

Individual State Agency Fiscal Note

Bill Number: 1061 HB	Title: Dental quality commission	Agency: 303-Department of Health
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND	FY 2010	FY 2011	2009-11	2011-13	2013-15
Health Professions Account-State 02G-1	113,000	136,000	249,000	340,000	296,000
Total \$	113,000	136,000	249,000	340,000	296,000

Estimated Expenditures from:

	FY 2010	FY 2011	2009-11	2011-13	2013-15
FTE Staff Years	1.0	0.7	0.9	0.4	0.1
Fund					
Health Professions Account-State 02G-1	113,000	136,000	249,000	340,000	296,000
Total \$	113,000	136,000	249,000	340,000	296,000

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). Therefore, this fiscal analysis includes a projection showing the ten-year cost to tax or fee payers of the proposed taxes or fees.

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

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Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Section 1: This bill modifies the membership of the Washington State Dental Quality Assurance Commission (DQAC) from twelve dentists, two public members and two expanded function dental auxiliaries to – six dentists, nine public members and one expanded function dental auxiliary.

During the time of transition (FY 2010 – FY 2012), the membership of the commission may exceed 16 members. The Secretary of Health may temporarily increase fees to cover the costs of the change and increased membership.

Section 4: Five years after the commission membership is changed, the Secretary of Health along with the DQAC will evaluate the commission's ability to carry out its duties under this chapter. The results are due to the legislature November 15 in the year the evaluation is completed.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

Section 1 & 4: Current law requires each health profession collect enough revenue to be fully self-supporting through the licensure fees to fund expenditures in the Health Professions Account (Fund 02G). Depending on the impact of this and other new legislation that may also affect program expenditures, approval through I-960 will be required.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Section 1: Within 30-days of the bill passing, the governor will appoint seven new public members to the DQAC. The seven existing dental professionals will finish out their appointed terms within three years. The terms expire as follows: one in fiscal year (FY) 2010, two in FY 2011, and four in FY 2012. During the time of transition, the membership of the DQAC will exceed 16 members. For fiscal note purposes, DOH assumes this transition will take place over three years (FY 2010 – FY 2012) and require between four and seven additional/replacement members that will need to be processed through the recruitment and training course.

With a majority of public members on the DQAC and with all the members having the same duties in reviewing potential disciplinary cases, all DQAC members will be reviewing 'standard of care cases'. It is assumed that with the reduction of dental commission members there will be a loss of expertise, therefore increasing the need for expert witnesses to review potential disciplinary standard of care cases for a determination on whether or not to issue charges. It is estimated that this change will result in a 40% increase in use of expert witness contracts. Based on experience, the Department of Health, Division of Health Systems Quality Assurance (HSQA) estimates each case will take an expert witness three to five hours to review at a rate of \$300 per hour. With the loss of each dental commission member, HSQA estimates 19 more cases per member will need expert witness support each year. In FY 2012 and ongoing, an estimated 114 cases will need expert support each year.

Costs starting in FY 2010 will include staff time for recruitment and training of the new members and contract

management for all the expert witness contracts. Costs also include Dental Commission member time, personal service contracts, travel, printing and postage. In 2010, estimated staff equals 0.8 FTE and \$113,000. In FY 2011, the estimated staff equals 0.6 and the costs total \$136,000 and in FY 2012, the estimated staff equals 0.5 FTE and the costs total \$192,000. Starting in FY 2013 ongoing staff includes 0.1 FTE and \$148,000 each year.

Section 4: HSQA is assuming the results of the evaluation will be due to the Legislature in 2017. This will require a one-time cost of 0.2 FTE and \$22,000.

In FY 2010, estimated expenditures also include salary, benefits and related staff costs for a 0.1 FTE Health Services Consultant 1 and a 0.1 FTE Fiscal Analyst 2 to assist with the increased workload.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2010	FY 2011	2009-11	2011-13	2013-15
FTE Staff Years	1.0	0.7	0.9	0.4	0.1
A-Salaries and Wages	62,000	44,000	106,000	42,000	10,000
B-Employee Benefits	5,000	3,000	8,000	4,000	2,000
C-Personal Service Contracts	23,000	68,000	91,000	274,000	274,000
E-Goods and Services	5,000	9,000	14,000	13,000	10,000
G-Travel	17,000	12,000	29,000	7,000	
J-Capital Outlays	1,000		1,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total:	\$113,000	\$136,000	\$249,000	\$340,000	\$296,000

III. B - Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2010	FY 2011	2009-11	2011-13	2013-15
Commission Member	65,000	0.7	0.5	0.6	0.2	
Fiscal Analyst 2	44,928	0.1	0.1	0.1	0.1	
Health Services Consultant 1	43,836	0.1	0.1	0.1	0.1	0.1
Health Services Consultant 3	61,632	0.1	0.1	0.1	0.0	
Total FTE's		1.0	0.7	0.9	0.4	0.1

III. C - Expenditures By Program (optional)

Program	FY 2010	FY 2011	2009-11	2011-13	2013-15
Health Systems Quality Assurance (060)	103,000	128,000	231,000	329,000	290,000
Administration (090)	10,000	8,000	18,000	11,000	6,000
Total \$	113,000	136,000	249,000	340,000	296,000

Part IV: Capital Budget Impact

None.

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

None.



Ten-Year Analysis

Bill Number 1061 HB	Title Dental quality commission	Agency 303 Department of Health
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This ten-year analysis is limited to the estimated cash receipts associated with the proposed tax or fee increases.

Estimates

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No Cash Receipts

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Indeterminate Cash Receipts

Estimated Cash Receipts

Name of Fee	Acct Code	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	2010-19 TOTAL
Dental	02G	88,000	62,000	45,000								195,000
Total		88,000	62,000	45,000								195,000

Biennial Totals

150,000

45,000

195,000