

Individual State Agency Fiscal Note

Bill Number: 5630 SB	Title: Residential services rate	Agency: 300-Department of Social and Health Services
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
General Fund-Federal 001-2	1,279,000	1,279,000	2,558,000	2,558,000	2,558,000
Total \$	1,279,000	1,279,000	2,558,000	2,558,000	2,558,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
Account					
General Fund-State 001-1	1,311,000	1,311,000	2,622,000	2,622,000	2,622,000
General Fund-Federal 001-2	1,279,000	1,279,000	2,558,000	2,558,000	2,558,000
Total \$	2,590,000	2,590,000	5,180,000	5,180,000	5,180,000

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 Approval: Dan Winkley	Phone: 360-902-8236	Date: 02/07/2023
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Part II: Narrative Explanation

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

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

This bill directs the Department of Social and Health Services to utilize the King County classification for Snohomish County when determining the provider rate for community residential service businesses.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

A portion of the costs incurred to implement this legislation will be funded with federal Title XIX - Medicaid funds.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

This bill directs the Developmental Disabilities Administration (DDA) to use the King County classification for the purposes of determining the provider rate in Snohomish County for community residential service businesses. These businesses are defined as group homes (GH), group training home services (GTH), supported living services (SL), and voluntary placement services provided in a licensed staff residential facility for children (SRH). Each of these have rates components specific to geography and would be impacted. Other provider types considered community residential do not have rates that vary based on county and, therefore, would not be impacted, including companion homes, alternative living, and foster care programs.

This estimate is based on the current clients receiving services in Snohomish County and the anticipated cost of increasing those rates to the comparable King County values. The average rate increase for GH, GTH, and SL is 3.27 percent over Snohomish County rates, which equates to \$6,798.14 per day. The average rate increase for SRH is 4.0 percent over Snohomish County rates, which equates to an increase of \$296.65 per day. The total increase in costs per day is \$7,094.79, which equates to \$2,590,000 per year.

This change would affect 17 providers serving 348 clients.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	1,311,000	1,311,000	2,622,000	2,622,000	2,622,000
001-2	General Fund	Federal	1,279,000	1,279,000	2,558,000	2,558,000	2,558,000
Total \$			2,590,000	2,590,000	5,180,000	5,180,000	5,180,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
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	2,590,000	2,590,000	5,180,000	5,180,000	5,180,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	2,590,000	2,590,000	5,180,000	5,180,000	5,180,000

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

NONE

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Developmental Disabilities Administration (040)	2,590,000	2,590,000	5,180,000	5,180,000	5,180,000
Total \$	2,590,000	2,590,000	5,180,000	5,180,000	5,180,000

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

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

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.