuit settlement agreements, and BHSIA performance measures. A Quality Management team will allow for the completion of a joint HCA/DSHS Quality Strategy, which is a CMS requirement.

This workforce will be comprised of staff that can competently identify, implement and evaluate performance improvement projects/initiatives, and allow for efficient use of resources with an enhanced capacity to identify and act on improvement opportunities within DBHR and across the department. Quality improvement communication channels and feedback loops work more robustly because they are an integral part of the work of DBHR and not contracted out. A robust and responsive quality structure supports system improvements and assures that system performance does not suffer during significant transitions to BHO.

DBHR will meet public expectations for transparent, meaningful use of data. The department will not only collect data but also use it to improve client outcomes.

Cross-system alignment on improvement efforts for various populations will reduce rework and align the other divisions within the department toward common goals. This work began with the Measures of Statewide Performance for Children's Behavioral Health and is continuing with the development and implementation of Adult Performance Measures.

There would be increased capacity to support transition planning for full behavioral/physical health integration in 2020.

Performance Measure Detail

Agency Level

Activity: C900 Program Support - Mental Health

No measures linked to package

Incremental Changes

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

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

This decision package is essential to implement the following strategic objectives:

4.2: Partner within DSHS on health system transformation to ensure that recovery, independence, wellness, person-centered principles and strength-based services are embedded in the State Innovation Model, Medicaid global waiver and other initiatives.

4.3: Increase the number of behavioral health agencies that receive an on-site survey at least once every three years. Surveying will be very important with the transition to BHOs. Survey capacity cannot be increased by relying on existing staff.

4.4: Implement managed care behavioral health integration by April 1, 2016.

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

This decision package supports the following Results Washington Goals:

Department of Social and Health Services

DP Code/Title: PL-S3 BH Quality Management Team
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Goal 5: Efficient, Effective & Accountable Government - Fostering a Lean culture that drives accountability and results for the people of Washington.

The WISe Implementation Plan holds the state accountable to "Determine and measurably improve core system and cross-system program administration and management competencies necessary for successful implementation of the Settlement Agreement."

Goal 5: Efficient, Effective & Accountable Government - Transparency and Accountability - Ensure efficiency, performance, and accountability to the public by providing transparency and accountability in state agency operations.

Goal 5: Efficient, Effective & Accountable Government - Resource Stewardship - Ensure that funding is used responsibly.

Goal 5: Efficient, Effective & Accountable Government - Customer Satisfaction and Confidence - 1.1 Increase customer services.

Goal 5: Efficient, Effective & Accountable Government - Customer Satisfaction and Confidence - 1.2 Increase Washington as an employer of choice.

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

The DBHR QIC endorses this proposal as they have a clear understanding of system performance gaps and very limited resources currently available to address them. Members of the QIC have to pick up some of this work.

The RSNs have been asking for a Quality Strategy upon which they could base their quality strategy as required in their PIHP contract. Staff would be available to provide timely guidance and technical assistance to BHOs.

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

DBHR has been trying to fill a performance monitoring/improvement gap for three years with existing personnel. While there has been progress in many areas the biggest accomplishment is an increased understanding of our lack of compliance with federal law, our risk of not being able to exit the TR Settlement Agreement and the potential risk of other lawsuits.

What are the consequences of adopting or not adopting this package?

Without a robust Quality Management Program, risks of being out of compliance with federal requirements and failing to exit lawsuits will not be satisfactorily eliminated.

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

This request has no impact on the capital budget.

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

WAC 388-865-0280 Quality Management Process and 388-865-0280 are currently in revision to reflect the transition to BHOs April 1, 2016. With clearer accountabilities for oversight it is possible that these would be further amended.

Expenditure and revenue calculations and assumptions

Calculations are based on four WMS Band 2, and two Management Analyst 5 positions calculated using the DSHS Staffing Model.

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

These costs are ongoing and will continue into future biennia.

Department of Social and Health Services

DP Code/Title: PL-S3 BH Quality Management Team
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	222,000	452,000	674,000
B Employee Benefits	76,000	157,000	233,000
E Goods\Other Services	19,000	37,000	56,000
G Travel	11,000	22,000	33,000
J Capital Outlays	36,000	0	36,000
P Debt Service	1,000	2,000	3,000
T Intra-Agency Reimbursements	3,000	6,000	9,000
Total Objects	368,000	676,000	1,044,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	221,000	406,000	627,000
<i>Total for Fund 001-1</i>	221,000	406,000	627,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources</u> <u>Title</u>			
19UL Title XIX Admin (50%)	147,000	270,000	417,000
<i>Total for Fund 001-C</i>	147,000	270,000	417,000
Total Overall Funding	368,000	676,000	1,044,000

Department of Social and Health Services

DP Code/Title: PL-WR After Action Reviews
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Recommendation Summary Text:

DSHS requests funding and FTEs to support legislation calling for a uniform process for conducting After Action Reviews (AAR) for fatalities, near-fatalities, and other specific instances for children or vulnerable adults in the care of, or receiving services, by the department. The AAR will provide a comprehensive, objective system review, including whether abuse, neglect or other factors contributed to the client's death or near-fatality. The Assistant Secretary will be provided a case report of the lessons learned, findings and recommendations related to changes in policies or procedures, laws, or service delivery. The AAR evaluation also includes identifying triggers for when an employee investigation must be conducted.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	153,000	153,000
001-C General Fund - Basic Account-Medicaid Federal	0	102,000	102,000
Total Cost	0	255,000	255,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	0.0	2.0	1.0

Package Description:

Problem Statement

2SSB 5888, known as Aiden's Act, establishes key requirements for review of near-fatality incidents involving a child in the care of or receiving services from the department or a supervising agency or who has previously been in the care of or received such services. While this act establishes some key requirements pertinent to CA, a consistent approach can be applied to other areas of service within the department. In order to develop an enterprise system approach to reviews for these cases, further work needs to be done to:

- Define clear violations-develop a "Bright line" list of what violations are to be included
- Establish a consistent process for establishing disciplinary action

Consequently, request legislation is being introduced to require a uniform, consistent process by which after action reviews are conducted that identifies lessons learned from the case review and integrates an employee performance component into the process.

Proposed Solution

Funding is requested to provide staffing necessary to facilitate the reviews, draft reports, change service delivery or practice requirements, and conduct employee investigations as necessary.

DSHS administrations have been queried to estimate the workload impact of conducting these reviews under the proposed policy, preparing after action individual case reports, revising policies and practices, and investigating employees when the department suspects that the employee has violated policy, practice, codes of conduct, or law.

Agency Contact: Bryan Way 360-902-7769
Program Contact: Wendi Gunther 360-725-2505

Department of Social and Health Services

DP Code/Title: PL-WR After Action Reviews
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

DSHS anticipates changing policies, procedures and accountability following after action reviews, will improve safety and service delivery for our clients. DSHS anticipates fewer client fatality and near fatalities and, as a result, fewer tort claims and settlements/judgment payouts. DSHS expects that these reviews will demonstrate greater accountability to our clients and taxpayers alike.

Performance Measure Detail

Agency Level

Activity: C900 Program Support - Mental Health

No measures linked to package

Incremental Changes

FY 1

FY 2

0.00

0.00

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

The budget request supports DSHS Goals:

- Safety - Each individual and each community will be safe.
- Protection - Each individual who is vulnerable will be protected.
- Health - Each individual and each community will be healthy.
- Public Trust - Strong management practices will be used to ensure quality and efficiency.

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

This decision package supports the Results Washington goals to:

Goal 4: Healthy & Safe Communities - Safe People - Help keep people safe in their homes, on their jobs, and in their communities.

Goal 5: Efficient, Effective & Accountable Government - Transparency and Accountability - Ensure efficiency, performance, and accountability to the public by providing transparency and accountability in state agency operations.

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

Not applicable

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

None

What are the consequences of adopting or not adopting this package?

DSHS will not be able to conduct complete structure after action reviews without incurring high levels of liability risk.

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

This request has no relationship to the capital budget.

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

This request supports agency request legislation that would modify RCWs 74.34.300, 71A.12, in addition to others.

Department of Social and Health Services

DP Code/Title: PL-WR After Action Reviews
Program Level - 030 BHSIA - Mental Health

Budget Period: 2015-17 Version: C2 030 2015-17 Final 2016 Sup

Expenditure and revenue calculations and assumptions

See attachment PL WR After Action Reviews for calculations and assumptions.

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

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

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	0	173,000	173,000
B Employee Benefits	0	58,000	58,000
E Goods\Other Services	0	14,000	14,000
G Travel	0	7,000	7,000
P Debt Service	0	1,000	1,000
T Intra-Agency Reimbursements	0	2,000	2,000
Total Objects	0	255,000	255,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	0	153,000	153,000
<i>Total for Fund 001-1</i>	0	153,000	153,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources Title</u>			
19UL Title XIX Admin (50%)	0	102,000	102,000
<i>Total for Fund 001-C</i>	0	102,000	102,000
Total Overall Funding	0	255,000	255,000

**2016 Supplemental Budget
PL WR After Action Reviews**

STAFFING	FY 2017 & Ongoing		
	FTE	GF-STATE	TOTAL
Children's Administration	1.8	186,000	190,000
Rehabilitation Admin	0.5	52,000	52,000
Behavioral Health and Service Integration	2.0	153,000	255,000
Aging and Long-Term Support Admin	3.0	\$ 168,000	\$ 335,000
Developmental Disabilities Admin	2.0	137,000	228,000
110/Human Resources Division	1.0	89,000	108,000
TOTAL	10.3	\$ 785,000	\$ 1,168,000