

Individual State Agency Fiscal Note

Bill Number: 2365 HB	Title: Respite care	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				8,942,000	8,942,000
Total \$				8,942,000	8,942,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
Account					
General Fund-State 001-1	0	0	0	9,016,000	9,016,000
General Fund-Federal 001-2	0	0	0	8,942,000	8,942,000
Total \$	0	0	0	17,958,000	17,958,000

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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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 adds a new section to chapter 71A.12 RCW to require the Department of Social and Health Services (DSHS) to provide respite care under both the Basic Plus and Children's Intensive In-Home Behavioral Support (CIIBS) waivers. DSHS must submit a waiver amendment to the Centers for Medicare and Medicaid Services (CMS) by September 1, 2024, and provide respite care under the two waivers within 30 days of approval from CMS.

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.

This bill directs DSHS to “add respite care to the aggregate portion of the basic plus and children's intensive in-home behavioral support waiver service so that aggregate funds can be accessed for respite care without prior administrative approval once the annual assessed hours have been exhausted.”

This bill would require the Developmental Disabilities Administration (DDA) to complete waiver amendments for the Basic Plus and CIIBS waiver. This cannot be done immediately, since DDA has pending waiver amendments. DDA estimates that the earliest it could complete this process and start implementation is July 2025.

Basic Plus Waiver:

Under the Basic Plus waiver, clients have an annual aggregate services budget limit of \$6,192. Currently, clients utilize an average of approximately \$300 per year of that budget. This leaves approximately \$5,892 available to use for respite services after the assessed respite hours are used.

However, not all Basic Plus clients are eligible for respite, such as clients residing in adult family homes. Currently, approximately 9,000 clients enrolled on Basic Plus are eligible to utilize respite. Of those, approximately 4,700 clients utilize respite services. Under this legislation, DDA estimates, as a group, approximately 30 percent of these clients will use their available aggregate services budget for respite services, resulting in an annual cost of \$8,308,000 beginning in FY26.

CIIBS Waiver:

Under the CIIBS waiver, there are two potential service budgets to which respite services could be added: one that has an annual budget limit of \$15,000 and another with an annual budget limit of \$5,000. The larger budget includes services more akin to the aggregate services list in the Basic Plus waiver. Therefore, DDA assumes that this combination of services is the one that the legislature intended respite services to be added to when it referred to the term “aggregate funds.”

Clients currently utilize an average of approximately \$4,000 per year of the \$15,000 combination of services budget. This leaves approximately \$11,000 available to use for respite services after the assessed respite hours are used.

In contrast to the Basic Plus waiver, all CIIBS waiver clients are eligible to utilize respite services. Currently, approximately 122 CIIBS clients use respite services. Those clients under the CIIBS waiver are generally of a higher acuity and have a higher utilization of respite services than clients on the Basic Plus waiver. Under this legislation, DDA estimates, as a group,

these 122 clients will use approximately 50 percent of their available service budget for respite services, resulting in an annual cost of \$671,000 beginning in FY26.

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	0	0	9,016,000	9,016,000
001-2	General Fund	Federal	0	0	0	8,942,000	8,942,000
Total \$			0	0	0	17,958,000	17,958,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services					
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services				17,958,000	17,958,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	0	0	17,958,000	17,958,000

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)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Developmental Disabilities Administration (040)				17,958,000	17,958,000
Total \$				17,958,000	17,958,000

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.