

Multiple Agency Fiscal Note Summary

Bill Number: 1616 HB	Title: Concerning the charity care act.
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Estimated Cash Receipts

NONE

Estimated Operating Expenditures

Agency Name	2021-23				2023-25				2025-27			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of Attorney General	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Health	.4	56,000	56,000	100,000	.4	0	0	88,000	.4	0	0	88,000
Total \$	0.4	56,000	56,000	100,000	0.4	0	0	88,000	0.4	0	0	88,000

Estimated Capital Budget Expenditures

Agency Name	2021-23			2023-25			2025-27		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Department of Health	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

NONE

Prepared by: Breann Boggs, OFM	Phone: (360) 485-5716	Date Published: Final
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Individual State Agency Fiscal Note

Bill Number: 1616 HB	Title: Concerning the charity care act.	Agency: 100-Office of Attorney General
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Part I: Estimates

☒ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

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.

Legislative Contact: Chris Blake	Phone: 360-786-7392	Date: 01/04/2022
Agency Preparation: Allyson Bazan	Phone: 360-586-3589	Date: 01/12/2022
Agency Approval: Merdan Bazarov	Phone: 360-586-9346	Date: 01/12/2022
OFM Review: Tyler Lentz	Phone: (360) 790-0055	Date: 01/13/2022

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.

The Attorney General's Office (AGO) Agency Assumptions:

The enactment of this bill will not result in a fiscal impact on the AGO's Agriculture and Health Division (AHD). The Department of Health would require some legal advice from AHD on required amendments to its charity care rules and processes. This work is assumed to be nominal and costs are not included in this request because they would be less than 90 Assistant Attorney General hours per fiscal year.

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.

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.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

IV. D - Capital FTE Detail: *List FTEs by classification and corresponding annual compensation . Totals need to agree with total FTEs in Part IVB*

NONE

Part V: New Rule Making Required

Individual State Agency Fiscal Note

Bill Number: 1616 HB	Title: Concerning the charity care act.	Agency: 303-Department of Health
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years	0.0	0.8	0.4	0.4	0.4
Account					
General Fund-State 001-1	0	56,000	56,000	0	0
Hospital Data Collection Account-State 002-1	0	44,000	44,000	88,000	88,000
Total \$	0	100,000	100,000	88,000	88,000

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.

Legislative Contact: Chris Blake	Phone: 360-786-7392	Date: 01/04/2022
Agency Preparation: Donna Compton	Phone: 360-236-4538	Date: 01/12/2022
Agency Approval: Alisa Weld	Phone: (360) 236-2907	Date: 01/12/2022
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 01/13/2022

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 updates the definition of charity care to specify the location where charity care eligible services are rendered to include clinics affiliated with a hospital as well as creating minimum requirements for each hospital's charity care policy.

Section 1: Amends RCW 70.170.020 (Health Data and Charity Care - Definitions) to revise the definition of charity care, add the definition of indigent persons, and remove the definition of sliding fee schedule.

Section 2: Amends RCW 70.170.060 (Charity care - Prohibited and required hospital practices and policies – Rules - Notice of charity care availability - Department to monitor and report.) to set minimum requirements for each hospital's charity care policy.

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.

Rulemaking:

Section 1 & 2: Department of Health (department) will need to revise rules to update minimum requirements for charity care policies and update terminology. The department anticipates this will be a non-traditional rulemaking process as there is a need to engage non-traditional stakeholders affected by this bill. Rulemaking will include 3 listening sessions, 2 stakeholder meetings as well as one formal hearing which allows for stakeholder participation.

Costs include staff, associated expenses (including goods and services, travel, intra-agency, and indirect charges), the development and publication of a one-pager, interpretive and translation services, and Office of Attorney General support in the amount of \$4,100. In fiscal year 2023, one-time costs for rulemaking will be 0.20 FTE and \$25,000 (GF-S).

Charity Care Program:

Section 1(4): The department provides technical assistance to hospitals for the implementation of charity care. This section increases the locations where charity care eligible healthcare is provided by including clinics affiliated with a hospital, as a result the department expects the amount of technical assistance to increase. A clinic is not separately licensed from its affiliated hospital; therefore, the amount of hospital affiliated clinics is unknown. The department finds the cost of increased technical assistance for this group will be ongoing. For purposes of this fiscal note the department finds ongoing costs for this work to be indeterminant as the number of affiliated clinics are unknown.

Section 2(5): The department will need to review and approve the updated charity care policies for 96 acute care hospitals and 11 psychiatric hospitals as a result of this bill. For each hospital, estimates include 2 hours of work for the Charity Care Program Manager and 15 minutes for each of the 3 review panelists. The department expects this will take 0.30 FTE and \$31,000 (GF-S) in fiscal year 2023.

This section sets minimum requirements for each hospital's charity care policy which increases the population eligible for charity care. The department provides technical assistance to individuals eligible for charity care and the general public.

The eligible population is expected to triple increasing from 100% below the federal poverty standard up to 400% of the federal poverty standard and the time associated with providing technical assistance will increase. Currently, the charity care program provides about 5 hours of support to this population per week and expects a 10 hour per week increase for this activity. The department expects this will take 0.40 FTE and \$44,000 (002-1) in fiscal year 2023 and ongoing.

Partial costs to implement this bill are:

FY23 – 0.80 FTE and \$56,000 (001-1) & \$44,000 (002-1)

FY24 and ongoing – 0.40 FTE and \$44,000 (002-1)

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2022	FY 2023	2021-23	2023-25	2025-27
001-1	General Fund	State	0	56,000	56,000	0	0
002-1	Hospital Data Collection Account	State	0	44,000	44,000	88,000	88,000
Total \$			0	100,000	100,000	88,000	88,000

III. B - Expenditures by Object Or Purpose

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years		0.8	0.4	0.4	0.4
A-Salaries and Wages		63,000	63,000	58,000	58,000
B-Employee Benefits		22,000	22,000	20,000	20,000
E-Goods and Other Services		11,000	11,000	6,000	6,000
T-Intra-Agency Reimbursements		4,000	4,000	4,000	4,000
9-					
Total \$	0	100,000	100,000	88,000	88,000

III. C - Operating FTE 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 2022	FY 2023	2021-23	2023-25	2025-27
Fiscal Analyst 2	53,000		0.1	0.1	0.1	0.1
HEALTH SERVICES CONSULTANT 4	80,292		0.6	0.3	0.3	0.3
Health Svcs Conslt 1	53,000		0.1	0.1		
Total FTEs			0.8	0.4	0.4	0.4

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

IV. D - Capital FTE Detail: *List FTEs by classification and corresponding annual compensation . Totals need to agree with total FTEs in Part IVB*

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 .

Section 1 & 2: The department will adopt rules in WAC 246-453 as necessary to implement the bill.