

Program 050

DSHS - Long Term Care

Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Expenditure Authority	1,590.9	1,928,998	2,547,035	4,476,033
Supplemental Changes				
Forecast Cost/Utilization		9,719	6,990	16,709
Individual Provider Overtime	26.3	25,587	30,477	56,064
MSA Rate Increase		713	900	1,613
TBI Council Projects			572	572
RCS Fund Split Adjustment		2,000		2,000
RCS Quality Assurance	3.0	307	306	613
Redesign In-Home System	.7	91	90	181
ESF License Fee	.5		176	176
RCS Fee Authority		(2,000)	4,110	2,110
Enhanced Service Facility Savings		(719)	(766)	(1,485)
Individual Provider Informal Supports		10,391	13,176	23,567
Health Home Savings	2.5	(5,866)	4,132	(1,734)
Nursing Home Rebase		6,900	6,800	13,700
Adult Protective Services Grant			202	202
Lean Management Practices		(3,641)		(3,641)
Technical Corrections		27	24	51
State Data Center Adjustments		52	48	100
Lease Adjustments < 20,000 Square Feet		24	(155)	(131)
Workers' Compensation Changes		(24)	(22)	(46)
Mandatory Caseload Adjustments		(153)	775	622
Mandatory Workload Adjustments	71.0	10,711	4,258	14,969
Transfers	16.6	633	550	1,183
Subtotal - Supplemental Changes	120.5	54,752	72,643	127,395
Total Proposed Budget	1,711.4	1,983,750	2,619,678	4,603,428
Difference	120.5	54,752	72,643	127,395
Percent Change	7.6%	2.8%	2.9%	2.8%

SUPPLEMENTAL CHANGES

Forecast Cost/Utilization

The Aging and Long-Term Support Administration (AL TSA) is provided additional funding to reflect utilization changes related to Long-Term Services and Supports (LTSS) identified through the summer 2015 caseload forecast process. (General Fund-State, General Fund-Federal)

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Individual Provider Overtime

Individual Provider homecare worker overtime is funded in accordance with the Department of Labor's recent rule that requires overtime be paid to homecare workers. This decision was upheld by the U.S. Federal Court of Appeals and funding will be available in April 2016. (General Fund-State, General Fund-Federal)

MSA Rate Increase

Funding is provided to adjust Medicaid rates for home and community services and nursing homes in areas that have transitioned to Metropolitan Statistical Areas (MSA) because of population increases based on federal census data. (General Fund-State, General Fund-Federal)

TBI Council Projects

Funding is provided for the Traumatic Brain Injury (TBI) Council to expand the Seattle TBI Clubhouse by 14 beds and to offer a mobile application for veterans to connect them with resources in their communities. (Traumatic Brain Injury Account-State)

RCS Fund Split Adjustment

Funding is provided to eliminate a fund source imbalance in the Residential Care Services (RCS) program. Because the Department does not have sufficient fee authority to cover the cost of the RCS program, a General Fund-State appropriation is required to meet its legally required residential oversight responsibilities.

RCS Quality Assurance

The Residential Care Services (RCS) Quality Assurance Unit was initially funded through temporary savings achieved through a Road to Community Living grant, which expires at the end of fiscal year 2016. Additional expenditure authority is needed to ensure that the state maintains its existing quality assurance system, which will help ensure that state performance measures, as well as Centers for Medicaid and Medicare Services (CMS) expectations, are met. (General Fund-State, General Fund-Federal)

Redesign In-Home System

Funding is provided to study the Individual Provider home care program and make recommendations to improve quality, oversight, efficiency, and to reduce potential state liability. As Washington begins to feel the effects of the age wave, it is now more important than ever to be strategic in the way the state prepares to care for our aging seniors. (General Fund-State, General Fund-Federal)

ESF License Fee

The Department shall establish the Enhanced Service Facility (ESF) license fee to cover the cost of ESF licensing and enforcement, as permitted in RCW 70.97.230 and WAC 388-107-1080. Enhanced Services Facilities must submit an annual per-bed license fee of \$1,040 based on the licensed bed capacity. (General Fund-Federal, General Fund-Private/Local)

RCS Fee Authority

The Department shall increase licensing fees in order to cover the cost of oversight by the Residential Care Services (RCS) program. Annual fees for Assisted Living licensed beds shall increase from \$106 to \$147, and annual fees for Nursing Homes licensed beds shall increase from \$359 to \$429. Increased fee revenue will decrease the need for General Fund-State support. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

Enhanced Service Facility Savings

One-time savings are realized through a delay in getting Enhanced Service Facility beds brought online. (General Fund-State, General Fund-Federal)

Individual Provider Informal Supports

Funding is provided for additional homecare client hours that were previously considered informal supports. This change is consistent with the U.S. Department of Labor's recent rule that was upheld by the U.S. Federal Court of Appeals, D.C. Circuit. (General Fund-State, General Fund-Federal)

Health Home Savings

The Centers for Medicare and Medicaid Services (CMS) has notified the Department of Social and Health Services that the Health Home program has achieved savings for the first year of the demonstration project as a result of coordinated health care services. The savings are shared between the state and CMS. Funding is reduced for the state share. (General Fund-State, General Fund-Federal)

Nursing Home Rebase

The nursing home rate is increased due to a rebase which is based on 2014 actual costs as directed by Chapter 2, Laws of 2015, 2nd Special Session. (General Fund-State, General Fund-Federal)

Adult Protective Services Grant

The Department received a one-time grant from the U.S. Department of Health and Human Services for Enhanced Adult Protective Services (APS). The Department will train staff, develop policy and practice changes, develop a quality assurance review process for fatality/near fatality incidents, and implement an expanded APS data collection system. (General Fund-Federal)

Lean Management Practices

Chapter 4, Laws of 2015, 3rd Special Session directs the Office of Financial Management to reduce agency allotments in the 2015-17 biennium to reflect efficiency savings. The reduced appropriations associated with the efficiency savings are reflected in agency budgets, and the corresponding reduction in the back of the budget is reversed.

Technical Corrections

Adjustments are made for variances found in the reconciliation of multiple budget steps, including compensation for Administrative, Information Support Services Division and Consolidated Field Services staff who were inadvertently left out of the compensation impact model; leased facilities that were incorrectly funded at the carry-forward level of the budget; and net zero, category transfers between agency programs. (General Fund-State, General Fund-Federal)

State Data Center Adjustments

Pursuant to RCW 43.41A.150, the Department of Social and Health Services completed migration of information technology (IT) servers to the State Data Center, which provides critical IT infrastructure and security. Funding is provided for the increase in facility charges. (General Fund-State, General Fund-Federal)

Lease Adjustments < 20,000 Square Feet

DSHS requests lease rate adjustments to correct funding discrepancies between programs and to fully support lease obligations. (General Fund-State, General Fund-Federal)

Workers' Compensation Changes

The agency's budget is adjusted to reflect increased workers' compensation rates. (General Fund-State, various other accounts)

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Mandatory Caseload Adjustments

The Aging and Long-Term Support Administration (AL TSA) is provided funding for changes in the number of clients receiving Long-Term Services and Supports (LTSS) that were identified through the summer 2015 caseload forecast process. (General Fund-State, General Fund-Federal)

Mandatory Workload Adjustments

The Aging and Long-Term Support Administration (AL TSA) requests \$14,962,000 Total Funds (\$10,708,000 General Fund-State) and 71.0 FTEs for mandatory workload adjustments associated with summer 2015 caseload forecasts. Home and Community Services (HCS) and Residential Care Services (RCS) use the outcome of the caseload forecast in conjunction with a system of established workload standards to project future staffing needs. (General Fund-State, General Fund-Federal)

Transfers

Funding and FTE staff are transferred, with a net effect of zero, between Department of Social and Health Services programs to reflect where the costs are incurred. (General Fund-State, General Fund-Federal)