

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5594 SB	<b>Title:</b> People w/devel. disabilities	<b>Agency:</b> 300-Department of Social and Health Services
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## Part I: Estimates

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No Fiscal Impact

### Estimated Cash Receipts to:

ACCOUNT	FY 2018	FY 2019	2017-19	2019-21	2021-23
General Fund-Federal 001-2	4,334,000	4,359,000	8,693,000	8,718,000	8,752,000
<b>Total \$</b>	4,334,000	4,359,000	8,693,000	8,718,000	8,752,000

### Estimated Expenditures from:

	FY 2018	FY 2019	2017-19	2019-21	2021-23
FTE Staff Years	114.1	114.1	114.1	114.1	114.5
<b>Account</b>					
General Fund-State 001-1	4,887,000	4,916,000	9,803,000	9,832,000	9,862,000
General Fund-Federal 001-2	4,334,000	4,359,000	8,693,000	8,718,000	8,752,000
<b>Total \$</b>	9,221,000	9,275,000	18,496,000	18,550,000	18,614,000

### Estimated Capital Budget Impact:

	2017-19		2019-21		2021-23	
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Acquisition	\$0.00	0	0	0	0	0
Construction	\$0.00	0	9,000,000	6,750,000	4,500,000	4,500,000
Other	\$1,000,000.00	1,000,000	1,000,000	0	0	0
<b>Total \$</b>	<b>\$1,000,000.00</b>	<b>\$1,000,000</b>	<b>\$10,000,000</b>	<b>\$6,750,000</b>	<b>\$4,500,000</b>	<b>\$4,500,000</b>

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:

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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.

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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).

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Capital budget impact, complete Part IV.

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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.*

New Section. Sec. 3. The Department of Social and Health Services (DSHS) must use a person-centered approach to discharge planning by:

- Engaging families and guardians of residents by offering family-to-family mentoring through a contract with developmental disabilities council,
- Allowing employees to move with the individual when they leave the residential habilitation center (RHC) to the state operated living alternative (SOLA),
- Offering the appropriate home and community-based waiver,
- Providing residents and guardians to visit state operated living alternatives and supported living options in the community,
- Offering a right to return to a residential habilitation center within one year after their move,
- Addressing services in the community for identified needs including transportation or other supports needed to assist family and friends in maintaining regular contact with the resident,
- The department is also responsible for maximizing roads to community living funds, limiting the ability of the SOLA to reject clients, and employ the current quality assurance process in place.

New Section. Sec. 4.(1) The bill states a building at Fircrest must be remodeled and updated to serve as a nursing home for nursing home patients currently living at Fircrest by December 31, 2022, and provide respite as funding allows. DSHS is responsible for consolidating other Fircrest buildings while allowing residents the opportunity to remain at Fircrest in the remodeled building or move into the community in state-operated living arrangements. Any net proceeds from use of excess property at Fircrest will be deposited into the Developmental Disabilities Community Trust account.

(2)(a) DSHS is responsible for creating state operated living alternatives and offer residential habilitation center employees the opportunity to work at the state operated living alternatives.

(2)(e) DSHS is responsible for establishing up to eight additional state-staffed crisis stabilization beds based on funding in the omnibus appropriations act and in the geographical area with the greatest need.

New Section. Sec. 6. Establishes that a building must be started by December 31, 2022 on the grounds of Fircrest School to create a comprehensive community health center which will be used for clients at Fircrest as well as residents in the community both with and without developmental disabilities.

### 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.*

The department assumes a standard Federal Medical Assistance Percentage (FMAP) rate.

### 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.*

The following assumptions were used to determine the cost of SB-5594:

- Section 3 defines specific requirements for individual habilitation plans and client discharge plans for all RHCs. This will require funding for one Health Plan Administrator (HPA) per cottage (16 clients), an increase from 29 current HPA positions to 50 HPA positions.

- Section 4 relates specifically to Fircrest – Sec 4 (2) (a) states Developmental Disabilities Administration (DDA) must establish SOLAs for clients who want to move to the community. DDA estimates five new SOLA homes are necessary to accommodate moving 12 nursing home clients. In addition, there will be a one-time cost of 0.7 of an FTE for help with the physical move from the old nursing home buildings to the new nursing home building. DDA assumes the move will happen in Fiscal Year 2022.
- Section 4 (2) (e) requires establishing up to eight additional state-staffed crisis beds. This will require 37.5 FTEs including 28.5 24/7 direct care staff, and nine additional supporting staff.
- Section 2 (3) and Section 4 (1) - requires \$17.5M capital funds, based on the Governor’s master plan to replace the existing nursing home buildings.
- Section (6) requires \$200,000 to complete the pre-design stage for the new “Comprehensive Community Health Center”. Full capital cost estimates for the new construction are indeterminate until a pre-design and study is completed to define the scope of the required project. It is anticipated that this work would occur in Fiscal Year 2020.

Future operating costs for the Comprehensive Community Health Center are indeterminate. A rough estimate of \$5.6 million is based on current staffing at Fircrest for the current clients caseload. This is the best estimate available on a “cost per client” basis. However, DDA has no method to estimate how many community residents would be served at this center. This estimate may also be inaccurate because DDA staff from Fircrest would not be available to provide services in a non-Medicaid facility, so any staffing estimates derived from RHC staffing plans may not be equivalent to current costs. The bill says “By December 31, 2022, building must be started” on the new center. DDA would require additional operating funds for the Comprehensive Community Health Center beginning during the 2023-25 biennium.

### Part III: Expenditure Detail

#### III. A - Expenditures by Object Or Purpose

	FY 2018	FY 2019	2017-19	2019-21	2021-23
FTE Staff Years	114.1	114.1	114.1	114.1	114.5
A-Salaries and Wages	4,894,000	5,042,000	9,936,000	10,084,000	10,119,000
B-Employee Benefits	3,023,000	3,134,000	6,157,000	6,268,000	6,290,000
C-Professional Service Contracts					
E-Goods and Other Services	681,000	682,000	1,363,000	1,364,000	1,369,000
G-Travel	41,000	41,000	82,000	82,000	82,000
J-Capital Outlays	206,000		206,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service	34,000	34,000	68,000	68,000	68,000
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	342,000	342,000	684,000	684,000	686,000
9-					
<b>Total:</b>	\$9,221,000	\$9,275,000	\$18,496,000	\$18,550,000	\$18,614,000

**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 2018	FY 2019	2017-19	2019-21	2021-23
Administrative Assistant 3	39,312	0.5	0.5	0.5	0.5	0.5
Adult Training Specialist 2	39,312	1.0	1.0	1.0	1.0	1.0
Attendant Counselor 1	33,336	19.5	19.5	19.5	19.5	19.5
Attendant Counselor 2	34,968	48.8	48.8	48.8	48.8	48.8
Attendant Counselor 3	37,476	4.5	4.5	4.5	4.5	4.5
Attendant Counselor Manager	46,596	7.0	7.0	7.0	7.0	7.0
Cook 2	34,968	0.5	0.5	0.5	0.5	0.5
Custodian 2	33,336	0.5	0.5	0.5	0.5	0.5
Habilitation Plan Administrator	61,212	21.0	21.0	21.0	21.0	21.0
Maintenance Mechanic 2	49,050					0.4
Psychologist 4	78,348	1.0	1.0	1.0	1.0	1.0
Psychology Associate	56,844	1.0	1.0	1.0	1.0	1.0
Registered Nurse 2	70,428	1.8	1.8	1.8	1.8	1.8
Registered Nurse 3	77,736	1.0	1.0	1.0	1.0	1.0
Residential Services Coordinator	44,400	1.0	1.0	1.0	1.0	1.0
Social & Health Program Consultant	59,724	1.0	1.0	1.0	1.0	1.0
3						
WMS Band 2	56,484	4.0	4.0	4.0	4.0	4.0
<b>Total FTE's</b>	<b>853,530</b>	<b>114.1</b>	<b>114.1</b>	<b>114.1</b>	<b>114.1</b>	<b>114.5</b>

**III. C - Expenditures By Program (optional)**

Program	FY 2018	FY 2019	2017-19	2019-21	2021-23
Aging and Long-Term Support Administration (050)	9,221,000	9,275,000	18,496,000	18,550,000	18,614,000
<b>Total \$</b>	<b>9,221,000</b>	<b>9,275,000</b>	<b>18,496,000</b>	<b>18,550,000</b>	<b>18,614,000</b>

## Part IV: Capital Budget Impact

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

Construction Estimate	FY 2018	FY 2019	2017-19	2019-21	2021-23
Acquisition					
Construction				15,750,000	9,000,000
Other	1,000,000	1,000,000	2,000,000	1,000,000	
<b>Total \$</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>2,000,000</b>	<b>16,750,000</b>	<b>9,000,000</b>

Section 2 (3) and Section 4 (1) - Requires capital funding of \$17.5M from the “master plan” to replace the Y buildings.

Section (6) - Requires \$200,000 to complete the pre-design stage for the new “Comprehensive Community Health Center”. It is anticipated that this work would occur in Fiscal Year 2018. Capital costs for remodel of the nursing home beds is \$1.8m to occur in the 2017-19 biennium.

## 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