

# Individual State Agency Fiscal Note

Revised

|                                |                                            |                                                             |
|--------------------------------|--------------------------------------------|-------------------------------------------------------------|
| <b>Bill Number:</b> 5201 2S SB | <b>Title:</b> Employ. & comm. access serv. | <b>Agency:</b> 300-Department of Social and Health Services |
|--------------------------------|--------------------------------------------|-------------------------------------------------------------|

## 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 | 521,000 | 1,788,000 | 2,309,000 | 3,576,000 | 3,576,000 |
| <b>Total \$</b>            | 521,000 | 1,788,000 | 2,309,000 | 3,576,000 | 3,576,000 |

### Estimated Expenditures from:

|                            | FY 2018   | FY 2019   | 2017-19   | 2019-21   | 2021-23   |
|----------------------------|-----------|-----------|-----------|-----------|-----------|
| <b>Account</b>             |           |           |           |           |           |
| General Fund-State 001-1   | 522,000   | 1,788,000 | 2,310,000 | 3,576,000 | 3,576,000 |
| General Fund-Federal 001-2 | 521,000   | 1,788,000 | 2,309,000 | 3,576,000 | 3,576,000 |
| <b>Total \$</b>            | 1,043,000 | 3,576,000 | 4,619,000 | 7,152,000 | 7,152,000 |

### 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:

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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.

|                                   |                       |                  |
|-----------------------------------|-----------------------|------------------|
| Legislative Contact: James Kettel | Phone: 360-786-7400   | Date: 03/12/2017 |
| Agency Preparation: Bryan Way     | Phone: 360-902-7769   | Date: 03/29/2017 |
| Agency Approval: Ken Brown        | Phone: 360-902-7583   | Date: 03/29/2017 |
| OFM Review: Bryce Andersen        | Phone: (360) 902-0580 | Date: 03/31/2017 |

## 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.*

This bill amends RCW 71a.12.290 concerning employment and community access services.

Section 1(1) strikes language requiring clients aged 21 and older receiving employment services to be offered the choice to transition to community programs after nine months of enrollment in an employment program and the option to transition from a community access program to an employment program at any time.

In place of the stricken language, the bill requires the department to provide clients aged 21 and older the option to select employment services or community access services. The client must be able to opt in and out of either service at any time. Services shall be based on the client's person-centered plan and appropriate for the needs of the client.

### 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.*

It is assumed that the fund split would be 50 percent GF-State and 50 percent Federal.

### 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.*

(1.) Community Access Services. Community access clients receive an average of 16.4 hours of services per month at the rate of \$34 per hour, which includes administration. For Fiscal Year 2016, there were 3,556 clients not receiving employment or community access services who would be eligible to request community access services. Some clients already have access to or have no interest in receiving community access services. The department estimates that 1,936 clients were 62 years or older, receiving community protection services, or had already completed nine or more months of employment services. This leaves a revised base of 1,620 clients and we assume the service uptake rate to be about 33 percent; however, there could be a greater fiscal impact than projected here if the actual uptake rate is higher.

A waiver revision request and approval from the Centers for Medicare & Medicaid Services (CMS) is required. FY 2018 reflects a phase-in of services assuming a delay of six months to attain CMS waiver approval.

FY 2018 = \$1,043,000 Total Funds (\$522,000 GF-State)

FY 2019 = \$3,576,000 Total Funds (\$1,788,000 GF-State)

FY 2020 = \$3,576,000 Total Funds (\$1,788,000 GF-State)

FY 2021 = \$3,576,000 Total Funds (\$1,788,000 GF-State)

FY 2022 = \$3,576,000 Total Funds (\$1,788,000 GF-State)

FY 2023 = \$3,576,000 Total Funds (\$1,788,000 GF-State)

### Part III: Expenditure Detail

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

|                                      | FY 2018            | FY 2019            | 2017-19            | 2019-21            | 2021-23            |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| FTE Staff Years                      |                    |                    |                    |                    |                    |
| A-Salaries and Wages                 |                    |                    |                    |                    |                    |
| B-Employee Benefits                  |                    |                    |                    |                    |                    |
| C-Professional Service Contracts     |                    |                    |                    |                    |                    |
| E-Goods and Other Services           |                    |                    |                    |                    |                    |
| G-Travel                             |                    |                    |                    |                    |                    |
| J-Capital Outlays                    |                    |                    |                    |                    |                    |
| M-Inter Agency/Fund Transfers        |                    |                    |                    |                    |                    |
| N-Grants, Benefits & Client Services | 1,043,000          | 3,576,000          | 4,619,000          | 7,152,000          | 7,152,000          |
| P-Debt Service                       |                    |                    |                    |                    |                    |
| S-Interagency Reimbursements         |                    |                    |                    |                    |                    |
| T-Intra-Agency Reimbursements        |                    |                    |                    |                    |                    |
| 9-                                   |                    |                    |                    |                    |                    |
| <b>Total:</b>                        | <b>\$1,043,000</b> | <b>\$3,576,000</b> | <b>\$4,619,000</b> | <b>\$7,152,000</b> | <b>\$7,152,000</b> |

### Part IV: Capital Budget Impact

### 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.*

New rules would be required to comply with the requirements of this bill.