

Multiple Agency Fiscal Note Summary

Bill Number: 2184 HB	Title: DD parental caregivers
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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	1,799,000	0	0	49,601,000	0	0	66,212,000
Total \$	0	0	1,799,000	0	0	49,601,000	0	0	66,212,000

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 Social and Health Services	15.0	2,290,000	2,290,000	4,089,000	85.0	63,695,000	63,695,000	113,296,000	112.6	84,492,000	84,492,000	150,704,000
Department of Children, Youth, and Families	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	15.0	2,290,000	2,290,000	4,089,000	85.0	63,695,000	63,695,000	113,296,000	112.6	84,492,000	84,492,000	150,704,000

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Social and Health Services	.0	0	0	.0	0	0	.0	0	0
Department of Children, Youth, and Families	.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 1/24/2024
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Individual State Agency Fiscal Note

Bill Number: 2184 HB	Title: DD parental caregivers	Agency: 300-Department of Social and Health Services
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
General Fund-Federal 001-2		1,799,000	1,799,000	49,601,000	66,212,000
Total \$		1,799,000	1,799,000	49,601,000	66,212,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	30.0	15.0	85.0	112.6
Account					
General Fund-State 001-1	0	2,290,000	2,290,000	63,695,000	84,492,000
General Fund-Federal 001-2	0	1,799,000	1,799,000	49,601,000	66,212,000
Total \$	0	4,089,000	4,089,000	113,296,000	150,704,000

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: Omeara Harrington	Phone: 360-786-7136	Date: 01/05/2024
Agency Preparation: Mitchell Close	Phone: 3600000000	Date: 01/23/2024
Agency Approval: Dan Winkley	Phone: 360-902-8236	Date: 01/23/2024
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 01/24/2024

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.

Section 2 creates a new section in chapter 71A.12 RCW that requires the Department of Social and Health Services (DSHS) to submit amendments to Developmental Disabilities Administration (DDA) waivers by October 1, 2024, to allow parents of children who provide personal care services to receive payment for those services. If the amendment requests are denied, DSHS must apply within 30 days of denial for a section 1115 demonstration waiver to allow parents of children who provide personal care services to receive payment for those services. Upon approval, DSHS must commence payments authorized.

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.

DDA will require 112.6 FTEs, phased-in, to implement this legislation with hiring beginning in January 2025 to allow time for onboarding and staff training and will continue until all clients estimated are in service.

1. 1.0 WMS 2 - Program Manager FTE to provide oversight, develop policies, and manage the program, including implementation.
2. 77.8 Case Resource Manager FTEs to provide case management for home and community-based services, which are provided to children and adults to help them remain living in the community. This estimate is based on a client-staff ratio of 1:35 to keep up with procedures, policies, federal requirements, and new federal assurances.
3. 7.1 Developmental Disabilities Administrator FTEs to direct and supervise the work of case management staff as well as coordinate specific programs.
4. 7.1 Case Resource Manager Lead FTEs to serve as a resource and provide support to less seasoned case managers.
5. 6.0 Social and Health Program Consultant 4 (SHPC) FTEs to provide quality assurance and training support and to act as subject matter experts.
6. 9.7 Senior Secretary FTEs to provide administrative support, perform necessary functions to maintain organization and prioritization of work, including maintaining records and databases.
7. 3.9 IT System - Journey FTEs to perform management services functions, such as accounting, budgeting, rate management, database management, and IT services. These staff are located in the Management Services Division within the Aging and Long-Term Support Administration (AL TSA).

The cost for these staff by year:

- FY25: \$4,089,000
- FY26: \$7,876,000
- FY27: \$14,709,000
- FY28: \$14,666,000
- FY29 and beyond: \$14,648,000

For the cost of services, DDA assumes a 50 percent match under home and community-based services (HCBS) waivers because it is unknown if the Centers for Medicare and Medicaid Services (CMS) would approve payments to parents of minors under Community First Choice. Paying parents of minors under the Community First Choice program could result in

children losing their Medicaid benefits because, without being on a waiver, their parents' income counts for purposes of financial eligibility for Medicaid. Children enrolled on a waiver would not lose eligibility when parental income increases because parental income is not considered for waiver coverage groups. Additionally, under HCBS waivers, DDA would be able to manage enrollment to stay within funds appropriated for this service, whereas under Community First Choice, anyone eligible would be entitled to the service. The model assumes the waiver is submitted by October 2024 with services beginning to be rolled out in July 2025; however, actual implementation will be contingent upon receiving CMS approval. Existing clients are phased in over 12 months in FY26 in the below estimates to allow time to be transitioned to the waiver, the parent to be hired by the Consumer Direct Care Network Washington (CDWA), take the required training, etc.

With the 50 percent match assumption, approximately 3,100 clients who receive personal care with a 56 percent match rate would change to the 50 percent rate. This will have a total sum impact of net zero, but a GF-State increase and corresponding GF-Federal decrease. With the change in rate phased in over 12 months, this would result in the below cost by year.

- FY26: \$2,001,000 GF-State increase and (\$2,001,000) GF-Federal reduction
- FY27 and beyond: \$3,691,000 GF-State increase and (\$3,691,000) GF-Federal reduction

There are approximately 4,700 clients who are authorized for 3.4 million personal care hours. Current utilization is at 2.0 million hours, so there is a cost impact to pay the remaining 1.4 million hours not utilized. This is because parents either can't find providers or don't want providers to care for their child at the authorized levels. With this change, parents would be paid the full authorized hours. The annual cost would result in the below per year totals.

- FY26: \$27,708,000
- FY27 and beyond: \$51,192,000

Approximately 1,000 clients who are currently receiving personal care services would become eligible for the Individual and Family Services (IFS) waiver, as personal care would be added to the IFS waiver to allow parents to be providers. DDA assumes these clients would utilize other IFS services, and the resulting annual cost is below.

- FY26: \$1,838,000
- FY27 and beyond: \$3,668,000

As a result of this bill, approximately 200 new clients would access IFS and personal care services. This total comes from the DDA report to the legislature on the number of individuals on a "no paid services" caseload. In the report, 200 clients under age 18 reported to DDA that they wanted personal care services within the next year. DDA assumes each client accesses approximately 716 hours of personal care services per year, and these clients would be phased in over 24 months from July 2025 to June 2027, resulting in the below annual costs.

- FY26: \$1,694,000
- FY27: \$4,611,000
- FY28 and beyond: \$5,835,000

The technical and system changes necessary to create the new provider type are minimal and can be completed within existing resources.

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	2,290,000	2,290,000	63,695,000	84,492,000
001-2	General Fund	Federal	0	1,799,000	1,799,000	49,601,000	66,212,000
Total \$			0	4,089,000	4,089,000	113,296,000	150,704,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		30.0	15.0	85.0	112.6
A-Salaries and Wages		2,496,000	2,496,000	14,035,000	18,598,000
B-Employee Benefits		896,000	896,000	5,053,000	6,696,000
C-Professional Service Contracts					
E-Goods and Other Services		373,000	373,000	2,129,000	2,826,000
G-Travel		10,000	10,000	61,000	80,000
J-Capital Outlays		181,000	181,000	480,000	18,000
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services				90,711,000	121,390,000
P-Debt Service		13,000	13,000	75,000	100,000
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements		120,000	120,000	752,000	996,000
9-					
Total \$	0	4,089,000	4,089,000	113,296,000	150,704,000

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
DD Case/Resource Manager	82,513		20.3	10.2	58.5	77.8
DD Case/Resource Manager Lead	93,343		1.8	0.9	5.4	7.1
Developmental Disabilities Administrator	86,720		1.8	0.9	5.4	7.1
IT System - Journey	112,535		1.0	0.5	2.9	3.9
Senior Secretary	47,992		2.5	1.3	7.4	9.7
Social and Health Program Consultant 4	98,042		1.6	0.8	4.5	6.0
WMS Band 2 (Program Manager)	106,872		1.0	0.5	1.0	1.0
Total FTEs			30.0	15.0	85.0	112.6

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Developmental Disabilities Administration (040)		3,919,000	3,919,000	112,315,000	149,412,000
Aging and Long-Term Support Administration (050)		170,000	170,000	981,000	1,292,000
Total \$		4,089,000	4,089,000	113,296,000	150,704,000

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.

New or amended rules will be needed to implement this legislation.

Individual State Agency Fiscal Note

Bill Number: 2184 HB	Title: DD parental caregivers	Agency: 307-Department of Children, Youth, and Families
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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.
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- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Omeara Harrington	Phone: 360-786-7136	Date: 01/05/2024
Agency Preparation: Saydee Wilson	Phone: 5098221418	Date: 01/10/2024
Agency Approval: Sarah Emmans	Phone: 360-628-1524	Date: 01/10/2024
OFM Review: Carly Kujath	Phone: (360) 790-7909	Date: 01/10/2024

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.

Section 1 explains that family caregivers are the best persons to provide care for children with developmental disabilities and so paying parents for that caregiving is an investment in both families and communities.

Section 2 specifies the process that the Department of Health and Human Services will follow in order to provide payments to families.

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.

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.

None.

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

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.