

Individual State Agency Fiscal Note

Revised

Bill Number: 1942 HB	Title: Long-term care providers	Agency: 300-Department of Social and Health Services
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated Operating Expenditures from:

Non-zero but indeterminate cost and/or savings. Please see discussion.

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.

This proposed legislation revises RCW 49.46.800, 74.39A.009, and 74.39A.500 and creates a new section. Section 1 adds in a definition for reasonable plan of care and indicates that care provided by individual providers, regardless of whether the chosen provider is a family or household member or not, will not be included in the calculation of informal supports. This change will have an indeterminate fiscal impact for the Department of Social and Health Services (DSHS).

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 any indeterminate 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.

In case management assessments for in-home clients, all hours authorized for individual providers doing personal care work for a client who is a family or household member are eligible for payment. Some of these hours for tasks the provider would do anyway for themselves and the household, such as grocery shopping, can be considered informal supports, and a very small number of providers sign an attestation waiving payment for those services. With this proposed legislation, these services would no longer be considered informal supports, and this would increase the number of hours of paid care the client is eligible to receive.

Because these services are done on a case-by-case basis and the attestations are in individual case files, there is no aggregate data available to create a cost estimate; however, anecdotal reports are that nearly 100 percent of individual providers choose to be paid for their authorized hours rather than waive payment, so there will be a small, indeterminate fiscal impact for the cost of paying the nominal number of personal care hours that providers are currently voluntarily providing without payment.

An illustration of the potential range of fiscal impacts to demonstrate the cost of this bill assumes that if 88, or 0.25 percent, of 35,000 family member individual providers have signed attestations foregoing an average of one hour per week of paid time, the annual fiscal impact is \$164,000 (\$72,000 GF-State). A higher, very conservative estimate is that if 700, or 2 percent, of 35,000 family members have signed attestations foregoing an average of one hour per week of paid time, then the annual fiscal impact is \$1,306,000 (\$575,000 GF-State).

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Non-zero but indeterminate cost and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost and/or savings. Please see discussion.

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.

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