

Individual State Agency Fiscal Note

Bill Number: 2075 HB	Title: Indian health care providers	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
General Fund-Private/Local 001-7				1,300	1,300
Total \$				1,300	1,300

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	0.3	0.2	0.4	0.0
Account					
General Fund-State 001-1	0	53,000	53,000	129,000	24,000
Total \$	0	53,000	53,000	129,000	24,000

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 Preparation: Donna Compton	Phone: 360-236-4538	Date: 01/16/2024
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 01/16/2024
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 01/16/2024

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 bill instructs the Department of Health (department) to begin to issue licenses to an Indian Health Care Provider that attests to meeting the licensure requirements for establishment as defined in RCW 71.12.460 (License to be obtained – Penalty), which is inclusive of residential treatment facilities (RTF) and psychiatric hospitals.

Section 1(2)(a): Beginning no later than January 1, 2025, the department shall issue a license under this chapter to an Indian health care provider, as defined in RCW 71.24.025, attesting to have met the state minimum standards as an establishment if the Indian health care provider submits to the department a tribal attestation and payment of an administrative processing fee as established in rule. The department shall establish the administrative processing fee at a level sufficient to cover the administrative processing costs for the attestation while recognizing the reduced cost of an attestation compared to a standard license.

Section 1(2)(b): The issuance of a license under (a) of this subsection to an Indian health care provider only applies to holding a license under chapter 71.12 RCW (Private Establishments) and does not satisfy any requirements that the Indian health care provider may have for licensure required by other chapters.

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.

Current law RCW 43.70.250 (License fees for professions, occupations, and businesses.) requires that a business-licensing program be self-supporting and sufficient revenue be collected through fees to fund expenditures. The department views this bill as the creation of a new health profession and is requesting General Fund State (GF-S) to cover the costs of this license as the fee required to cover all costs would be substantial and would further widen health inequities.

The department anticipates 5 new tribal RTFs or Psychiatric Hospitals and will charge an administrative processing fee based on WAC 246-341-0367 (Agency licensure and certification – fee requirements for tribal attestations) and anticipates \$261 per license. The attestation is renewed every 3 years. After the completion of standard rulemaking, the department expects to begin issuing licenses in fiscal year (FY) 2026.

FY 2026 - \$1,300 (5 licenses) (GF-L)

FY 2027 - \$0 (no Renewals) (GF-L)

FY 2028 - \$0 (no Renewals) (GF-L)

FY 2029 - \$1,300 (5 renewals) (GF-L)

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.

As noted in the cash receipts section, the department views this bill as the creation of a new health profession and is requesting General Fund State (GF-S) to cover the costs of this license as the fee required to cover all costs would be substantial and would further widen health inequities.

Rulemaking

Section 1 (2) (a) and (b): The department will develop and adopt rules to Chapter 246-341 WAC (Behavioral Health Agency Licensing and Certification Requirements). 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 2025 one-time costs will be 0.2 FTE and \$29,000 (GF-S)

Attestation Agreement

Section 1 (2) (a) and (b): The department will need to develop an attestation process for tribal RTFs and Psychiatric hospitals. This will involve tribal consultation, development of the attestation agreement, and review of the tribal attestation process. Costs will include staff time of 120 hours of a health services consultant, 20 hours of a Nursing Consultation Advisor, 20 hours of a WMS and 40 hours of an administrative assistant and all associated expenses (including goods and services, travel, intra-agency and indirect charges) and Office of the Attorney General support in the amount of \$3,000.

FY 2025 one-time costs will be 0.1 FTE and \$24,000 (GF-S)

Office of Information Technology (OIT)

Section 1 (2) (a): OIT staff will be required to create a new application and a new credential in the Healthcare Enforcement and Licensing Modernization Solution (HELMS) for Tribal Residential Treatment Facilities and Psychiatric Hospitals. Configuration in HELMS will require 98 additional hours from the integration vendor at a rate of \$270 per hour, for a total of \$26,000.

FY 2026 costs will be 0.2 FTE and \$65,000 (GF-S)

FY 2027 costs will be 0.2 FTE and \$28,000 (GF-S)

FY 2028 costs and ongoing will be 0.1 FTE and \$12,000 (GF-S)

Office of Customer Service (OCS)

Section 1 (2) (a): This bill requires OCS to create a new credential or make changes to credentialing requirements for an existing profession. This bill will also require OCS to create attestation forms for submission. This process is expected to take two to three months and will include e-form development, updating paper applications, testing and use case development.

FY 2026 costs will be 0.3 FTE and \$36,000 (GF-S)

Total costs to implement this bill are:

FY 2025 costs will be 0.3 FTE and \$53,000 (GF-S)

FY 2026 costs will be 0.5 FTE and \$101,000 (GF-S)

FY 2027 costs will be 0.2 FTE and \$28,000 (GF-S)

FY 2028 and ongoing costs will be 0.1 FTE and \$12,000 (GF-S)

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	0	53,000	53,000	129,000	24,000
Total \$			0	53,000	53,000	129,000	24,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.3	0.2	0.4	
A-Salaries and Wages		23,000	23,000	57,000	14,000
B-Employee Benefits		9,000	9,000	19,000	4,000
C-Professional Service Contracts		1,000	1,000	26,000	
E-Goods and Other Services		18,000	18,000	22,000	4,000
T-Intra-Agency Reimbursements		2,000	2,000	5,000	2,000
9-					
Total \$	0	53,000	53,000	129,000	24,000

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
HEALTH SERVICES CONSULTAN 1	58,104				0.1	
HEALTH SERVICES CONSULTAN 2	69,072				0.1	
HEALTH SERVICES CONSULTAN 3	78,120				0.1	
HEALTH SERVICES CONSULTAN 4	86,208		0.2	0.1	0.1	
MANAGEMENT ANALYST 4	86,208		0.1	0.1	0.1	
Total FTEs			0.3	0.2	0.4	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.

Section 1 (2) (a) and (b): The department will develop and adopt rules to Chapter 246-341 WAC (Behavioral Health Agency Licensing and Certification Requirements).



Ten-Year Analysis

Bill Number 2075 HB	Title Indian health care providers	Agency 303 Department of Health
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts

 Partially Indeterminate Cash Receipts

 Indeterminate Cash Receipts

Estimated Cash Receipts

Name of Tax or Fee	Acct Code	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Fiscal Year 2033	2024-33 TOTAL
Indian Health Care Providers Behavioral Health Facilities	001			1,300			1,300					2,600
Total				1,300			1,300					2,600
Biennial Totals				1,300		1,300						2,600

Narrative Explanation (Required for Indeterminate Cash Receipts)

Current law RCW 43.70.250 (License fees for professions, occupations, and businesses.) requires that a business-licensing program be self-supporting and sufficient revenue be collected through fees to fund expenditures. The department views this bill as the creation of a new health profession and therefore is requesting General Fund State (GF-S) to cover the implementation costs of this license as the fee required to cover all costs would be substantial and would further widen health inequities.

The department anticipates 5 new tribal RTFs or Psychiatric Hospitals and will charge an administrative processing fee based on WAC 246-341-0367 (Agency licensure & certification – fee requirements for tribal attestations) and anticipates \$261 per license. The attestation is renewed every 3 years. After the completion of standard rulemaking, the department expects to begin issuing licenses in fiscal year (FY) 2026.

FY 2026 - \$1,300 (5 licenses) (GF-L)
 FY 2027 - \$0 (no Renewals) (GF-L)
 FY 2028 - \$0 (no Renewals) (GF-L)
 FY 2029 - \$1,300 (5 renewals) (GF-L)



Ten-Year Analysis

Bill Number 2075 HB	Title Indian health care providers	Agency 303 Department of Health
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