

Multiple Agency Fiscal Note Summary

Bill Number: 1724 2S HB AMS HLTC S2716.1	Title: Behavioral health workforce
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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 Health	0	0	113,000	0	0	19,000	0	0	2,000
Total \$	0	0	113,000	0	0	19,000	0	0	2,000

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
Department of Health	11.7	2,141,000	2,141,000	2,847,000	7.6	1,291,000	1,291,000	1,705,000	7.4	1,262,000	1,262,000	1,676,000
Workforce Training and Education Coordinating Board	.2	84,000	84,000	84,000	.0	0	0	0	.0	0	0	0
Total \$	11.9	2,225,000	2,225,000	2,931,000	7.6	1,291,000	1,291,000	1,705,000	7.4	1,262,000	1,262,000	1,676,000

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Health	.0	0	0	.0	0	0	.0	0	0
Workforce Training and Education Coordinating Board	.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

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Individual State Agency Fiscal Note

Bill Number: 1724 2S HB AMS HLTC S2716.1	Title: Behavioral health workforce	Agency: 303-Department of Health
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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
Health Professions Account-State 02G-1	95,000	18,000	113,000	19,000	2,000
Total \$	95,000	18,000	113,000	19,000	2,000

Estimated Operating Expenditures from:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	13.6	9.8	11.7	7.6	7.4
Account					
General Fund-State 001-1	1,295,000	846,000	2,141,000	1,291,000	1,262,000
General Fund-Private/Local 001 -7	30,000	0	30,000	0	0
Health Professions Account-State 02G-1	227,000	449,000	676,000	414,000	414,000
Total \$	1,552,000	1,295,000	2,847,000	1,705,000	1,676,000

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: Kevin Black	Phone: (360) 786-7747	Date: 03/29/2023
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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 striker amendment changes the fiscal impact from the fiscal note provided for the previous version, 2SHB 1724. This version of the bill creates a new agency affiliated counselor license and agency affiliated counselor certificate in addition to the existing agency affiliated counselor registration, for a total of three agency affiliated counselor credentials, each with different educational requirements and scopes of practice.

This bill amends professional requirements for behavioral health licensure, creates new programs intended to help increase the behavioral health workforce, and creates two new agency affiliated counselor credentials.

Section 1: Removes the restriction in RCW 18.83.070 (License without oral examination – Reciprocity program) that a person who holds a probationary license may only practice as a psychologist in a licensed behavioral health agency.

Section 2: Removes the term “chemical dependency” and replaces it with “substance use disorder” in RCW 18.205.140 (Substance Use Disorder Professionals – Applicant credentialed in another state – Certification without examination – Reciprocity program). Removes the restriction that a person who holds a probationary certificate may only practice as a chemical dependency professional in a licensed behavioral health agency.

Section 3: Change requirements for supervised experience in RCW 18.225.090 (Mental Health Counselors, Marriage and Family Therapists, Social Workers – Issuance of license requirements).

Section 4: Removes the restriction in RCW 18.225.140 (Mental Health Counselors, Marriage and Family Therapists, Social Workers – Credentialed in another state - License without oral examination – Reciprocity program) that a person who holds a probationary license may only practice in a licensed behavioral health agency.

Section 5: Adds a new section to 43.70 RCW (DEPARTMENT OF HEALTH) requiring the department, in consultation with the Workforce Training and Education Training Board (WTB) and the Examining Board of Psychology (EBOP), to examine licensure requirements for behavioral health professions to identify changes to statutes and rules that would remove barriers to entering and remaining in the health care workforce and to streamline and shorten the credentialing process. The department is required to provide a progress report of findings by November 1, 2023 and a final report by November 1, 2024.

Section 6: Adds a new section to RCW 18.130 (Regulation of health professions – Uniform disciplinary act) requiring the department and the EBOP to adopt emergency rules by July 1, 2024 and permanent rules by July 1, 2025. These rules are required to implement changes to licensing requirements to remove barriers to entering and remaining in the health care workforce and to streamline and shorten the credentialing process.

Section 7: Adds a new section to RCW 18.225 (Mental Health Counselors, Marriage and Family Therapist, Social Workers) requiring the department to develop a program to facilitate placement of associates with clinical supervision services by October 1, 2023 which includes a database of license holders qualified to serve as supervisors. Establishes a stipend program to defray out-of-pocket expenses incurred by associates completing supervised experience requirement and the department shall establish this program no later than July 1, 2024. The department may adopt rules to implement this program. The department must also adopt, by rule, minimum qualifications for supervisors or facilities to be included in the database and minimum standards for adequate supervision of associates, and the department must periodically audit the list to remove persons or facilities no longer meeting the minimum qualifications or failing to meet the minimum standards.

Section 8: Adds a new section to chapter 18.130 RCW (REGULATION OF HEALTH PROFESSIONS—UNIFORM DISCIPLINARY ACT) requiring disciplining authorities waive requirements for applicants who have been credentialed in

another state with substantially equivalent standards and allowing disciplining authorities to waive requirements for applicants who have achieved a national certification for the profession as determined by the authority in rule.

Section 13: Amends RCW 18.19.020 (Definitions.) to:

1. Change the definition of Agency Affiliated Counselor to include persons certified or licensed under this chapter;
2. Add a definition for Certified Agency Affiliated Counselor;
3. Add a definition for Licensed Agency Affiliated Counselor;
4. Add a definition for Mental Health Professional;
5. Amend the definition for Registered Agency Affiliated Counselor.

Section 15: Amends RCW 18.19.090 (Application for credentials—Contents—Form—Requirements.) to create education and experience requirements for agency affiliated counselor certification and agency affiliated counselor licensure. The department must determine, by rule, required counseling-specific coursework. Creates a legacy provision for licensed or certified agency affiliated counselor applicants to not require they meet the coursework requirements set by the department if, prior to the effective date of the rules adopted, the applicant held a mental health professional designation based on meeting certain criteria. Applicants for licensed or certified agency affiliated counselors eligible for the legacy provision must apply to the department before July 1, 2027.

Section 18: Adds a section to 18.19 RCW (COUNSELORS), defining the scope of practice for registered, certified, and licensed agency affiliated counselors.

Section 20: Amends RCW 71.05.020 (Definitions) to modify the definition of “mental health professional” and remove authority for the department to further define eligibility for mental health professional designation in Behavioral Health Agency rules.

Section 33: Sections 1 through 7, 13 through 20, and 22 through 26 take effect immediately.

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.

RCW 43.70.250 (License fees for professions, occupations, and businesses), requires the Department of Health (department) to charge a fee to generate sufficient revenue to fully support the costs of administering its health professions licensing activities. Currently the Marriage and Family Therapist program has a positive fund balance of \$62,000, the Mental Health Counselor program has a negative fund balance of (\$76,000), the Social Worker program has a positive fund balance of \$1,467,000, the Substance Use Disorder Program has a negative fund balance of (\$520,000), and the Agency Affiliated Counselor program has a negative fund balance of (\$3,882,000).

At this time, the department will utilize current program fund balances for Marriage and Family Therapists, Social Workers, and Substance Use Disorder Professionals (SUDP) to implement their portion of this bill. While the SUDP program currently has a deficit, the fee was increased in FY19 and the fund balance is trending positively with the program projected to have a positive fund balance by FY28. The Mental Health Counselor program is in deficit and is scheduled for a fee increase on June 1, 2023. Depending on the impact of this and other new legislation, the Marriage and Family Therapist, Mental Health Counselor, and Social Worker fees may not be sufficient and fee increases may be required in the future. The department will monitor the program fund balances and adjust fees over a six (6) year period to ensure that fees are sufficient to cover all program expenditures.

The agency affiliated counselor program is scheduled for fee increases on June 1, 2023. Due to the program’s multi-million dollar deficit, the department requests GF-S to cover all work related to the agency affiliated counselor sections of the bill. If GF-S is not provided, the department will conduct another fee study and costs associated with implementing this bill will be considered when setting the fee.

Effective June 2023 new fees for registered agency affiliated counselors will be \$175 for initial application and \$185 for renewal. The department assumes using these fees until a fee study can be completed on the new certified and licensed agency affiliated counselor credentials. Revenue will be collected immediately following emergency rules in FY 2024 and will be collected on an annual basis.

REVENUE - Agency Affiliated Counselors (Certified and Licensed)

FY 2024 - \$95,000 (542 applications)

FY 2025 - \$18,000 (104 applications)

FY 2026 - \$18,000 (104 applications)

FY 2027 - \$1,000 (5 applications)

FY 2028 - \$1,000 (5 applications)

FY 2029 - \$1,000 (5 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.

Assumption: Due to the immediate effective date of the bill and the November 1, 2023 deadline to provide a progress report, the department assumes work will begin no later than May of 2023. Therefore, costs will be incurred in FY 2023.

Assumption: The department assumes the work required in this bill for agency affiliated counselors will be funded by General-Fund State to avoid adding to the current negative fund balance for the program.

Assumption: The department assumes that section 6 is specific to health professions identified in section 5 and not all health professions.

Rulemaking

There will be at least nine rulemaking projects resulting from this bill:

(see attached Rules Projects chart)

1) Section 7: Due to the immediate effective date of the bill, the department will begin work immediately to file emergency rules to establish minimum qualifications for supervisors or facilities providing supervised experience to associates. The department will continue to renew the emergency rules until permanent rules are adopted in FY 2024. The department anticipates Office of Attorney General (OAG) support in the amount of \$1,000.

Costs include staff, associated expenses (including goods and services, travel, intra-agency, and indirect charges), and Office of Attorney General support.

FY 2024 costs will be 0.1 FTE and \$7,000 (02G).

2) Section 7: Following the initial filing of emergency rules, the department will develop permanent rules to establish minimum qualifications for supervisors or facilities providing supervised experience to associates and develop rules for the stipend program established by the bill. The department anticipates utilizing a team of subject matter experts to implement this bill. This team will consist of the program manager and a community engagement specialist to identify underreached communities and engage them in the rulemaking process. This process will include two meetings with interested parties as well as one formal rules hearing, all held virtually, and will take approximately 12 months to complete. The department anticipates providing the rules hearing announcement and materials in both English and Spanish and providing ASL and Spanish interpretation services at the rules hearing.

Costs include staff, associated expenses (including goods and services, travel, intra-agency, and indirect charges), and Office of Attorney General support in the amount of \$4,000.

FY 2024 one-time costs will be 0.2 FTE and \$30,000 (02G: \$15,000 and GF-S: \$15,000).

3) Sections 5 & 6: The department will adopt emergency rules by July 1, 2024 to implement changes to licensing requirements for psychologists and to streamline and shorten the credentialing process. The department will adopt these emergency rules to implement changes identified in consultation with WTB and EBOP during FY 2024. The department will continue to renew the emergency rules until permanent rules are adopted in FY 2025. The department anticipates Office of Attorney General (OAG) support in the amount of \$1,000.

Costs include staff, associated expenses (including goods and services, travel, intra-agency, and indirect charges), and Office of Attorney General support.

FY 2024 costs will be 0.1 FTE and \$7,000 (02G).

4) Sections 5 & 6: The department will adopt emergency rules by July 1, 2024 to implement changes to licensing requirements for substance use disorder professionals and to streamline and shorten the credentialing process. The department will adopt these emergency rules to implement changes identified in consultation with WTB during FY 2024. The department will continue to renew the emergency rules until permanent rules are adopted in FY 2025. The department anticipates Office of Attorney General (OAG) support in the amount of \$1,000.

Costs include staff, associated expenses (including goods and services, travel, intra-agency, and indirect charges), and Office of Attorney General support.

FY 2024 costs will be 0.1 FTE and \$7,000 (02G).

5) Sections 5 & 6: The department will adopt emergency rules by July 1, 2024 to implement changes to licensing requirements for licensed marriage and family therapists, licensed mental health counselors, and social workers and to streamline and shorten the credentialing process. The department will adopt these emergency rules to implement changes identified in consultation with WTB during FY 2024. The department will continue to renew the emergency rules until permanent rules are adopted in FY 2025. The department anticipates Office of Attorney General (OAG) support in the amount of \$1,000.

Costs include staff, associated expenses (including goods and services, travel, intra-agency, and indirect charges), and Office of Attorney General support.

FY 2024 costs will be 0.1 FTE and \$7,000 (02G).

6) Sections 5 & 6: Following the adoption of emergency rules, EBOP will develop and adopt permanent rules to implement changes to psychology licensing requirements to remove barriers to entering and remaining in the health care workforce and to streamline and shorten the credentialing process. EBOP anticipates utilizing a team of subject matter experts for this rules project. This team will consist of the program manager and a community engagement specialist to identify underreached communities and engage them in the rulemaking process. This process will include two meetings with interested parties as well as one formal rules hearing, all held virtually, and will take approximately 12 months to complete. The department anticipates providing the rules hearing announcement and materials in both English and Spanish and providing ASL and Spanish interpretation services at the rules hearing and Office of Attorney General (OAG) support in the amount of \$3,000.

Costs include staff, associated expenses (including goods and services, travel, intra-agency, and indirect charges), and

Office of Attorney General support.

FY 2025 costs will be 0.2 FTE and \$29,000 (02G).

7) Sections 5 & 6: Following the adoption of emergency rules, the department will develop and adopt permanent rules to implement changes to substance use disorder professionals licensing requirements to remove barriers to entering and remaining in the health care workforce and to streamline and shorten the credentialing process. The department anticipates utilizing a team of subject matter experts for this rules project. This team will consist of the program manager and a community engagement specialist to identify underreached communities and engage them in the rulemaking process. This process will include two meetings with interested parties as well as one formal rules hearing, all held virtually, and will take approximately 12 months to complete. The department anticipates providing the rules hearing announcement and materials in both English and Spanish and providing ASL and Spanish interpretation services at the rules hearing and Office of Attorney General (OAG) support in the amount of \$3,000.

Costs include staff, associated expenses (including goods and services, travel, intra-agency, and indirect charges), and Office of Attorney General support.

FY 2025 costs will be 0.2 FTE and \$29,000 (02G).

8) Sections 5 & 6: Following the adoption of emergency rules, the department will develop and adopt permanent rules to implement changes to licensed marriage and family therapists, licensed mental health counselors, social workers licensing requirements to remove barriers to entering and remaining in the health care workforce and to streamline and shorten the credentialing process. The department anticipates utilizing a team of subject matter experts for this rules project. This team will consist of the program manager and a community engagement specialist to identify underreached communities and engage them in the rulemaking process. This process will include two meetings with interested parties as well as one formal rules hearing, all held virtually, and will take approximately 12 months to complete. The department anticipates providing the rules hearing announcement and materials in both English and Spanish and providing ASL and Spanish interpretation services at the rules hearing and Office of Attorney General (OAG) support in the amount of \$3,000.

Costs include staff, associated expenses (including goods and services, travel, intra-agency, and indirect charges), and Office of Attorney General support.

FY 2025 costs will be 0.2 FTE and \$29,000 (02G).

9) Sections 13, 15, 20, 21, & 22: The department will adopt permanent rules to establish the certified and licensed AAC credentials. The department anticipates utilizing a team of subject matter experts to implement this bill. This team will consist of the program manager and a community engagement specialist to identify underreached communities and engage them in the rulemaking process. Based on the department's experience with creating new credentials, including establishing new fees, standards, and requirements, the department anticipates rulemaking to be complex. Complex rulemaking will require a rules project coordinator to support subject matter experts and ensure timely completion of rulemaking. This process will include three meetings with interested parties as well as one formal rules hearing, all held virtually, and will take approximately 12 months to complete. The department anticipates providing the rules hearing announcement and materials in both English and Spanish and providing ASL and Spanish interpretation services at the rules hearing.

Costs include staff, associated expenses (including goods and services, travel, intra-agency, and indirect charges), and Office of Attorney General support in the amount of \$5,000.

FY 2024 one-time costs will be 0.4 FTE and \$60,000 (GF-S: \$30,000 and GF-L \$30,000).

TOTAL COSTS FOR RULEMAKING:

FY 2024 costs will be 0.8 FTE and \$118,000 (GF-S: \$45,000; GF-L: \$30,000; 02G: \$43,000).

FY 2025 costs will be 0.6 FTE and \$87,000 (02G).

Licensure Requirements Review

Sections 5 & 6: In FY 2023, FY 2024, and FY 2025, department staff will be required for research, community engagement, information gathering, and consultation with WTB and EPOB to identify changes to statutes and rules that would remove barriers to entering and remaining in the health care workforce and to streamline and shorten the credentialing process. Given the immediate effective date of the bill, the time needed to begin work and draft the progress report, and time needed for report review to meet the November 1, 2023 filing deadline for the progress report, the department assumes work will need to begin May of 2023. The department assumes weekly meetings to consult with WTB and EPOB May through July of 2023, and meetings at least monthly August 2023 through July 2024.

The department intends to hire an implementation manager to lead this work, as well as additional project staff dedicated to research, community engagement, coordination and collaboration, and drafting the reports. Costs include staff, associated expenses (including goods and services, intra-agency, and indirect charges), and vendor charges.

FY 2023 costs will be 0.5 FTE and \$53,000 (GF-S).

FY 2024 costs will be 2.7 FTE and \$320,000 (GF-S).

FY 2025 costs will be 1.4 FTE and \$163,000 (GF-S).

Health Technology Solutions (HTS)

Section 7: This bill will require configuration in the department's licensing systems and online applications to incorporate the changes in supervision and experience requirements and to create the database of approved supervisors. In order for the database to be developed by the October 1, 2023 deadline stated the bill, configuration will be required in the department's current system, the Integrated Licensing & Regulatory System (ILRS), and the new system the department is currently developing, the Healthcare Enforcement and Licensing Modernization System (HELMS).

In FY 2024, department staff will be required for ILRS configuration to support the database of approved supervisors. Work will include creating new user defined fields, updating existing reports, updating online applications, and creating a new interface.

Starting in FY 2025, configuration in HELMS will require 676 hours from the integration vendor at a rate of \$262.50 per hour. Work will include the initial vendor configuration and agency staff time for ongoing maintenance of 2 workflow updates for 23 credential types, 2 new user defined fields for 23 credential types, updates to 8 online applications, creation of a new interface, and creation of a new report, and the creation of two new credentials. Costs include staff, associated expenses (including goods and services, intra-agency, and indirect charges), and vendor charges.

FY 2024 costs will be 0.6 FTE and \$75,000 (GF-S).

FY 2025 costs will be \$178,000 (02G).

FY 2026 and ongoing, costs will be 0.2 FTE and \$23,000 (02G).

Office of Customer Service (OCS)

OCS – Credential conversion

Section 15: This bill requires the department to create two new license types. The department estimates that there will be roughly 600 agency affiliated counselor registrations with mental health professional (MHP) approval by the implementation date. Of those 600 registrations, 458 were approved after May 2021 in which the education requirement must be met and

therefore are estimated to hold a master's degree and not require education to be verified. The department will require these individuals to submit an abbreviated application to move to licensure, however the department assumes no fee or background check will be required to convert from registration to licensure. Costs include staff, associated expenses (including goods and services, intra-agency, and indirect charges).

FY 2024 costs will be 2.6 FTE and \$265,000 (GF-S)

OCS – New applications (licensed agency affiliated counselor)

Section 15: This bill requires the department to create a new licensed agency affiliated counselor license. The department received 304 new agency affiliated counselor registrations with MHP designations in 2022, therefore the department assumes that it will receive 300 new applications in FY 2024 and then the program's current growth rate of 1.28% each year thereafter. Additionally, the department estimates the remaining 142 registered agency affiliated counselors approved prior to May 2021 will need to apply for the certified or licensed agency affiliated counselor credential in FY 2024. Costs include staff, associated expenses (including goods and services, intra-agency, and indirect charges).

FY 2024 costs will be 1.4 FTE and \$144,000 (GF-S).

OCS – New applications (certified agency affiliated counselor)

Section 15: This bill requires the department to create a new certified agency affiliated counselor license. The department assumes it will receive 100 new applications each year for the first 3 years and then the program's current growth rate of 1.28% each year thereafter. Costs include staff, associated expenses (including goods and services, intra-agency, and indirect charges).

FY 2024 costs will be 0.3 FTE and \$32,000 (GF-S).

FY 2025 costs will be 0.5 FTE and \$52,000 (GF-S).

FY 2026 costs will be 0.3 FTE and \$29,000 (GF-S).

TOTAL COSTS FOR OCS:

FY 2024 costs will be 4.3 FTE and \$441,000 (GF-S).

FY 2025 costs will be 0.5 FTE and \$52,000 (GF-S).

FY 2026 costs will be 0.3 FTE and \$29,000 (GF-S).

Agency Affiliated Counselor Program

Section 13, 15, and 18: This bill creates 2 new agency affiliated counselor credentials, certified agency affiliated counselor and licensed agency affiliated counselor, in addition to registered agency affiliated counselor. The department assumes ongoing work related to an increase in calls from current and prospective applicants for technical assistance and consultation with OCS on education requirements. Costs include staff, associated expenses (including goods and services, intra-agency, and indirect charges).

FY 2024 and ongoing, costs will be 0.3 FTE and \$35,000 (GF-S).

Associate Placement and Stipend Program Staff

Section 7: By October 1, 2023, the department will develop a program to facilitate placement of associates with clinical supervision services. Staff will be required to develop and operate this program. Work will include one-time creation of the database, working with license holders who are willing to serve as approved supervisors and agencies or facilities that offer supervision services, audit of approved supervisors and facilities in the database to ensure minimum qualifications are met,

answering questions from associates using the information from the database to find supervision services, and ongoing maintenance of the database. The department will establish a stipend program to defray the out-of-pocket expenses incurred by associates completing supervised experience requirements. Based on the current number of associates licensed by the department and the average annual growth rates for licensed associates, the department estimates 6,955 associates will apply for stipends each year beginning in FY 2025:

(See Behavioral Health Workforce matrix attached)

Staff will be required for the operation of the associate stipend program. Based on the Nursing Commissions preceptor grant program, the department assumes work will include processing stipend applications, answering applicant questions, reviewing documentation, approving the issuance of stipends, and monitoring the stipend budget. New staff will be hired 6 months before the department begins issuing stipends to allow time for training and development. Costs include staff and associated expenses (including goods and services, intra-agency, and indirect charges).

FY 2024 costs will be 3.5 FTE and \$379,000 (GF-S).

FY 2025 and ongoing costs will be 5.6 FTE and \$596,000 (GF-S) each year.

Associate Stipends

Section 7: During the rulemaking to develop and establish the associate stipend program the department will establish what expenses and amounts are eligible for defrayment under the stipend program. Because the eligible expenses have not yet been determined, stipend costs cannot be accurately estimated at this time and are, therefore, INDETERMINATE.

The department will submit a supplemental budget request for General Fund-State appropriation for the stipends and will begin issuing stipends when funds are appropriated for this purpose.

Substantial Equivalent Assessment

Section 8: This bill requires disciplining authorities waive health profession credential requirements for all applicants who have been credentialed in another state with substantially equivalent standards. The department must assess the licenses, certifications, and registrations issued by all other states to determine which credentials are substantially equivalent to those issued by Washington State disciplining authorities. Due to the sheer number of credentials issued to health care practitioners across the United States, the many differences which exist among the education, training, experience, and examination requirements across states, and because states are continually updating these requirements, the determination of which licenses or certifications are substantially equivalent would require significant and continual review and updates. Additionally, because this work is very technical in nature, requiring the examination of statutes and administrative rules, this work will require a high degree of expertise. Based on these factors, the department estimates an additional staff attorney will be required to be fully devoted to this work.

Due to the immediate effective date of the bill, the department assumes it will need to hire right away and will incur costs in FY 2023. Costs include staff and associated expenses (including goods and services, travel, intra-agency, and indirect charges).

FY 2023 costs will be 0.2 FTE and \$28,000 (02G).

FY 2024 and ongoing, costs will be 1.4 FTE and \$184,000 (02G).

TOTAL DETERMINATE COSTS:

FY 2023 costs will be 0.7 FTE and \$81,000 (GF-S: \$53,000; 02G: \$28,000).

FY 2024 costs will be 13.6 FTE and \$1,552,000 (GF-S: \$1,295,000; GF-L: \$30,000; 02G: \$227,000).

FY 2025 costs will be 9.8 FTE and \$1,295,000 (GF-S: \$846,000; 02G: \$449,000).

FY 2026 costs will be 7.7 FTE and \$867,000 (GF-S: \$660,000; 02G: \$207,000).

FY 2027 and ongoing, costs will be 7.4 FTE and \$838,000 (GF-S: \$631,000; 02G: \$207,000) each year.

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	1,295,000	846,000	2,141,000	1,291,000	1,262,000
001-7	General Fund	Private/Local	30,000	0	30,000	0	0
02G-1	Health Professions Account	State	227,000	449,000	676,000	414,000	414,000
Total \$			1,552,000	1,295,000	2,847,000	1,705,000	1,676,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	13.6	9.8	11.7	7.6	7.4
A-Salaries and Wages	978,000	717,000	1,695,000	1,106,000	1,088,000
B-Employee Benefits	387,000	282,000	669,000	437,000	430,000
C-Professional Service Contracts	2,000	180,000	182,000		
E-Goods and Other Services	80,000	57,000	137,000	68,000	66,000
J-Capital Outlays	29,000	3,000	32,000	6,000	6,000
T-Intra-Agency Reimbursements	76,000	56,000	132,000	88,000	86,000
Total \$	1,552,000	1,295,000	2,847,000	1,705,000	1,676,000

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
Fiscal Analyst 2	53,000	2.0	1.5	1.8	1.2	1.1
FORMS & RECORDS ANALYST 1	45,852	0.7		0.4		
HEALTH SERVICES CONSULTANT 1	55,872	2.4	2.2	2.3	2.1	2.0
HEALTH SERVICES CONSULTANT 2	66,420	1.5	1.1	1.3	1.1	1.0
HEALTH SERVICES CONSULTANT 3	75,120	0.5		0.3		
HEALTH SERVICES CONSULTANT 4	82,896	2.6	2.2	2.4	1.2	1.2
Health Svcs Conslt 1	53,000	1.1	1.1	1.1	0.8	0.8
HEARINGS EXAMINER 3	96,156	1.0	1.0	1.0	1.0	1.0
IT APPLICATION DEVELOPMENT SENIOR/SPECIALIST	115,824	0.1		0.1		
IT BUSINESS ANALYST - JOURNEY	100,032	0.1		0.1		
IT QUALITY ASSURANCE - JOURNEY	100,032	0.1		0.1		
IT SYSTEM ADMINISTRATION - JOURNEY	105,060	0.2		0.1		
MANAGEMENT ANALYST 4	82,896	0.6	0.4	0.5		
NURSING CONSULTANT, INSTITUTIONAL	106,884	0.2		0.1		
WMS02	114,360	0.5	0.3	0.4	0.3	0.3
Total FTEs		13.6	9.8	11.7	7.6	7.4

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

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.

The department will adopt rules in Chapter 246-809 WAC (Licensure for mental health counselors, marriage and family therapists, and social workers), Chapter 246-809 WAC (Counselors), Chapter 246-811 WAC (substance use disorder professionals and substance use disorder professionals trainees), and Chapter 246-924 WAC (Psychologists) as necessary to implement this bill.

1724 HB – Behavioral Health Workforce

License Type	Average Annual Growth	Current License Count	FY 2024 Projected License Count	FY 2025 Projected License Count
Marriage and Family Therapist Associate	4.1%	684	712	742
Mental Health Counselor Associate	4.1%	2,483	2,584	2,689
Social Worker Associate Advanced	3.0%	380	391	403
Social Worker Associate Independent Clinical	8.8%	2,636	2,868	3,122
Totals:		6,183	6,556	6,955

1724 2SHB AMS HLTC S2716.1 Behavioral Health Workforce - Rules Projects

	Rule Type	Rule Project	Bill Section	Bill Deadline
1	Emergency	Mental Health Counselors, Marriage and Family Therapists, and Social Workers: minimum qualifications for supervisors or facilities providing supervised experience to associates	7	10/1/23
2	Permanent	Mental Health Counselors, Marriage and Family Therapists, and Social Workers: minimum qualifications for supervisors or facilities providing supervised experience to associates and rules for the stipend program	7	Not specified; assumed 7/1/24
3	Emergency	Psychology: changes to licensure requirements to remove barriers and streamline credentialing	5 & 6	7/1/24
4	Emergency	Substance Use Disorder Professionals: changes to licensure requirements to remove barriers and streamline credentialing	5 & 6	7/1/24
5	Emergency	Mental Health Counselors, Marriage and Family Therapists, and Social Workers: changes to licensure requirements to remove barriers and streamline credentialing	5 & 6	7/1/24
6	Permanent	Psychology: changes to licensure requirements to remove barriers and streamline credentialing	5 & 6	7/1/25
7	Permanent	Substance Use Disorder Professionals: changes to licensure requirements to remove barriers and streamline credentialing	6	7/1/25
8	Permanent	Mental Health Counselors, Marriage and Family Therapists, and Social Workers: changes to licensure requirements to remove barriers and streamline credentialing	3 & 6	7/1/25
9	Permanent	Agency affiliated counselors: amend registered agency affiliated counselor rules and add requirements for certified agency affiliated counselors and licensed agency affiliated counselors, including required coursework, and Behavioral health agencies: update rules to reflect new definition of “mental health professional” in RCW 71.05.020 and 71.05.760	13, 15, 20, 21 & 22	Not specified; assumed 7/1/24

Individual State Agency Fiscal Note

Bill Number: 1724 2S HB AMS HLTC S2716.1	Title: Behavioral health workforce	Agency: 354-Workforce Training and Education Coordinating Board
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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	0.3	0.2	0.2	0.0	0.0
Account					
General Fund-State 001-1	54,000	30,000	84,000	0	0
Total \$	54,000	30,000	84,000	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: Kevin Black	Phone: (360) 786-7747	Date: 03/29/2023
Agency Preparation: Renee Fullerton	Phone: (360) 709-4600	Date: 04/03/2023
Agency Approval: Nova Gattman	Phone: 360-709-4612	Date: 04/03/2023
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 04/03/2023

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.

Section 5

Department of Health is charged with consulting with the Workforce Board as DOH examines licensure requirements and makes recommendations to the legislature and regulatory authorities for five behavioral health professions. The recommendations should focus on removing barriers to entering and remaining in the healthcare workforce as well as streamlining and shortening the credentialing process. Progress report and initial findings are due by November 1, 2023. Final report is due by November 1, 2024.

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.

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.

Project Plan Assumptions

The proposed legislation calls for a wide range of activities, including research and analysis, involving many issues on which there are substantial gaps in consolidated information or no existing research. The Workforce Board assumes that consultation support to the Department of Health will include leveraging the board's long-term relationships via the Behavioral Health Workforce Advisory Committee to provide information in support of DOH's efforts. This may include electronic and in person outreach to previous behavioral health stakeholders as well as using Washington's Health Workforce Sentinel Network data collection periods to seek relevant information from behavioral health employers. The Board also assumes staff will participate in virtual or in person meetings held by Department of Health and provide review and feedback on preliminary and final reports.

Project Staffing

The Workforce Board requests 0.3 FTE of a Management Analyst 5 (MA5) level position through November 2024 to provide project consultation support to Department of Health during the report process. The board requests 0.1 FTE from December 2024 through April 2025 to support dissemination of the final report, provide policy support and technical expertise related to Workforce Board topic areas to policymakers during the 2025 Legislative Session, and be available to the regulatory authorities during their rulemaking process.

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	54,000	30,000	84,000	0	0
Total \$			54,000	30,000	84,000	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.3	0.2	0.2		
A-Salaries and Wages	30,000	17,000	47,000		
B-Employee Benefits	10,000	6,000	16,000		
C-Professional Service Contracts					
E-Goods and Other Services	6,000	4,000	10,000		
G-Travel	2,000	1,000	3,000		
J-Capital Outlays	3,000		3,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	3,000	2,000	5,000		
9-					
Total \$	54,000	30,000	84,000	0	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
Project Dir MA 5	97,594	0.3	0.2	0.2		
Total FTEs		0.3	0.2	0.2		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.