

Program 030

DSHS - Mental Health

Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2007-09 Expenditure Authority	3,110.3	911,612	613,273	1,524,885
Supplemental Changes				
Federal Funds Technical Adjustment				
Local Authority for Bed Charges			2,920	2,920
Technical Corrections		287		287
Utter Request Legislation *		(5,574)	5,574	
Pierce Transition Fee for Service		4,449		4,449
Long-Term Detention Judicial Costs		2,400		2,400
Regional Support Network Rate Adjustment		1,391	1,454	2,845
Labor and Industries Rates for Institutional Staff		751	93	844
Utter Decision - Lost Revenue		5,574		5,574
State Hospital Staffing	21.4	2,099	478	2,577
Pension Plan 1 COLA Funding		69	17	86
PEBB Rate Reduction		(4,787)	(1,213)	(6,000)
Interagency Rate Changes		7		7
Mileage Rate Adjustments		8	2	10
Postage Rate Adjustments		2		2
Mandatory Caseload Adjustments		1,452	1,589	3,041
FMAP Match Adjustment		201	(201)	
Transfers		(1,119)	54	(1,065)
Subtotal - Supplemental Changes	21.4	7,210	10,767	17,977
Total Proposed Budget	3,131.6	918,822	624,040	1,542,862
Difference	21.4	7,210	10,767	17,977
Percent Change	0.7%	0.8%	1.8%	1.2%

SUPPLEMENTAL CHANGES

Federal Funds Technical Adjustment

A technical adjustment is made to properly align expected federal earnings between federal fund types. (General Fund-Federal)

Local Authority for Bed Charges

Increased local expenditure authority is provided so that funds may be collected from Regional Support Networks which exceed state hospital bed allocations. (General Fund-Private/Local)

HUMAN SERVICES - DSHS

Technical Corrections

Funding authority is adjusted in several programs within the Department of Social and Health Services to correct for technical errors in the 2007-09 biennial budget. These corrections include changes related to the personal needs allowance, Office of Deaf and Hard of Hearing, and the Office of Financial Recovery. Additionally, Public Safety Education Account funding for the Family Policy Council is shifted from the first year to the second year to more accurately align program expenditures.

Utter Request Legislation *

This legislation would amend RCW 10.01.160 to clarify that not all evaluation or treatment services a criminal defendant receives while committed to a state hospital under RCW 10.77 are directly related to prosecuting the individual. It will clarify that only the direct costs related to court-ordered competency evaluation and reporting are not subject to payment by the committed individual. Clarifying language will allow DSHS to resume collecting from criminal defendant patients for the costs associated with evaluating and treating their mental illness. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

Pierce Transition Fee for Service

Funding is provided to enable the Department to contract with the Pierce County Regional Support Network (RSN) for the provision of community mental health services to include crisis triage, evaluation and treatment, and mobile outreach crisis services. This item is the state-only component of the transition to fee-for-service caused by the Pierce County RSN opting out of renewing its RSN contract.

Long-Term Detention Judicial Costs

In accordance with RCW 71.05.320 (3), funding is provided to pay for long-term detention judicial costs in Pierce and Spokane counties.

Regional Support Network Rate Adjustment

Funding is provided to increase the Regional Support Network (RSN) capitation rates to the bottom of the actuarially sound rate ranges. The Mental Health Division administers mental health services under the federal 1915B waiver which requires it to maintain compliance with the federal Balanced Budget Act (BBA). The BBA requires that managed care capitation rates are actuarially sound. (General Fund-State, General Fund-Federal)

Labor and Industries Rates for Institutional Staff

Labor and Industries' rates are increasing effective January 1, 2008. Funding is provided for the increases affecting staff at institutions within the Juvenile Rehabilitation, Developmental Disabilities, and Mental Health divisions. (General Fund-State, General Fund-Federal)

Utter Decision - Lost Revenue

In the case of Utter v. Department of Social and Health Services, the Court of Appeals ruled that the state cannot assess private pay while a criminal defendant is being evaluated and treated at a state hospital before conviction. This item provides funding to backfill lost revenue resulting from the decision.

State Hospital Staffing

Funding is provided to phase in additional mental health technician staff at the state hospitals to improve patient and staff safety. (General Fund-State, General Fund-Federal, General Fund-Local)

Pension Plan 1 COLA Funding

Funding was provided in the 2007-09 budget for the additional employer contributions to retirement systems required by modifications to the eligibility criteria for the uniform COLA in the Public Employees' Retirement System Plan 1 (PERS 1) and the Teachers' Retirement System Plan 1 (TRS 1) in Senate Bill 5175. This item moves that funding from the State Employee Compensation Adjustments agency into individual agency budgets. (General Fund-State, other funds)

PEBB Rate Reduction

The state contributes 88 percent of the total weighted average of the employee health care premium and also pays for the cost of dental, life and long-term disability insurance. Total Public Employees Benefit Board (PEBB) expenditures for the 2007-09 Biennium are anticipated to be lower than budgeted because (1) health plan costs for calendar year 2008 are lower than expected, which will benefit both the state and its employees; (2) the Uniform Medical Plan continues to perform better than projected; and (3) funding was removed from the PEBB administrative cost allocation for an information technology system replacement due to the restrictive nature of federal funding. The state employer contribution rate will be reduced from \$732 per month to \$575 per month. This one-time reduction will leave an unrestricted fund balance of \$19.2 million at the end of Fiscal Year 2009. (General Fund-State, various other funds).

Interagency Rate Changes

Since final enactment of the 2007-09 budget, the Washington State Patrol increased the rates it charges for background checks. In addition, the Department of Information Services charges have been adjusted as a result of a regulatory ruling. (General Fund-State, General Fund-Federal)

Mileage Rate Adjustments

Reimbursements for client-related travel are increased to the allowable automobile mileage of \$.485 per mile. (General Fund-State, General Fund-Federal)

Postage Rate Adjustments

Funding is provided to address the 5.1 percent postage rate increase for first-class mail. (General Fund-State, General Fund-Federal)

Mandatory Caseload Adjustments

The number of Medicaid eligibles is the basis for funding levels to the Regional Support Networks (RSNs). Funding is provided to address the increase in the forecasted Medicaid caseload. (General Fund-State, General Fund-Federal)

FMAP Match Adjustment

Washington State's federal medical assistance percentage (FMAP) rate was set for Federal Fiscal Year 2009 at 50.94 percent. When converted to state fiscal year, the new FMAP rate for state Fiscal Year 2009 for Title XIX services will be 51.09 percent. The 2007-09 budget assumed an FMAP rate of 51.52 percent. Growth in personal income, especially for western states, is causing the decreased federal participation. Additional state funding is provided to offset reduced federal participation. (General Fund-State, General Fund-Federal)

Transfers

Transfers between DSHS programs are made to properly align FTE staff and appropriations with those programs expected to realize the expenditures or savings. These transfers net to zero agency-wide.