

Multiple Agency Fiscal Note Summary

Bill Number: 1452 2S HB	Title: Medical reserve corps
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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
Washington State Patrol	0	0	50,688	0	0	5,016	0	0	5,016
Total \$	0	0	50,688	0	0	5,016	0	0	5,016

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 Patrol	.1	0	0	20,098	.0	0	0	0	.0	0	0	0
Department of Labor and Industries	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Health	2.7	895,000	895,000	895,000	2.7	906,000	906,000	906,000	2.7	920,000	920,000	920,000
Total \$	2.8	895,000	895,000	915,098	2.7	906,000	906,000	906,000	2.7	920,000	920,000	920,000

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Washington State Patrol	.0	0	0	.0	0	0	.0	0	0
Department of Labor and Industries	.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

Prepared by: Breann Boggs, OFM	Phone: (360) 485-5716	Date Published: Final 3/ 7/2023
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Individual State Agency Fiscal Note

Bill Number: 1452 2S HB	Title: Medical reserve corps	Agency: 225-Washington State Patrol
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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
Fingerprint Identification Account-State 225-1	25,344	25,344	50,688	5,016	5,016
Total \$	25,344	25,344	50,688	5,016	5,016

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.1	0.1	0.1	0.0	0.0
Account					
Fingerprint Identification Account-State 225-1	10,321	9,777	20,098	0	0
Total \$	10,321	9,777	20,098	0	0

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: Lily Smith	Phone: 360-786-7175	Date: 02/28/2023
Agency Preparation: Michael Middleton	Phone: (360) 596-4072	Date: 03/03/2023
Agency Approval: Mario Buono	Phone: (360) 596-4046	Date: 03/03/2023
OFM Review: Tiffany West	Phone: (360) 890-2653	Date: 03/06/2023

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.

The proposed second substitute to the bill has a fiscal impact for the Washington State Patrol (WSP). Our original assumptions linked to subsections 5(2) and 5(3) hold.

The bill establishes a medical reserve corps, under the purview of the Department of Health, which can be called upon to address matters of declared emergencies and like instances where public peace, health, and safety are at risk or to protect the lives and property of state citizens.

New subsections 5(2) and 5(3) require individuals seeking to qualify to register as a health practitioner member or support member of the medical reserve corps to pass a background check.

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.

For this fiscal note, in FY 2024 and FY 2025, the Department of Health (DOH) estimates 2,304 annual background checks to determine eligibility to register as part of the medical reserve corps. For FY 2026 and thereafter, DOH estimates 228 annual background checks.

Assuming electronic submissions through WATCH (Washington Access to Criminal History), the WSP will charge \$11.00 for the online background checks. The estimated annual revenue for the Fingerprint Identification Account in FY 2024 and FY 2025 is 2,304 checks x \$11 = \$25,344. The estimated annual revenue for the Fingerprint Identification Account in FY 2026 and thereafter is 228 checks x \$11 = \$2,508.

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.

Our overall fiscal impact has increased slightly as a result of the recent change to our approved indirect cost rate which becomes effective July 1, 2023.

Based on DOH's estimate of the number of background checks, we estimate an increased workload equivalent of less than 0.1 (0.05) FTE of an IT System Administration - Journey in FY 2024 and FY 2025 and no additional workload in FY 2026 and thereafter.

We base estimated salary expenditures on current levels for the positions requested per published salary schedules, plus any applicable incentive or assignment pay. We compute estimated benefits expenditures based on federal or state mandated rates plus state provided amounts for health insurance and workers' compensation insurance. We assume that any increases in these rates or amounts will be covered by legislation establishing the increase.

We compute estimated support expenditures such as supplies & materials, communications, computer costs (hardware and software), vehicle and vehicle operating costs, among others, using average costs to support agency FTEs. We adjust the estimated support costs to reflect the needs of individual divisions or positions within the agency.

We base our estimate for agency indirect costs on the federal indirect cost rate of 33.41 percent approved by the U.S. Department of Transportation on February 14, 2023. This rate is effective July 1, 2023, and is used on all estimates completed after the approval date. We apply this indirect cost rate percentage to all categories of expenditure with only two

exceptions: capital equipment and expenditures after \$25,000 of each projected contract. Indirect costs include, but are not limited to, computer and telecommunications support, payroll processing, vendor payments, general accounting, procurement administration, inventory control, and human resource management.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
225-1	Fingerprint Identification Account	State	10,321	9,777	20,098	0	0
Total \$			10,321	9,777	20,098	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.1	0.1	0.1		
A-Salaries and Wages	5,253	5,253	10,506		
B-Employee Benefits	1,656	1,656	3,312		
C-Professional Service Contracts					
E-Goods and Other Services	333	276	609		
G-Travel	60	60	120		
J-Capital Outlays	560	91	651		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-Indirect Costs	2,459	2,441	4,900		
Total \$		10,321	9,777	20,098	0

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
IT System Administration - Journey	105,060	0.1	0.1	0.1		
Total FTEs			0.1	0.1	0.1	0.0

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

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.

Individual State Agency Fiscal Note

Bill Number: 1452 2S HB	Title: Medical reserve corps	Agency: 235-Department of Labor and Industries
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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: Lily Smith	Phone: 360-786-7175	Date: 02/28/2023
Agency Preparation: Rachel Reed	Phone: 360-902-4552	Date: 03/02/2023
Agency Approval: Trent Howard	Phone: 360-902-6698	Date: 03/02/2023
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 03/02/2023

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.

This bill authorizes the Washington State Department of Health (DOH) to create a state medical reserve corps to serve at the direction and control of the DOH Secretary.

Section 1 authorizes the DOH to create a state medical reserve corps to serve at the direction and control of the Secretary to protect public peace, health, safety, and property of the people of the State of Washington.

Section 6 (2) (d) states that the DOH Secretary must include whether the members will receive compensation for their participation in the deployment and the compensation amount in their order deploying the state medical reserve corps.

Section 7 (1) states that the DOH must track and account for any costs incurred as a direct result of the deployment.

Section 7 (5) states that the DOH may seek federal or private funding to support the costs of deployments of the state emergency medical corps under this act.

Section 11 (1) states that a member of the state medical reserve corps who dies or is injured as a result of providing services is deemed to be a state employee for the purpose of receiving benefits for death or injury under RCW Title 51 workers' compensation law.

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.

Non-Appropriated – State Fund Premiums

As an insurance entity, L&I premium rates are intended to match premiums to claims cost projections. Therefore, for this fiscal analysis it is assumed that any incremental costs or savings will equal the incremental revenue collected.

Non-Appropriated – Premium Impact to Employers

Individual changes to the Accident and Medical Aid fund do not change rate assumptions by themselves. Cost increases are only one of many components in determining rates. The high-level strategy that is used to determine if a rate change is necessary is as follows:

- Review of liabilities, or costs of the Workers' Comp System.
- Investment earnings.
- Adequate revenue (premiums + investments) based on projected costs (actuarial estimates) will determine need for a premium change.

Non-Appropriated – Self-Insured Employers

If an employer chooses to be self-insured, they are responsible to pay for overall claim costs and a portion of administration costs of L&I's Self-Insurance Program and other costs of related support functions. The administrative assessment is an amount per dollar of claim benefit costs. If benefit costs are increased due to the state medical reserve corps members who would receive Title 51 benefits under Section 10 of this bill, self-insured employers would be assessed by L&I for their appropriate portion of administrative costs based on the increase. Incremental costs or savings will equal the incremental revenue collected from assessments.

Receivables – Operating

None.

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.

Non-Appropriated – State Fund Benefits Costs

There is indeterminate non-appropriated impact only to the Accident Account, fund 608, and Medical Aid Account, fund 609. (Non-appropriated costs are not included in the Fiscal Note Summary.) The following assumptions were used:

- The number of State Medical Reserve Corps deployments, and the number of Corps members who would receive Title 51 benefits under Section 10 of this bill are difficult to estimate and could change significantly from year to year.
- However, as with coverage for other state employees, we would need to assess premiums for this coverage. The premiums charged would be based on the expected claim costs, so the net impact on the state fund would be minimal.
 - o Members of the State Medical Reserve Corps could be paid for their participation under Section 6 (2) (d), so their claims might be eligible for Accident Fund benefits as well as Medical Aid Fund benefits.
 - o A state agency would be deemed the employer of the State Medical Reserve Corps members during their deployment. This agency would be responsible for filing the quarterly reports and paying any premiums. And the associated claims would be included in their experience factor calculations.
 - o Note that this is different than the treatment of risk class 7205 (employees of nongovernmental employers provided in response to a request for assistance by a state or local official in the "life and rescue phase" of a declared emergency). Per RCW 51.16.220 the benefit costs for 7205 are paid by the disaster response account (RCW 38.52.105), so the Accident, Medical Aid, and Stay at Work base rates for class 7205 are all zero. The claim costs for 7205 are also excluded from experience rating.

Appropriated - Operating

Rulemaking would be accomplished using existing agency resources. If necessary, one hearing could be incorporated into L&I's existing annual rulemaking activities.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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)

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

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.

This legislation may result in rule changes to:

- RCW Title 51, Industrial Insurance.
- Chapter 296-17 WAC, General Reporting Rules, Audit and Recordkeeping, Rates and Rating System for Washington Workers' Compensation Insurance.

Individual State Agency Fiscal Note

Bill Number: 1452 2S HB	Title: Medical reserve corps	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 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	2.7	2.7	2.7	2.7	2.7
Account					
General Fund-State 001-1	447,000	448,000	895,000	906,000	920,000
Total \$	447,000	448,000	895,000	906,000	920,000

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: Lily Smith	Phone: 360-786-7175	Date: 02/28/2023
Agency Preparation: Damian Howard	Phone: 3602363000	Date: 03/02/2023
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 03/02/2023
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 03/03/2023

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.

The only change in this second substitute is adding the requirement that DOH will bill healthcare for costs incurred if they are the ones asking for State MRC resources. This is part of our normal Incident Management Team (IMT) book of business and if no payment is received from healthcare, DOH would absorb the costs. This change does not change our fiscal impact from the previous version of the bill.

Section 5: A person must apply to the department to register with the state medical reserve corps. To qualify as a health practitioner, a person must pass a background check and be licensed and in good standing in this state. To qualify to register as a support member, a person must pass a background check, and if the person holds a professional license in this state other than a health practitioner license, that license must be in good standing. The department may, by rule, establish additional required qualification for registration as a member.

Section 6: The Secretary of Health may order the deployment of the state medical corps. The secretary shall state within the order deploying the MRC: 1) The duration of operation of the state medical reserve corps; 2) The geographical areas in which the MRC members may operate; 3) The types of health practitioner members and support members who may participate in the operation; 4) Whether the members will receive compensation for their participation in the operation and the rate at which they will receive compensation; 5) The types of work the health practitioner members and support members may undertake, and 6) Any other matters necessary to coordinate effectively the provision of health or veterinary services during the situation. An order issued pursuant to subsection (1) of this section may take effect immediately, without prior notice or comment, and is not a rule within the meaning of the administrative procedure act, chapter 34.05 RCW.

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.

The bill does not provide authority to charge a fee for applying to be registered with the state medical reserve corps, therefore the department assumes no new fees or revenue because of this bill. The department assumes GF-S funding will be provided to cover the cost to implement the new registration and process applications.

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 program would have a narrow focus on Public Health, Medical and Mortuary response and is designed to augment and support county controlled and operated Medical Reserve Corps with the creation of a complementary State MRC program. The program administered under DOH would register, train and exercise, deploy, track, care and feed for public health, medical and non-medical in-state responders for the purposes of an Emergency Support Function 8 (ESF-8) response statewide regardless of a state of emergency declaration.

This funding will include the FTE to manage the program and the afforded liability protections to the MRC members, to ensure a supplemental statewide capacity exists to provide medical and non-medical volunteers statewide should the need occur regardless of a state or federal declaration of emergency.

Starting in fiscal year 2024 and ongoing, costs to implement MRC include salary, benefits, FTE related costs, travel, one-time start-up costs and the necessary software for 1.0 FTE Emergency Management Program Specialist 3, 1.0 FTE Emergency Management Program Specialist 4, and .7 Fiscal Analyst 2.

Section 5: To implement, cost would include 1.7 FTE plus the electronic tracking system, plus training and travel for the MRC volunteers for total expense of \$321,000.

Section 6: To implement, cost would include 1.0 FTE for total expense of \$126,000.

Total costs to implement are:

- FY2024 – 2.7 FTE and \$447,000 General Fund-State
- FY2025 – 2.7 FTE and \$448,000 General Fund-State
- FY2026 – 2.7 FTE and \$451,000 General Fund State
- FY2027 – 2.7 FTE and \$455,000 General Fund State
- FY2028 – 2.7 FTE and \$458,000 General Fund State
- FY2029 – 2.7 FTE and \$462,000 General Fund State

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	447,000	448,000	895,000	906,000	920,000
Total \$			447,000	448,000	895,000	906,000	920,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	2.7	2.7	2.7	2.7	2.7
A-Salaries and Wages	217,000	222,000	439,000	446,000	448,000
B-Employee Benefits	81,000	81,000	162,000	162,000	162,000
E-Goods and Other Services	106,000	110,000	216,000	228,000	240,000
G-Travel	20,000	20,000	40,000	40,000	40,000
J-Capital Outlays	8,000		8,000		
T-Intra-Agency Reimbursements	15,000	15,000	30,000	30,000	30,000
9-					
Total \$	447,000	448,000	895,000	906,000	920,000

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
EMERGENCY MANAGEMENT PROGRAM SPECIALIST 3	82,896	1.0	1.0	1.0	1.0	1.0
EMERGENCY MANAGEMENT PROGRAM SPECIALIST 4	91,524	1.0	1.0	1.0	1.0	1.0
Fiscal Analyst 2	53,000	0.7	0.7	0.7	0.7	0.7
Total FTEs		2.7	2.7	2.7	2.7	2.7

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

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

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.