

Multiple Agency Fiscal Note Summary

Bill Number: 1694 S HB 1694-S	Title: Home care workforce shortage
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Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Department of Social and Health Services	0	0	430,000	0	0	213,000	0	0	156,000
Total \$	0	0	430,000	0	0	213,000	0	0	156,000

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Washington State Health Care Authority	Fiscal note not available											
Department of Social and Health Services	1.9	2,288,000	2,288,000	2,718,000	1.5	863,000	863,000	1,076,000	1.0	154,000	154,000	310,000
Department of Health	Fiscal note not available											
Total \$	1.9	2,288,000	2,288,000	2,718,000	1.5	863,000	863,000	1,076,000	1.0	154,000	154,000	310,000

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Washington State Health Care Authority	Fiscal note not available								
Department of Social and Health Services	.0	0	0	.0	0	0	.0	0	0
Department of Health	Fiscal note not available								
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: Preliminary 2/23/2023
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Individual State Agency Fiscal Note

Bill Number: 1694 S HB 1694-1	Title: Home care workforce shortage	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	295,000	135,000	430,000	213,000	156,000
Total \$	295,000	135,000	430,000	213,000	156,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.8	2.0	1.9	1.5	1.0
Account					
General Fund-State 001-1	866,000	1,422,000	2,288,000	863,000	154,000
General Fund-Federal 001-2	295,000	135,000	430,000	213,000	156,000
Total \$	1,161,000	1,557,000	2,718,000	1,076,000	310,000

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: 02/14/2023
Agency Preparation: Mitchell Close	Phone: 3600000000	Date: 02/23/2023
Agency Approval: Dan Winkley	Phone: 360-902-8236	Date: 02/23/2023
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 02/23/2023

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.

Section 1 amends RCW 18.88B.010 to add a "Date of Hire" definition.

Section 2 amends RCW 18.88B.021 to remove the provision that the department may define the date of hire and adopt rules determining under what circumstances may have more than one date of hire. This section also adds that a long-term care worker who is not currently certified or eligible to reactivate an expired credential shall receive a new date of hire when beginning to work with either a new employer or returning to a former employer after the end of their employment.

Section 3 amends RCW 18.88B.031 to remove a provision for certification examination eligibility, adds language that allows the skills demonstration or knowledge test to be given on the last day of a student's training, allows a high school or community college to administer the examination, and directs the department to reduce barriers to certification.

Sections 4 and 5 create rules for when a certificate may be reinstated and for forgoing late fees on certain certificates.

Section 6 provides identical directives, protections, and time frames for persons with nursing assistant certificates as provided for those with home care aide certificates in section 5.

Section 7 amends RCW 74.39A.341 to allow a person whose certificate has been expired for less than five years to forgo continuing education requirements in order to restore their certificate to active status.

Section 8 amends RCW 18.88B.041 to expand the list of long-term care workers not required to become a certified home care aide.

Section 9 amends RCW 74.39A.076 to expand the list of long-term care workers required to complete 35 hours of training within the first 120 days after becoming an individual provider.

Section 10 adds a new section to chapter 74.39A RCW requiring the Department of Social and Health Services (DSHS) to report annually beginning June 1, 2025, on the long-term care worker supply, the wages of those workers compared with other entry-level positions, projections for service demands, geographic disparities, and demographic data.

Section 11 requires DSHS to design a pilot project to allow the spouse or domestic partner of a person with complex medical needs who is eligible for long-term services and supports to receive payment for providing home care services to the spouse or domestic partner with a report due to the legislature by December 31, 2023.

Section 12 requires DSHS to study the cost of paying the parents of children under 18 years old who are medically complex or have complex support needs related to their behaviors as well as conduct a pilot for those parents with an income no greater than 300 percent of the federal poverty level to receive payment for providing home care services. An initial report is due by December 31, 2023, and a final report is due by December 1, 2025.

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.

Section 10 requires DSHS to report annually beginning June 1, 2025, on the long-term care worker supply, the wages of those workers compared with other entry-level positions, projections for service demands, geographic disparities, and demographic data. Home and Community Services (HCS) is requesting one WMS2 RDA Research Associate FTE for annual research and reporting to the legislature. This position would start in September 2024 to analyze data and prepare the report.

- FY24: 0.8 FTE for \$129,000
- FY25 and beyond: 1.0 FTE for \$155,000

Section 11 mandates the design of a pilot project to allow the spouse of a person with complex medical needs who is eligible for long-term services and supports through DSHS to receive payment for providing home care services to the spouse. HCS is requesting one contacted project manager for \$182,000 in FY24 to design this project to consider appropriate acuity level, training needs, payment parameters, fiscal considerations and use of Medicaid matching funds, geographic locations for implementing the pilot project, ways to design the project to aid in future statewide implementation, cost estimates for implementing the pilot project, projected number of individuals to be served, and proposed timeline for implementation.

Section 12 directs DSHS to conduct a feasibility study of having parents provide home care services with a report due by December 31, 2023. The Developmental Disabilities Administration (DDA) requests a contract for \$182,000 from July 1, 2023 to December 31, 2023, to complete the study and report.

DDA will need an in-house FTE to design and implement a pilot through December 31, 2025, in order to get completely through the pilot and final report. This FTE will cost \$136,000 in FY24 and \$130,000 in FY25 and FY26.

The pilot itself will serve an estimated 50 clients. Medically complex children average about 170 hours of services per month. Children who have complex support needs related to their behaviors average 58 hours per month. Over the entire population of minors, the average number of assessed hours per month is 70. The 70 hours includes both the medically and behaviorally complex kids. With an hourly rate of \$30.32, the costs per year to provide services are below.

- FY24: \$532,000 (starting Jan. 2024)
- FY25: \$1,272,000
- FY26: \$636,000 (ending Dec. 2025)

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	866,000	1,422,000	2,288,000	863,000	154,000
001-2	General Fund	Federal	295,000	135,000	430,000	213,000	156,000
Total \$			1,161,000	1,557,000	2,718,000	1,076,000	310,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.8	2.0	1.9	1.5	1.0
A-Salaries and Wages	177,000	199,000	376,000	309,000	220,000
B-Employee Benefits	59,000	66,000	125,000	101,000	70,000
C-Professional Service Contracts	364,000		364,000		
E-Goods and Other Services	11,000	12,000	23,000	18,000	12,000
G-Travel					
J-Capital Outlays	11,000		11,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services	532,000	1,272,000	1,804,000	636,000	
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	7,000	8,000	15,000	12,000	8,000
9-					
Total \$	1,161,000	1,557,000	2,718,000	1,076,000	310,000

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 2024	FY 2025	2023-25	2025-27	2027-29
WMS1 - Program Manager	88,824	1.0	1.0	1.0	0.5	
WMS2 - RDA Research Associate	110,004	0.8	1.0	0.9	1.0	1.0
Total FTEs		1.8	2.0	1.9	1.5	1.0

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Developmental Disabilities Administration (040)	818,000	1,402,000	2,220,000	766,000	
Aging and Long-Term Support Administration (050)	279,000	155,000	434,000	310,000	310,000
Total \$	1,097,000	1,557,000	2,654,000	1,076,000	310,000

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.

Rules to be amended would include, but not be limited to, the following:

WAC 388-71-0839

WAC 388-71-0880

WAC 388-71-1001
WAC 388-112A-0090