

Multiple Agency Fiscal Note Summary

Bill Number: 5897 SB	Title: Suspectd child assault victim
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Estimated Cash Receipts

NONE

Estimated Expenditures

Agency Name	2015-17			2017-19			2019-21		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of Labor and Industries	2.3	4,887,000	4,887,000	2.3	5,101,000	5,101,000	2.3	5,357,000	5,357,000
Department of Social and Health Services	Fiscal note not available								
Total	2.3	\$4,887,000	\$4,887,000	2.3	\$5,101,000	\$5,101,000	2.3	\$5,357,000	\$5,357,000

Estimated Capital Budget Impact

NONE

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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

ENPID: 40135

FNS029 Multi Agency rollout

Individual State Agency Fiscal Note

Bill Number: 5897 SB	Title: Suspectd child assault victim	Agency: 235-Department of Labor and Industries
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years	2.3	2.3	2.3	2.3	2.3
Account					
General Fund-State 001-1	2,429,000	2,458,000	4,887,000	5,101,000	5,357,000
Total \$	2,429,000	2,458,000	4,887,000	5,101,000	5,357,000

Estimated Capital Budget Impact:

NONE

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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Agency Preparation: Xia Zhan	Phone: 360-902-6985	Date: 02/17/2015
Agency Approval: Chris P Freed	Phone: 360-902-6961	Date: 02/17/2015
OFM Review: Devon Nichols	Phone: (360) 902-0582	Date: 02/18/2015

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.

See attached.

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.

None.

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.

See attached.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years	2.3	2.3	2.3	2.3	2.3
A-Salaries and Wages					
B-Employee Benefits	65,000	65,000	130,000	130,000	130,000
C-Professional Service Contracts	25,000	25,000	50,000	50,000	50,000
E-Goods and Other Services	35,000	25,000	60,000	50,000	50,000
G-Travel					
J-Capital Outlays	20,000		20,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services	2,284,000	2,343,000	4,627,000	4,871,000	5,127,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total:	\$2,429,000	\$2,458,000	\$4,887,000	\$5,101,000	\$5,357,000

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 2016	FY 2017	2015-17	2017-19	2019-21
FA2	40,524	0.2	0.2	0.2	0.2	0.2
Medical Treatment Adjudicator 2	44,712	1.5	1.5	1.5	1.5	1.5
Office Assistant 3 (OA3)	33,468	0.6	0.6	0.6	0.6	0.6
Total FTE's	118,704	2.3	2.3	2.3	2.3	2.3

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.

See attached.

Part II: Explanation

This bill requires the state to pay medical examination costs incurred by a medical facility for children who may be victims of felony-level physical abuse.

This bill takes effect 90 days from Sine Die.

II. A – Brief Description of What the Measure Does that Has Fiscal Impact

Section 2. Adds a new section to chapter 7.68 RCW (Crime Victims Act) to designate that the state shall pay any costs incurred by a medical facility for a child physical abuse medical assessment. Currently the Crime Victims Compensation Program (CVCP) in Department Of Labor and Industries (L&I) pays for all exams for any suspected victims of sexual abuse, including children. This bill requires CVCP to pay for all exams for suspected physical abuse medical exams for children.

II. B – Cash Receipt Impact

None.

II. C – Expenditures

The following resources are needed under this legislation:

- \$2,284,000 exam costs in Fiscal Year 2016 increased by 2.6% each year for FY 2017 thereafter.
- 1.0 Medical Treatment Adjudicator 2 (MTA2) and 0.5 Office Assistant 3 (OA3) permanent FTEs to initiate the new claims and process the new bills under this legislation.

Below is the data provided by Washington State Department of Social and Health Services (DSHS) Children's Administration – Table 1:

Child Fatalities in Washington State Washington State Department of Social and Health Services Children's Administration						
Total	2008 Calendar Year	2009 Calendar Year	2010 Calendar Year	2011 Calendar Year	2012 Calendar Year	2013 Calendar Year
Youth Population in Washington State (age 0- 17)	1,577,661	1,582,495	1,583,521	1,574,702	1,573,609	1,578,730
Referrals for Abuse or Neglect	74,823 (per state fiscal year 2008)	75,217 (per state fiscal year 2009)	75,434 (per state fiscal year 2010)	77,882 (per state fiscal year 2011)	86,425 (per state fiscal year 2012)	88,709 (per state fiscal year 2013)
Referrals accepted for investigation	36,465 (per state fiscal year 2008)	36,787 (per state fiscal year 2009)	35,751 (per state fiscal year 2010)	37,992 (per state fiscal year 2011)	39,869 (per state fiscal year 2012)	41,487 (per state fiscal year 2013)

Exam costs for FY 2016 and thereafter:

- In FY 2016, 44,779 accepted referrals, based on Referrals Accepted for Investigation data on the most recent Child Fatalities in Washington State Report done by DSHS Children's Administration (Table 1). The referral growth rate was 13.8% from Calendar Year 2008 to 2013. This is an average of 2.6% increase per year $(1+2.6\%)^5 = 1+13.8\%$. Using this rate of increase for eight years (2008 to 2016), FY 2016 referrals are estimated at 44,779 $(36,465 \times (1+2.6\%)^8 = 44,779)$.
- 8.5% of all exams for children resulted in felony-level referrals based on Clark County's experience rate indicated in Section 1 subsection (2) of this legislation. This rate may not reflect the experience in the state's other 38 counties however; this is the best available data.
- Total new exams for felony-level physical abuse are 3,806 $(44,779 \times 8.5\% = 3,806)$ in FY16.
- For fiscal note purposes, each exam will cost \$600 on average. Actual costs could be higher.
- Total exam costs are \$2,284,000 $(\$600 \times 3,806 = \$2,284,000)$ in FY16.
- Based upon the data set from the Children's Administration at the Department of Social & Health Services, referrals will increase by 2.6% each fiscal year, starting FY 2017.

- The numbers of new exams and costs for future fiscal years are shown in the following table:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Number of Referrals - 2.6% increase per FY	44,779	45,943	47,138	48,364	49,621	50,911
Number of Exams (8.5% x Referrals)	3,806	3,905	4,007	4,111	4,218	4,327
Exam Costs (\$600 per exam x Exams)	2,284,000	2,343,000	2,404,000	2,467,000	2,531,000	2,596,000

Workload assumptions for one Medical Treatment Adjudicator 2 and 0.5 OA3 FTEs:

- Each exam generates three bills – one facilities bill, one provider bill, and one for diagnostic testing or lab work.
 - Total number of new bills for felony-level physical abuse exams are 11,418 (3,806 exams x 3 bills each exam = 11,418).
 - Each MTA can handle 11,418 bills per year (currently each MTA2 processes approximately 11,250 bills annually. In addition, the MTAs also respond to provider correspondence and phone calls regarding the payment of medical bills.
 - Each OA3 – Claims Initiator can handle 7,830 claims per year.
 - Total MTA2 FTEs needed are 1.0 (11,418 / 11,250 = 1.0).
- Total OA3 FTEs needed are 0.5 (3,806 / 7,830 = 0.5).

Based upon the data set from the Children’s Administration at the Department of Social & Health Services, referrals will increase by 2.6 percent each fiscal year, starting FY 2017. L&I assume the additional staff assigned to this work can accommodate the increased workload through the implementation of process improvements.

Indirect Costs

The amount included in this fiscal note for indirect is:

Fund	Name	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
001	General Fund State	12,000	12,000	12,000	12,000	12,000	12,000
Total		\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000

The department assesses an indirect rate to cover agency-wide administrative costs. Labor and Industries indirect rate is applied on salaries, benefits, and standard costs. For fiscal note purposes the total indirect amount is converted into salary and benefits for partial or full indirect FTEs. Salary and benefits costs are based on a Fiscal Analyst 2 (Range 44, Step G).

Part IV: Capital Budget Impact

None.

Part V: New Rule Making Required

Yes. WAC 296-30 Rules for the administration of the crime victim's compensation program will need modifications.