Department of Social and Health Services

Federal Medical Assistance Percentage (FMAP)

FMAP determines the rate at which the federal government matches state expenditures for major social and health programs such as Medicaid, Aid to Families with Dependent Children (AFDC), and child welfare. Washington's rate, which is based on the state's average per capita income relative to all other states, will decrease by approximately 2 percent during the last nine months of the 1993-95 biennium. A total of $60.7 million General Fund-State (including $500,000 in the K-12 Handicapped Education budget) is provided to replace this diminished federal funding.

Children and Family Services

State expenditures for child protective services, family reconciliation services, and therapeutic child development will be matched with federal dollars, resulting in a General Fund-State savings of $17.2 million. As part of the Youth Violence Act, a total of $6 million is provided for community networks to plan, organize, and deliver outcome-oriented prevention and early intervention services for children and families. The therapeutic child development program, which provides intensive child care and family training services for abused and neglected children, is expanded by $1.5 million, or approximately 25 percent. Approximately $1.1 million of state and federal funds are provided to improve and expedite efforts to find a permanent home for children who have been in out-of-home care for one year or longer.

Juvenile Rehabilitation

As part of the Youth Violence Act, $6.4 million is provided to increase sentences for crimes committed with firearms, to fund additional county juvenile services, and to develop a boot camp for youthful offenders. In addition, $9.9 million is provided to incarcerate and treat 17 percent more offenders in state juvenile facilities than were anticipated when the original 1993-95 budget was developed.

Mental Health

Federal Medicare payments to community mental health centers for services previously reimbursed with state funds are expected to result in a $3 million General Fund-State savings. Regional Support Networks will use accumulated capital project reserves to develop additional community housing and residential treatment facilities, which will enable them to reduce their utilization of the state mental hospitals by 90 beds next biennium, for a net savings of $6.1 million in 1995-97.

Developmental Disabilities

Funding for both community and institutional services is maintained at the original 1993-95 level. However, the department is instructed to develop and implement a plan for increasing the efficiency of community residential services, so that more persons can be served at a lower cost.

Long-Term Care

Funding for nursing home and institutional services is maintained at the original 1993-95 level. However, the department is instructed to develop a number of specific strategies for reducing future growth in long-term care expenditures to the growth factor established in Initiative 601. To assist in that effort, $454,000 General Fund-State is provided on a one-time basis to develop new systems for matching payment rates with client needs.

Income Assistance

Due to a shortfall in expected child support collections, General Fund-State appropriations are increased by $21.6 million. An additional $5.9 million General Fund-State is added to maintain Supplemental Security Income (SSI) benefits at current levels in accordance with a Governor's budget veto in the original 1993-95 biennial budget. New General Fund-State supplemental budget reductions include savings related to expanded employer reporting for child support collection purposes ($700,000), reducing the state SSI supplemental payment for persons with spouses ineligible for SSI ($1.2 million), and altering general assistance income eligibility rules for sponsored aliens to conform with existing AFDC rules ($540,000).

Alcohol and Substance Abuse

Funding for both community and institutional services is maintained at the original 1993-95 level. Clark county citizens will be able to receive state-funded methadone drug treatment in Portland, Oregon. A total of $50,000 General Fund-State is provided to develop a protocol for integrating family planning considerations into chemical dependency treatment programs. Future savings are anticipated through delayed or avoided pregnancies.

Medical Assistance

Funding increases are provided for higher-than-expected caseloads and to eliminate the $1 co-payment on certain medical and dental services. Over $8 million in General Fund-State savings are realized by eliminating obstetric and pediatric fee increases and through claiming federal funds for services that were provided solely through state funding. A one-time appropriation of $70,000 General Fund-State is provided to analyze the definition of medical necessity and to study selective contracting to identify cost-saving strategies which could be implemented in the 1995-97 biennial budget. Approximately 80,000 SSI clients will be transitioned to managed care at a cost of $400,000 General Fund-State. Savings in the 1995-97 biennium from this expansion are anticipated to $4.4 million General Fund-State.

Community Services Administration

A total of $3.2 million General Fund-State is provided for continuation of the Automated Client Eligibility System (ACES) for community service office (CSO) personnel to help public assistance clients. The federal enhanced match percentage rate was reduced, thereby causing a state funding shortfall. In addition, $5.7 million in funding is available for CSO staff training to improve delivery of family planning assistance and employment information. There are other changes due to budgetary decisions made at the Federal level. The amount of $250,000 is provided to make up a federal budget reduction for fraud control activities in the food stamp program. In addition, the federal government will begin to charge states an administrative fee for costs associated with assessing eligibility for the SSI program. Washington's portion of the fee for fiscal year 1995 is $4.1 million. Administrative reductions totalling $4.3 million General Fund-State are made in the community services offices. The majority of the reduction is cost savings due to better management of lease space by the department.

Revenue Collections

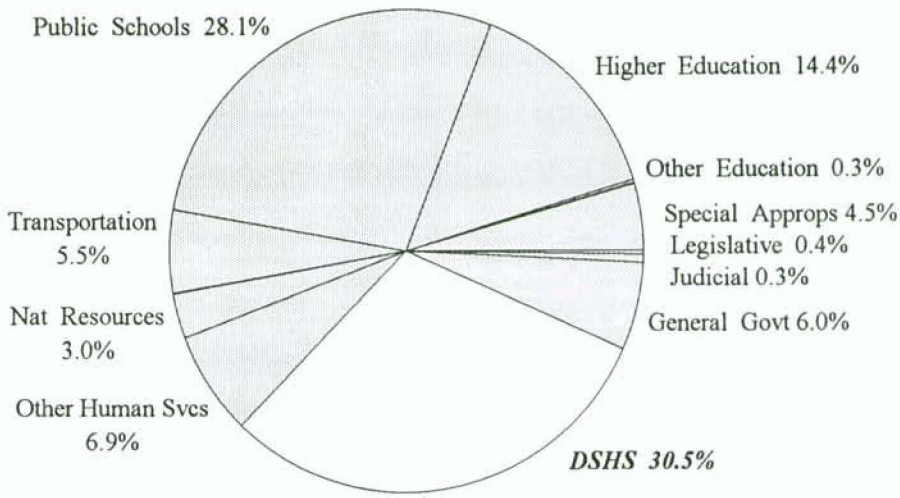
A total of $5.8 million General Fund-State is provided to replace the federal incentive pay shortfall due to the insufficient hiring of support enforcement field staff and lower than anticipated collection of child support payments.

Washington State 1993-95 Operating Budget

Total Budgeted Funds

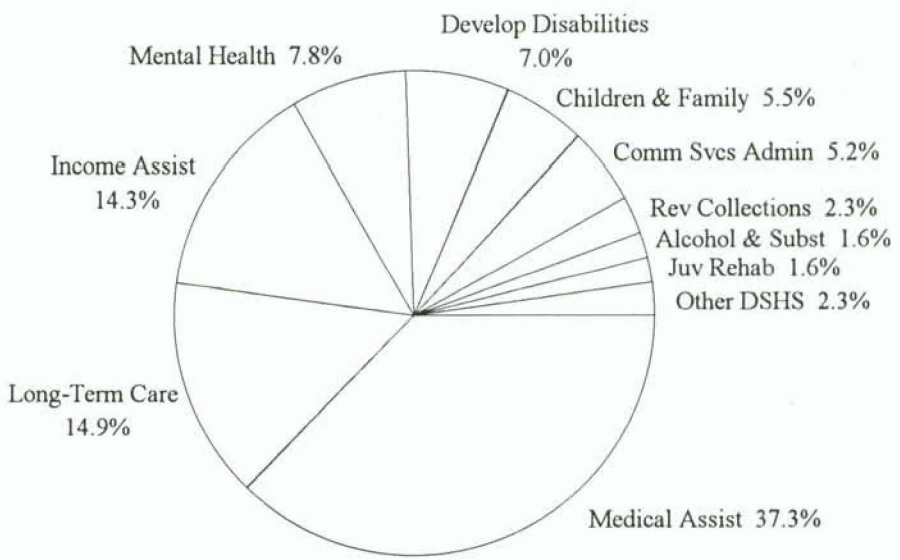
(Dollars in Thousands)

Legislative	108,358
Judicial	103,365
General Government	1,798,367
DSHS	***9,138,059***
Other Human Services	2,061,889
Natural Resources	906,953
Transportation	1,639,958
Public Schools	8,412,692
Higher Education	4,323,056
Other Education	86,387
Special Appropriations	1,348,012
Statewide Total	**29,927,096**



Washington State

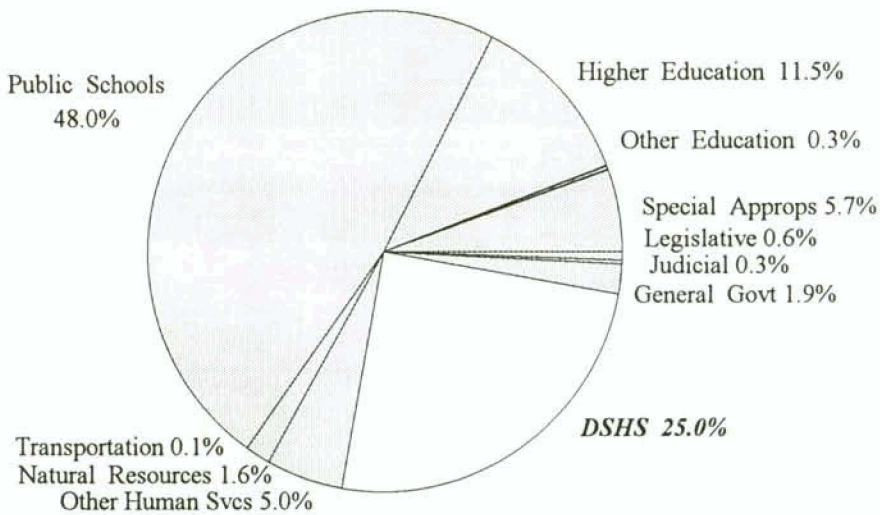
Medical Assistance	3,412,818
Long-Term Care	1,358,584
Income Assistance	1,308,835
Mental Health	710,483
Develop Disabilities	640,695
Children & Family	503,246
Community Svcs Admin	479,159
Revenue Collections	214,089
Alcohol & Substance	149,657
Juvenile Rehab	147,403
Other DSHS	213,090
DSHS	***9,138,059***



DSHS

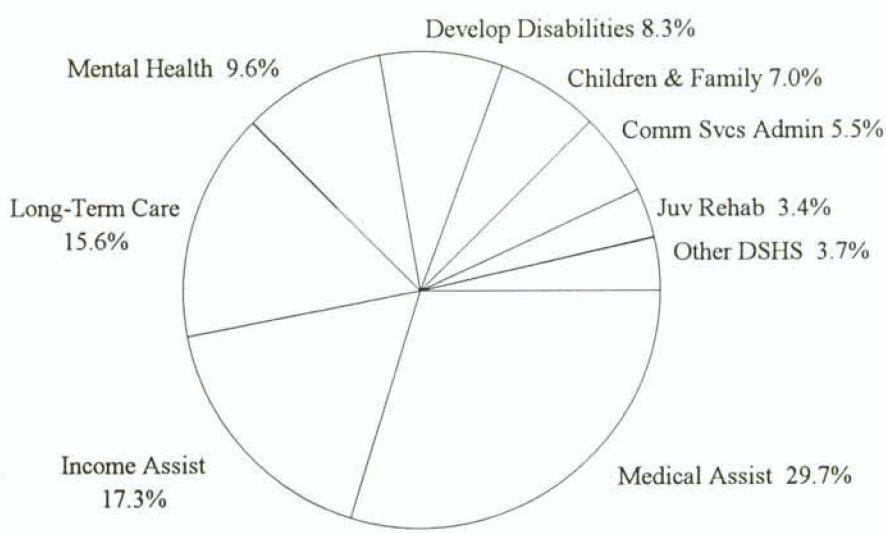
Washington State 1993-95 Operating Budget
General Fund - State
(Dollars in Thousands)

Legislative	101,321
Judicial	55,359
General Government	308,861
DSHS	***4,044,088***
Other Human Services	838,755
Natural Resources	263,032
Transportation	18,065
Public Schools	7,756,642
Higher Education	1,860,668
Other Education	44,662
Special Appropriations	913,917
Statewide Total	**16,205,370**



Washington State

Medical Assistance	1,201,027
Income Assistance	698,640
Long-Term Care	629,313
Mental Health	388,146
Develop Disabilities	336,218
Children & Family	283,352
Community Svcs Admin	222,778
Juvenile Rehab	136,237
Other DSHS	148,377
DSHS	***4,044,088***



D S H S

Department of Social & Health Services
Children & Family Services

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	**292,004**	**197,129**	**489,133**
1994 Supplemental Budget			
1. Underfunded Salary and Benefits	3,292	1,218	4,510
2. Increased Federal Earnings	-13,000	13,000	0
3. Transfer Child Care Funds	-1,395	-45	-1,440
4. FMAP Change	857	-857	0
5. Homeless Children and Families	800	-800	0
6. Emphasize Adoption Practice	0	135	135
7. Respite Care-Children w/ Disability	0	200	200
8. Family Preservation - Title XIX	0	2,052	2,052
9. Therapeutic Child Dev.-Title XIX	-4,248	4,248	0
10. Family Services Block Grants	4,142	1,858	6,000
11. Therapeutic Child Dev. Enhancement	0	1,531	1,531
12. Improved Permanency Planning	900	225	1,125
Total Supplemental Items	**-8,652**	**22,765**	**14,113**
1993-95 REVISED APPROPRIATION	**283,352**	**219,894**	**503,246**

Comments:

1. UNDERFUNDED SALARY AND BENEFITS - Due to several errors in the budget-building process, the current budget for field staff is less than needed for salaries and employee benefits. These funds are needed to avoid the loss of approximately 80 caseworkers and field staff effective April 1, 1994. The Conference budget corrects the anticipated federal share to reflect the increased federal funding which will be available under the Consolidated Emergency Assistance Program. (Other Funds: General Fund-Federal)

2. INCREASED FEDERAL EARNINGS - State expenditures on Child Protective Services and Family Reconciliation Services will be matched with federal dollars under the Consolidated Emergency Assistance Program, thus saving state general fund expenditures. (Other Funds: General Fund-Federal)

3. TRANSFER CHILD CARE FUNDS - This item corrects a technical error in the 1993-95 budget, which mistakenly appropriated to the Children and Family Services program funds for child care rate increases which should have been appropriated to the Income Assistance program. (Other Funds: General Fund-Federal)

4. FMAP CHANGE - The Federal Medical Assistance Percentage (FMAP) will be reduced in Federal Fiscal Year 1995, which begins in October 1994. The rate assumed in the 1993-95 budget was 54.24 percent. The new rate is 51.97 percent, a decrease of 2.27 percent. State funding is provided to replace the lost federal funding. (Other Funds: General Fund-Federal)

5. HOMELESS CHILDREN AND FAMILIES - This policy change will allow Aid to Families with Dependent Children program (AFDC) families whose children are expected to remain in foster care less than 90 days to retain their AFDC grants, thus enabling the family to maintain stable housing and prepare for reunification with their children. For children who have been in foster care for more than 90 days, the policy change will also reactivate AFDC 30 days prior to family reunification for families who would otherwise be homeless.

6. EMPHASIZE ADOPTION PRACTICE - This item reflects a grant award to participate in a project sponsored by Region X of the federal Department of Health and Human Services which will attempt to provide better services and support to children and their adoptive families. (General Fund-Federal)

7. RESPITE CARE-CHILDREN W/ DISABILITY - A grant has been awarded to provide respite in the form of day care for parents and foster parents caring for children with severe disabilities. (General Fund-Federal)

8. FAMILY PRESERVATION - TITLE XIX - If approved by the federal government, federal Medicaid matching funds will be used to expand the Intensive Family Preservation Services by approximately 27 percent, or an additional 20 families served per month. This expansion will include an evaluation of methods to improve the accuracy of service targeting to children at imminent risk of foster care; child safety; child and family functioning; client satisfaction; and placement prevention outcomes. (General Fund-Federal)

9. THERAPEUTIC CHILD DEV.-TITLE XIX - Federal Medicaid funds are available to cover part of the costs of therapeutic child development services, which allows a savings in General Fund-State expenditures. (Other Funds: General Fund-Federal)

10. FAMILY SERVICES BLOCK GRANTS - Funds are provided to support initial planning, start-up activities, service grants for community networks, and expanded Family Policy Council duties, as provided in the 1994 Youth Violence bill. The networks will be responsible for decentralized planning, coordination, and administration of outcome-oriented prevention and early intervention services for children and families. (Other Funds: General Fund-Federal)

11. THERAPEUTIC CHILD DEV. ENHANCEMENT - The Therapeutic Child Development program, which provides intensive child care and family training services for abused and neglected children, will be expanded by 120 slots, or by approximately 25 percent, over the last

Department of Social & Health Services
Children & Family Services

year of the 1993-95 biennium, and 61 slots which presently provide a four-hour program will be converted to a six-hour program. This expansion will be possible because of the availability of federal Medicaid and Family Preservation and Support Services block grant funds. (Other Funds: General Fund-Federal)

12. IMPROVED PERMANENCY PLANNING - This item funds chapter 288, Laws of 1994 (E2SSB 6255), which provides that there shall be a court hearing and order on a permanent placement goal for children age 10 and younger within 12 months of their removal from their parents' home, rather than within 18 months as is provided under current law. Increased permanency planning and court hearings will require additional caseworkers and assistant attorneys general. (Other Funds: General Fund-Federal)

Department of Social and Health Services

Children and Family Services

Workload History

By Fiscal Year

	FY88	FY89	FY90	FY91	FY92	FY93	Estimate FY94	Estimate FY95
Foster Care								
# Children Served	5,591	5,872	6,143	6,441	6,734	6,723	6,846	6,898
% Change from prior year		5.0%	4.6%	4.9%	4.5%	-0.2%	1.8%	0.8%
Child Care *								
# Children Served	8,789	8,906	9,945	12,330	14,251	15,009	14,755	14,855
% Change from prior year		1.3%	11.7%	24.0%	15.6%	5.3%	-1.7%	0.7%
Child Protective Services								
# Case Openings	1,779	3,331	3,644	4,301	5,819	5,625	5,695	5,939
% Change from prior year		87.2%	9.4%	18.0%	35.3%	-3.3%	1.2%	4.3%
Adoption Support								
# Children Served	1,105	1,162	1,351	1,598	1,901	2,361	2,826	3,279
% Change from prior year		5.2%	16.3%	18.3%	19.0%	24.2%	19.7%	16.0%

NOTES:

* Includes Therapeutic Child Care.

Data Sources:

FY88 through FY93 LEAP workload data base;
FY94 and FY95 Child Care provided by DSHS Budget Office.

Department of Social & Health Services
Juvenile Rehabilitation

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	**120,210**	**10,925**	**131,135**
1994 Supplemental Budget			
1. November Forecast Revision	9,932	0	9,932
2. Program Underexpenditures	-880	0	-880
3. Correct Unit Cost & Bed Cost	866	0	866
4. FMAP Change	17	-59	-42
5. Consolidated Juvenile Services	2,800	0	2,800
6. Capital Master Plan	0	300	300
7. Program Reorganization	-947	0	-947
8. Skills Center Grants	650	0	650
9. Youth Violence Act	3,589	0	3,589
Total Supplemental Items	**16,027**	**241**	**16,268**
1993-95 REVISED APPROPRIATION	**136,237**	**11,166**	**147,403**

Comments:

1. NOVEMBER FORECAST REVISION - The November 1993 revised offender forecast projects a 13 percent increase in FY 94 and a 20 percent increase in FY 95 over the level funded in the original 1993-95 biennial budget. This item funds this new population forecast (131 additional beds in FY 94, and 198 additional beds in FY 95).

2. PROGRAM UNDEREXPENDITURES - This item represents underexpenditures in Transition Services and Sex Offender Parole Services resulting from lower than anticipated caseloads.

3. CORRECT UNIT COST & BED COST - This step corrects three technical errors which occurred in the development of the Division's 1993-95 budget. These errors were: (1) a shortfall of 73.8 FTE staff years for institutional staffing; (2) the double counting of phased-out capacity in the current authorized level; and (3) an error in unit cost analysis resulting in underfunding of expansion beds.

4. FMAP CHANGE - The Federal Medical Assistance Percentage (FMAP) will be reduced in Federal Fiscal Year 1995, which begins in October 1994. The rate assumed in the 1993-95 budget was 54.24 percent. The new rate is 51.97 percent, a decrease of 2.27 percent. State funding is needed to replace the lost federal funding. (Other Funds: General Fund-Federal)

5. CONSOLIDATED JUVENILE SERVICES - This item increases funding to county governments to provide increased diversion, probation, and detention services in accordance with the 1994 Youth Violence legislation (chapter 7, Laws of 1994, 1st sp.s. -- E2SHB 2319).

6. CAPITAL MASTER PLAN - This item provides funding to conduct a comprehensive analysis of future state and local juvenile rehabilitation facility needs. (Charitable, Educational, Penal, and Reformatory Institutions Account-State)

7. PROGRAM REORGANIZATION - The Department of Social and Health Services had proposed to merge the divisions of Children and Family Services (DCFS) and Juvenile Rehabilitation (DJR). This item represents the savings associated with reductions to DCFS/DJR headquarters and regional administration, and consolidation of regional sex offender program coordination. This proposal is reversed as part of the Youth Violence Act initiative, which instead establishes a separate assistant secretary for juvenile rehabilitation.

8. SKILLS CENTER GRANTS - Provides funding for chapter 152, Laws of 1994 (SSB 6593), which establishes a new grant program under which school districts and the Department of Social and Health Services will collaborate to assist court-involved youth complete school, enter employment, or enter a post-secondary education or job training program.

9. YOUTH VIOLENCE ACT - This item funds the increased incarceration, treatment, and juvenile justice system planning and reorganization costs associated with the 1994 Youth Violence Act (chapter 7, Laws of 1994, 1st sp.s. -- E2SHB 2319).

Department of Social and Health Services

Juvenile Rehabilitation

Workload History

By Fiscal Year

	FY88	FY89	FY90	FY91	FY92	FY93	Estimate FY94	Estimate FY95
Community Residential *								
Average Daily Population/Month	204	198	209	238	254	314	408	470
% Change from prior year		-2.9%	5.6%	13.9%	6.7%	23.6%	29.9%	15.2%
Institutions								
Average Daily Population/Month	540	543	588	646	683	719	695	736
% Change from prior year		0.6%	8.3%	9.9%	5.7%	5.3%	-3.3%	5.9%

NOTES:

* Includes State and Contracted Group Homes, and Contracted County Commitment Beds.

Data Sources:

FY88 through FY93 from LEAP workload data base, except for County Commitment Beds from DSHS; FY94 and FY95 from 1994 Conference Budget estimate.

Department of Social & Health Services
Mental Health

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	**398,605**	**315,468**	**714,073**
1994 Supplemental Budget			
1. FMAP Change	2,783	-2,783	0
2. Intergovernmental Transfer	-12,652	12,652	0
3. PORTAL Phase Down Savings	-340	0	-340
4. Alternative Hospital Purchasing	-250	0	-250
5. RSN/Provider Business Efficiencies	-3,000	0	-3,000
6. CEPRI Fund Shift	3,000	-3,000	0
Total Supplemental Items	**-10,459**	**6,869**	**-3,590**
1993-95 REVISED APPROPRIATION	**388,146**	**322,337**	**710,483**

Comments:

1. FMAP CHANGE - The Federal Medical Assistance Percentage (FMAP) will be reduced in Federal Fiscal Year 1995, which begins in October 1994. The rate assumed in the 1993-95 budget was 54.24 percent. The new rate is 51.97 percent, a decrease of 2.27 percent. State funding is needed to replace the lost federal funding. (Other Funds: General Fund-Federal)

2. INTERGOVERNMENTAL TRANSFER - Additional Medicaid Disproportionate Share payments are available from the federal government and can be utilized to offset state funds. (Other Funds: General Fund-Federal)

3. PORTAL PHASE DOWN SAVINGS - The planned conversion of the PORTAL program at Northern State to a private treatment program for mentally ill chemical abusers is ahead of schedule and under budget, resulting in a general fund state savings.

4. ALTERNATIVE HOSPITAL PURCHASING - State mental hospitals will be authorized to purchase goods and services through a national hospital consortium rather than through the Office of State Procurement within the Department of General Administration, resulting in savings.

5. RSN/PROVIDER BUSINESS EFFICIENCIES - Community mental health centers are expected to retroactively recover at least $3 million in federal Medicare payments for services which were reimbursed with state funds. State funds can therefore be reduced by this amount, without resulting in a reduction in total funding and services.

6. CEPRI FUND SHIFT - This item replaces $3 million of funds from the state Charitable, Educational, Penal, and Reformatory Institutions (CEPRI) Account with General Fund-State. The CEPRI funds will instead be used in the state capital budget.

Department of Social and Health Services

Mental Health

Workload History

By Fiscal Year

	FY88	FY89	FY90	FY91	FY92	FY93	Estimate FY94	Estimate FY95
Institutions *								
Average Daily Population/Month	1,634	1,664	1,720	1,728	1,709	1,622	1,469	1,416
% Change from prior year		1.8%	3.4%	0.5%	-1.1%	-5.1%	-9.4%	-3.6%
County/RSN Services	NA	NA	NA	NA	NA	NA	NA	NA

NOTES:

* Includes Eastern State Hospital, Western State Hospital (WSH), WSH Program for Adaptive Living Skills (PALS), Program Offering Rehabilitation & Training in Adult Living (PORTAL), and Child Study and Treatment Center.

Data Sources:

LEAP workload data base.

Department of Social & Health Services
Developmental Disabilities

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	**330,879**	**307,478**	**638,357**
1994 Supplemental Budget			
1. IMR Tax	1,198	1,465	2,663
2. High School Employment	-275	0	-275
3. FMAP Change	4,466	-4,466	0
4. Community Housing Initiative	-50	0	-50
Total Supplemental Items	**5,339**	**-3,001**	**2,338**
1993-95 REVISED APPROPRIATION	**336,218**	**304,477**	**640,695**

Comments:

1. IMR TAX - Reflects the costs associated with the federal IMR tax. The original 1993-95 budget assumed the tax on facilities certified as Institutions for the Mentally Retarded (IMR) would have to be decreased from 15 percent to 6 percent on July 1, 1993. The federal government extended the date from July 1 to September 13, 1993. This step will result in a net increase of $1,465,000 for the state General Fund. (Other Funds: General Fund-Federal)

2. HIGH SCHOOL EMPLOYMENT - This is a technical adjustment which transfers state funds from the Division of Developmental Disabilities to the Division of Vocational Rehabilitation, where they will be matched with federal funds in order to provide employment opportunities for at least 240 graduating high school students with developmental disabilities, as was provided in the original 1993-95 Appropriations Act.

3. FMAP CHANGE - The Federal Medical Assistance Percentage (FMAP) will be reduced in Federal Fiscal Year 1995, which begins in October 1994. The rate assumed in the 1993-95 budget was 54.24 percent. The new rate is 51.97 percent, a decrease of 2.27 percent. State funding is needed to replace the lost federal funding. (Other Funds: General Fund-Federal)

4. COMMUNITY HOUSING INITIATIVE - The Division of Developmental Disabilities is to develop and implement a strategy which will reduce the average cost of community residential services per person served by approximately 8 percent by the final quarter of the 1995-97 biennium. This will be accomplished through strategies such as serving people in somewhat larger groups (for example, 4 to 6 people sharing a residence, rather than the current average of 2 or 3); reducing and rationalizing administrative reimbursement rates; and eliminating unproductive regulatory requirements. Under the terms of this initiative, one-half of the savings will be used in 1995-97 to provide community residential services for at least 220 adults who are currently unserved and living with family members who cannot continue caring for them. To assure sufficient safe and affordable community housing is available to implement this initiative, the 1994 Supplemental Capital Budget provides $4 million for the purchase, renovation, and construction of community housing.

Governor's Vetoes:

The Governor vetoed section 204(4)(h), which directed the Department of Social and Health Services to develop and implement a plan to expand community residential services by 220 adults while reducing General Fund costs by $2.9 million in the 1995-97 biennium.

Department of Social and Health Services

Developmental Disabilities

Workload History

By Fiscal Year

	FY88	FY89	FY90	FY91	FY92	FY93	Estimate FY94	Estimate FY95
Institutions								
Month End Population	1,798	1,795	1,758	1,616	1,534	1,477	1,421	1,347
% Change from prior year		-0.2%	-2.1%	-8.1%	-5.1%	-3.7%	-3.8%	-5.2%
Community Residential Programs *								
Month End Contracted Beds	2,798	2,768	2,848	3,112	3,187	3,283	3,355	3,428
% Change from prior year		-1.1%	2.9%	9.3%	2.4%	3.0%	2.2%	2.2%
Employment and Day Programs								
# in County Programs	5,405	5,751	6,064	6,528	6,133	6,531	6,963	7,356
% Change from prior year		6.4%	5.4%	7.7%	-6.1%	6.5%	6.6%	5.6%
Family Support **								
# Clients Served	883	933	1,065	1,397	1,486	1,674	1,814	1,946
% Change from prior year		5.7%	14.1%	31.2%	6.4%	12.7%	8.4%	7.3%

NOTES:

* Includes Alternate Living (clients served), Group Homes, IMRs, Tenant Support (clients served), and SOLA (FY91-95).

** Includes Children's Personal Care (FY90-FY95).

Data Sources:

FY88 through FY93 LEAP workload data base;
FY94 and FY95 data provided by the DSHS Division of Developmental Disabilities.

Department of Social & Health Services
Long-Term Care Services

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	**618,987**	**740,031**	**1,359,018**
1994 Supplemental Budget			
1. FMAP Change	10,326	-10,326	0
2. Medicaid Estate Recovery *	-262	-310	-572
3. Nursing Home Case Mix Study	100	100	200
4. Community Client Information System	354	354	708
5. Criminal Background Checks	150	0	150
6. Guardianship Fee Limit	-522	-578	-1,100
7. AIDS Day Health	180	0	180
Total Supplemental Items	**10,326**	**-10,760**	**-434**
1993-95 REVISED APPROPRIATION	**629,313**	**729,271**	**1,358,584**

Comments:

1. FMAP CHANGE - The Federal Medical Assistance Percentage (FMAP) will be reduced in Federal Fiscal Year 1995, which begins in October 1994. The rate assumed in the 1993-95 budget was 54.24 percent. The new rate is 51.97 percent, a decrease of 2.27 percent. State funding is needed to replace the lost federal funding. (Other Funds: General Fund-Federal)

2. MEDICAID ESTATE RECOVERY * - State law presently provides that the state will recover the cost of care from their estate after the death of a Medicaid nursing home resident age 65 and over. New federal law requires that estate recovery provisions be extended to include recipients of home- and community-based as well as nursing home services, and that it apply to persons over the age of 55. These new provisions are effective July 1994, as provided in chapter 21, Laws of 1994 (HB 2492). (Other Funds: General Fund-Federal)

3. NURSING HOME CASE MIX STUDY - Provides funding to study and develop a case mix reimbursement methodology in nursing homes that will match client needs to services and resources. The study will develop a means for measuring the characteristics of clients and identify the staffing needs and resources required for their care. (Other Funds: General Fund-Federal)

4. COMMUNITY CLIENT INFORMATION SYSTEM - Provides funding for a management information system to capture client information such as service mix, return to institutional settings, and length of stay in various settings for community based users of long term care services. (Other Funds: General Fund-Federal)

5. CRIMINAL BACKGROUND CHECKS - Provides funding to eliminate the backlog of criminal background checks on prospective long-term care facility employees.

6. GUARDIANSHIP FEE LIMIT - Chapter 68, Laws of 1994 (SB 6604) limits the fees which a court-appointed guardian may charge a person receiving state-funded care in nursing homes or other residential programs. This will enable recipients to contribute more towards their cost of care, resulting in a reduction of state and federal expenditures. (Other Funds: General Fund-Federal)

7. AIDS DAY HEALTH - Provides funding for adult day health services for an average of 25 persons with AIDS who are financially-eligible for the Medicaid medically needy program.

Department of Social and Health Services

Long Term Care

Workload History

By Fiscal Year

	FY88	FY89	FY90	FY91	FY92	FY93	Estimate FY94	Estimate FY95
Nursing Homes *								
# FTE Clients	16,576	16,694	16,937	17,190	17,342	17,437	17,303	17,271
% Change from prior year		0.7%	1.5%	1.5%	0.9%	0.5%	-0.8%	-0.2%
Community Care **								
# Clients Served	17,287	17,763	18,754	19,959	21,243	22,031	22,957	24,863
% Change from prior year		2.8%	5.6%	6.4%	6.4%	3.7%	4.2%	8.3%

NOTES:

* Workloads for Nursing Homes are based on Month of Service.

** Includes Chore Services, COPES, Adult Residential, and Personal Care (FY90-95).

Data Sources:

LEAP workload data base.

Department of Social & Health Services
Income Assistance Grants

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	**653,252**	**599,986**	**1,253,238**
1994 Supplemental Budget			
1. FIP Budget Neutrality	6,458	-6,458	0
2. Transfer Child Care Funds	1,395	45	1,440
3. November Forecast	-37	-2,780	-2,817
4. SSI Supplemental Payments	5,875	0	5,875
5. Employer Reporting *	-700	-800	-1,500
6. FMAP Change	11,724	-11,724	0
7. Support Enforcement Shortfall	21,590	31,018	52,608
8. Homeless Children and Families	164	196	360
9. SSI State Supplement-Inelig. Spouse	-1,185	0	-1,185
10. Elimination of the 100-Hour Rule	644	712	1,356
11. GA-U: Sponsored Alien Eligibility	-540	0	-540
Total Supplemental Items	**45,388**	**10,209**	**55,597**
1993-95 REVISED APPROPRIATION	**698,640**	**610,195**	**1,308,835**

Comments:

1. FIP BUDGET NEUTRALITY - Savings assumed in the 1993-95 budget from a Family Independence Program (FIP) budget neutrality payment were actually received in the prior biennium. (Other Funds: General Fund-Federal)

2. TRANSFER CHILD CARE FUNDS - A technical error was made in the 1993-95 budget regarding the distribution of funds for the child care rate increase. An appropriation of $1,440,000 was made to Children and Family Services that should have been made to Income Assistance. The Children and Family Services program shows a decrease of $1,440,000. (Other Funds: General Fund-Federal)

3. NOVEMBER FORECAST - This item reflects the November 1993 forecast changes. Most of the programs are projected to see a modest increase in the number of eligible clients, with the exception of the two-parent Aid to Families with Dependent Children-Employable (AFDC-E) program which is projected to see a substantial decline. (Other Funds: General Fund-Federal)

4. SSI SUPPLEMENTAL PAYMENTS - The 1993-95 Appropriations Act proviso to limit Supplemental Security Income (SSI) state supplemental benefits to calendar 1992 total payments was vetoed. Funding, however, was not restored. Biennial appropriations must be increased to fund this entitlement program or risk federal sanctions.

5. EMPLOYER REPORTING * - Agency request legislation (chapter 127, Laws of 1994, EHB 2487) adds one new Standard Industrial Classifications (SIC) code to the current list of employers required to report new hires and rehires to the Department as part of the Employer Reporting Program. The addition of this SIC code will allow the Office of Support Enforcement (OSE) to expand Employer Reporting into an industry that generally employs high percentages of child support payers and has high rates of employee turnover. This should increase OSE's ability to quickly identify where parents are employed and to promptly issue payroll deduction notices thus increasing the support collections. This will result in savings in AFDC expenditures. (Other Funds: General Fund-Federal)

6. FMAP CHANGE - The Federal Medical Assistance Percentage (FMAP) will be reduced in Federal Fiscal Year 1995, which begins in October 1994. The rate assumed in the 1993-95 budget was 54.24 percent. The new rate is 51.97 percent, a decrease of 2.27 percent. State funding is requested to replace the lost federal funding. (Other Funds: General Fund-Federal)

7. SUPPORT ENFORCEMENT SHORTFALL - OSE revenue collections are projected to be far below the revenue estimates assumed in the original 1993-95 budget. The collections are directly related to the OSE field staffing level. These staff were not added as planned in the revenue estimate; thus the savings to AFDC grant expenditures did not materialize. This item restores funding to the AFDC grants. (Other Funds: General Fund-Federal)

8. HOMELESS CHILDREN AND FAMILIES - In response to a lawsuit, DSHS has developed a Comprehensive Plan to Coordinate Services for Homeless Children and Families which includes this proposed policy change. It will allow AFDC families whose children are in short-term (less than 90 days) foster care to retain their grants, enabling them to maintain stable housing and prepare for reunification with their children. It also reactivates AFDC for families at risk of homelessness 30 days prior to family reunification for children placed in foster care for more than 90 days. (Other Funds: General Fund-Federal)

9. SSI STATE SUPPLEMENT-INELIG. SPOUSE - This item reduces the state supplemental portion of the monthly SSI grant to approximately 4,490 aged, blind, and disabled SSI recipients with ineligible spouses by an estimated $22 starting in July 1994.

10. ELIMINATION OF THE 100-HOUR RULE - This item eliminates the 100-hour work rule for recipients of AFDC-E. This rule acts as a disincentive for families to work. (Other Funds: General Fund-Federal)

11. GA-U: SPONSORED ALIEN ELIGIBILITY - In determining eligibility for AFDC, sponsored aliens are considered to have some portion of their sponsor's income available to them. This item brings GA-U eligibility rules concerning sponsored aliens and sponsor's income into conformity with existing AFDC rules.

Department of Social and Health Services

Income Assistance

Workload History

By Fiscal Year

	FY88	FY89	FY90	FY91	FY92	FY93	Estimate FY94	Estimate FY95
SSI State Supplement								
# Cases Received	47,748	49,712	52,457	56,818	62,532	69,332	76,883	84,868
% Change from prior year		4.1%	5.5%	8.3%	10.1%	10.9%	10.9%	10.4%
General Assistance - Unemployable								
# Cases Served	14,057	12,927	13,651	13,993	15,251	15,585	16,633	17,605
% Change from prior year		-8.0%	5.6%	2.5%	9.0%	2.2%	6.7%	5.8%
General Assistance - Pregnant Women								
# Cases Served	1,252	1,439	1,607	1,847	1,934	1,842	1,859	1,873
% Change from prior year		14.9%	11.7%	14.9%	4.7%	-4.8%	0.9%	0.8%
AFDC - Employable								
# Cases Served	7,031	7,611	8,309	10,070	13,784	15,778	16,377	16,906
% Change from prior year		8.2%	9.2%	21.2%	36.9%	14.5%	3.8%	3.2%
AFDC - Regular								
# Cases Served	68,298	69,780	72,098	75,880	81,189	84,542	87,045	89,319
% Change from prior year		2.2%	3.3%	5.2%	7.0%	4.1%	3.0%	2.6%

Data Sources:

FY88 through FY93 LEAP workload data base;
FY94 and FY95 provided by DSHS Budget Office.

Department of Social & Health Services
Alcohol & Substance Abuse

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	**15,355**	**134,047**	**149,402**
1994 Supplemental Budget			
1. Border State Methadone	0	466	466
2. FMAP Change	173	-173	0
3. Family Planning Chem Depend Women	50	0	50
4. Reduce TARGET Admin./Training	-261	0	-261
5. Fund Shift (DEEA)	-1,000	1,000	0
Total Supplemental Items	**-1,038**	**1,293**	**255**
1993-95 REVISED APPROPRIATION	**14,317**	**135,340**	**149,657**

Comments:

1. BORDER STATE METHADONE - Clark County voted not to have a methadone facility in their county. Clark County citizens are therefore eligible to seek treatment in a Portland facility. Under Washington law and federal Medicaid regulations, the state is mandated to pay for medical care provided in "border cities" of other states on the same basis as in-state care. The state provides this service to other eligible Washington residents and is, therefore, obligated to pay for this service if provided to Washington residents in Portland (approximately 50 people). (Other Funds: Drug Enforcement and Education Account and General Fund-Federal)

2. FMAP CHANGE - The Federal Medical Assistance Percentage (FMAP) will be reduced in Federal Fiscal Year 1995, which begins in October 1994. The rate assumed in the original 1993-95 budget was 54.24 percent. The new rate is 51.97 percent, a decrease of 2.27 percent. State funding replaces the lost federal funding. (Other Funds: General Fund-Federal)

3. FAMILY PLANNING CHEM DEPEND WOMEN - Funds the development of a protocol for integrating family planning considerations into chemical dependency treatment programs and provides for technical assistance on the protocol to 10 treatment agencies throughout the state.

4. REDUCE TARGET ADMIN./TRAINING - Represents the savings generated by elimination of funding for training management functions under contract to the Chemical Dependency Training Coalition and an administrative staff reduction associated with the Treatment and Assessment Report Generation Tool (TARGET) computer project.

5. FUND SHIFT (DEEA) - The unreserved balance in the Drug Enforcement and Education Account (DEEA) is utilized to offset General Fund-State expenditures. (Other Funds: Drug Enforcement and Education Account)

Department of Social and Health Services

Alcohol and Substance Abuse

Workload History

By Fiscal Year

	FY88	FY89	FY90	FY91	FY92	FY93	Estimate FY94	Estimate FY95
ADATSA - Outpatient Treatment *								
# Cases	NA	NA	610	844	797	769	911	911
% Change from prior year		NA	NA	38.4%	-5.6%	-3.5%	18.5%	0.0%
ADATSA - Shelter Services								
# Cases	427	1,587	414	55	24	16	18	18
% Change from prior year		271.7%	-73.9%	-86.7%	-56.4%	-33.3%	12.5%	0.0%
ADATSA - Assessment								
# Assessments	1,317	1,277	1,164	1,289	1,194	1,184	1,156	1,156
% Change from prior year		-3.0%	-8.8%	10.7%	-7.4%	-0.8%	-2.4%	0.0%
Inpatient Treatment (Adults & Youths) *								
# Cases	NA	NA	580	571	552	505	732	732
% Change from prior year		NA	NA	-1.6%	-3.3%	-8.5%	45.0%	0.0%

NOTES:

* Data for Outpatient Treatment and Inpatient Treatment cases is unavailable prior to FY 90.

Data Sources:

FY88 through FY93 LEAP workload data base;
FY94 and FY95 provided by DSHS Budget Office.

Department of Social & Health Services
Medical Assistance Payments

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	**1,167,705**	**2,221,081**	**3,388,786**
1994 Supplemental Budget			
1. November Forecast	16,744	26,019	42,763
2. FMAP Change	29,860	-29,860	0
3. Medicaid Estate Recovery *	-29	-34	-63
4. $1 Co-payment Medicaid Services	1,399	1,548	2,947
5. Earn Federal/State Only Children	-4,244	4,244	0
6. Eliminate Fee Increases	-4,155	-4,682	-8,837
7. Forecast Adjustment	-8,542	-9,698	-18,240
8. Extended Family Planning Coverage	100	800	900
9. Managed Care for SSI Clients	400	400	800
10. Eliminate $1 Co-payment	1,719	1,903	3,622
11. Long-term Studies	70	70	140
Total Supplemental Items	**33,322**	**-9,290**	**24,032**
1993-95 REVISED APPROPRIATION	**1,201,027**	**2,211,791**	**3,412,818**

Comments:

1. NOVEMBER FORECAST - Major changes in the forecast include increases in the number of eligibles, especially for pregnant women, children, and disabled. These increases are somewhat offset by reductions in the cost of rebasing inpatient hospital care and other steps. The increase in Health Services Account funding is due to an incorrect federal share being used in the appropriation. (Other Funds: General Fund-Federal ($31,392,000); General Fund-Local (-$6,249,000); Health Services Account-State ($876,000))

2. FMAP CHANGE - The Federal Medical Assistance Percentage (FMAP) will be reduced in Federal Fiscal Year 1995, which begins in October 1994. The rate assumed in the state budget was 54.24 percent. The new rate is 51.97 percent, a decrease of 2.27 percent. State, local, and Health Services Account funding is proposed to replace the lost federal funding. (Other Funds: General Fund-Federal (-$38,389,000); General Fund-Local ($6,203,000); Health Services Account-State ($2,326,000))

3. MEDICAID ESTATE RECOVERY * - Agency request legislation (chapter 21, Laws of 1994, HB 2492) amends Washington's estate recovery law to resemble the federal statute regarding Medicaid recovery. (Other Funds: General Fund-Federal)

4. $1 CO-PAYMENT MEDICAID SERVICES - The budget eliminates the $1 co-payment for prescription drugs, physician visits, eyeglasses, and dental services, effective April 1, 1994. (Other Funds: General Fund-Federal)

5. EARN FEDERAL/STATE ONLY CHILDREN - Federal Medicaid matching funds are available for the cost of emergency medical services to undocumented alien children. Currently, these services are funded entirely from General Fund-State. Federal claiming will be retroactive to the beginning of the 1993-95 Biennium. (Other Funds: General Fund-Federal)

6. ELIMINATE FEE INCREASES - Fee increases scheduled for obstetric and pediatric providers are eliminated. It is not anticipated that access to care will be impacted. Insurance companies are now paying their preferred providers fees comparable to the Medicaid fees. (Other Funds: General Fund-Federal)

7. FORECAST ADJUSTMENT - The November forecast overstates the cost of the increase in the number of eligible pregnant women and children by using a composite per capita rate. Most of the increase in eligibles will be among children. Using the average child rate ($77.91) for the increase in eligibles rather than the composite rate ($185.58) results in these savings. (Other Funds: General Fund-Federal)

8. EXTENDED FAMILY PLANNING COVERAGE - Provides funding for additional outreach efforts and for establishing on-site family planning capabilities at the Spokane North Community Service Office. (Other Funds: General Fund-Federal)

9. MANAGED CARE FOR SSI CLIENTS - As part of the Healthy Options managed care program, the Supplemental Security Income (SSI) caseload will be added to the transition to managed care. An additional 80,000 clients are added to managed care during the current biennium. As a result, a total estimated savings of $9.2 million, of which $4.4 million is from the General Fund-State can be realized for the 1995-97 biennium. (Other Funds: General Fund-Federal)

10. ELIMINATE $1 CO-PAYMENT - The budget eliminates the $1 co-payment for prescription drugs, physician visits, eyeglasses, and dental services, effective April 1, 1994. (Other Funds: General Fund-Federal)

11. LONG-TERM STUDIES - A total of $140,000 ($70,000 General Fund-State and $70,000 General Fund-Federal) is appropriated to study long-term issues related to the type and quantity of services provided to medical assistance clients and for selective contracting of specified medical assistance services.

Department of Social and Health Services

Medical Assistance

Workload History

By Fiscal Year

	FY88	FY89	FY90	FY91	FY92	FY93	Estimate FY94	Estimate FY95
State General Assistance								
# Persons/Month	14,801	15,762	13,780	13,885	12,230	10,200	9,616	8,885
% Change from prior year		6.5%	-12.6%	0.8%	-11.9%	-16.6%	-5.7%	-7.6%
Categorically Needy								
# Persons/Month	326,887	341,292	362,162	407,208	473,377	521,192	570,162	684,567
% Change from prior year		4.4%	6.1%	12.4%	16.2%	10.1%	9.4%	20.1%
Medically Needy								
# Persons/Month	14,924	16,195	15,005	15,779	17,612	18,208	19,278	16,810
% Change from prior year		8.5%	-7.3%	5.2%	11.6%	3.4%	5.9%	-12.8%
State Medically Indigent								
# Persons/Month	2,034	2,083	2,419	2,758	2,473	2,647	2,787	2,849
% Change from prior year		2.4%	16.1%	14.0%	-10.3%	7.0%	5.3%	2.2%

NOTES:

FY94 and FY95 estimates include the Medicaid expansion for children below 200 percent of federal poverty level which was funded to implement chapter 492, Laws of 1993, (Health Care Reform). It is estimated that this expansion will add up to 140,000 children to Medical Assistance caseload by the end of FY95.

Data Sources:

FY88 through FY93 LEAP workload data base;
FY94 and FY95 provided by DSHS Budget Office.

Department of Social & Health Services
Vocational Rehabilitation

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	**15,406**	**68,237**	**83,643**
1994 Supplemental Budget			
1. High School Employment	275	0	275
2. Local Matching Funds	0	2,127	2,127
Total Supplemental Items	**275**	**2,127**	**2,402**
1993-95 REVISED APPROPRIATION	**15,681**	**70,364**	**86,045**

Comments:

1. HIGH SCHOOL EMPLOYMENT - This is a technical adjustment which transfers state funds from the Division of Developmental Disabilities to the Division of Vocational Rehabilitation, where they will be matched with federal funds in order to provide employment opportunities for at least 240 graduating high school students with developmental disabilities, as specified in the original 1993-95 Appropriations Act.

2. LOCAL MATCHING FUNDS - Appropriates the local funds which the agency will collect through cooperative agreements with county developmental disabilities programs and mental health Regional Support Networks. As provided in the original 1993-95 budget, the agency will match these local funds with federal dollars in order to provide employment opportunities for people with developmental disabilities and mental illness. (General Fund-Local)

Department of Social & Health Services
Administration & Supporting Services

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	**46,547**	**37,420**	**83,967**
1994 Supplemental Budget			
1. Increase Federal Title XIX Earnings	-1,174	1,174	0
2. Food Stamp Administration	574	-574	0
3. Child Abuse & Neglect Prev. Grant	0	87	87
4. Juvenile Justice Grant	0	743	743
5. Administrative Reductions	-931	-678	-1,609
6. Consolidate Advisory Committees	-127	0	-127
7. Center for Human Services	195	0	195
8. Sprague Building	660	0	660
Total Supplemental Items	**-803**	**752**	**-51**
1993-95 REVISED APPROPRIATION	**45,744**	**38,172**	**83,916**

Comments:

1. INCREASE FEDERAL TITLE XIX EARNINGS - Reflects the revised cost allocation plan for the 1993-95 Biennium. Additional Title XIX earnings are used to replace appropriated state funds. (Other Funds: General Fund-Federal)

2. FOOD STAMP ADMINISTRATION - Recent Congressional action on the federal budget eliminated enhanced funding for fraud control activities in the food stamp program effective April 1, 1994. State funding replaces the discontinued federal funding for this activity. (Other Funds: General Fund-Federal)

3. CHILD ABUSE & NEGLECT PREV. GRANT - Provides additional staff support for statewide programs to reduce child abuse and neglect. Activities include monitoring, providing technical assistance, evaluating prevention projects and programs, identifying barriers to child abuse and neglect prevention, and developing plans to remove the barriers. (General Fund-Federal)

4. JUVENILE JUSTICE GRANT - Funds the federal Juvenile Justice and Delinquency Prevention Act as amended in 1992. County, city, and state juvenile justice agencies monitor adult jails and juvenile detention facilities, participate in training, and perform other projects designed to ensure compliance with federal laws and regulations. (General Fund-Federal)

5. ADMINISTRATIVE REDUCTIONS - Reductions to central administrative functions include special investigations, mail, manual storage and warehouse activities, nursing home audits, employee services, and assistant attorney general support staff. (Other Funds: General Fund-Federal)

6. CONSOLIDATE ADVISORY COMMITTEES - Savings result from consolidating various advisory committees reporting to the Secretary of the Department of Social and Health Services under an umbrella committee with special subcommittees. This will reduce the number of members and the number of meetings while maintaining effective representation from all Washington communities.

7. CENTER FOR HUMAN SERVICES - Provides a matching grant to the center for human services which it will use to purchase a building in King County to house its social services and educational programs.

8. SPRAGUE BUILDING - Funds a matching grant to assist the United Way of Pierce County with the purchase of the Sprague Building in downtown Tacoma. The acquisition will allow for consolidation of many human service activities in a single location at below-market rents. The grant is contingent upon negotiation of an agreement under which DSHS will be provided free space in the building.

Department of Social & Health Services
Community Services Administration
(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	**219,837**	**258,030**	**477,867**
1994 Supplemental Budget			
1. ACES Project	3,157	-4,229	-1,072
2. Financial Services Staff/Caseload	-302	-124	-426
3. Food Stamp Administration	250	-250	0
4. SSI Administration Fees	4,149	0	4,149
5. SLIAG Grant Funds	-2,515	2,515	0
6. Administrative Reductions	-4,336	-3,149	-7,485
7. Elimination of the 100-Hour Rule	130	130	260
8. Longitudinal Study	100	100	200
9. E2SHB 2798 Welfare Reform	1,697	2,747	4,444
10. One-time Projects: Self-Sufficiency	611	611	1,222
Total Supplemental Items	**2,941**	**-1,649**	**1,292**
1993-95 REVISED APPROPRIATION	**222,778**	**256,381**	**479,159**

Comments:

1. ACES PROJECT - The 1994 federal Omnibus Budget Reconciliation Act lowered the matching rates for management information systems which impacts the funding for the Automated Client Eligibility System (ACES) project. This item provides the necessary funding for continued implementation of the ACES project. Concurrent with ACES development and implementation, however, a new work group will be established to plan the transition of ACES to a more flexible "open" computer system which makes use of current distributed technologies. (Other Funds: General Fund-Federal)

2. FINANCIAL SERVICES STAFF/CASELOAD - The decrease in caseload in the November 1993 forecast justifies a reduction in staff who determine eligibility and benefit amounts. Also included in this item is the increased workload as a result of the termination of the Family Independence Program (FIP). (Other Funds: General Fund-Federal)

3. FOOD STAMP ADMINISTRATION - Recent Congressional action on the federal budget eliminated enhanced funding for fraud control activities in the food stamp program effective April 1, 1994. State funding is provided to replace discontinued federal funding for this activity. (Other Funds: General Fund-Federal)

4. SSI ADMINISTRATION FEES - The federal government has begun to charge states, effective October 1, 1993, for the administrative costs associated with their work in determining eligibility for the supplement portion of the federal Supplemental Security Income (SSI) program and for the approximately 2,600 warrants they generate monthly for the clients eligible for only the supplement portion of the program.

5. SLIAG GRANT FUNDS - The State Legalization Impact Assistance Grant (SLIAG) award was higher than projected in the initial appropriation. These funds are used to replace state funds. (Other Funds: General Fund-Federal)

6. ADMINISTRATIVE REDUCTIONS - These reductions are in the administration of the Department's Community Services Offices. They include a variety of administrative reductions and efficiencies, including lease cost reductions ($2.5 million GF-S), purchased services, travel, and equipment ($1.3 million GF-S), and FTE reductions ($0.5 million GF-S). Assumed effective date is April 1, 1994. (Other Funds: General Fund-Federal)

7. ELIMINATION OF THE 100-HOUR RULE - Funding is provided for the increase in workload resulting from eliminating the 100-hour work rule for recipients of Aid to Families with Dependent Children-Employable (AFDC-E) in the Income Assistance program. (Other Funds: General Fund-Federal)

8. LONGITUDINAL STUDY - The Washington State Institute for Public Policy is conducting a longitudinal study of families receiving, or at risk of receiving, public assistance. Funding is provided to continue the study for one additional year. (Other Funds: General Fund-Federal)

9. E2SHB 2798 WELFARE REFORM - Chapter 299, Laws of 1994 (E2SHB 2798) provides for training for Community Service Office (CSO) employees in communicating the transitional nature of Aid to Families with Dependent Children (AFDC). These employees actively make referrals to the Job Opportunities and Basic Skills (JOBS) program, and provide family planning information and assistance. This item includes funding for CSOs to provide family planning assistance ($3.4 million); federal matching funds for job developers in the CSOs ($750,000); modifications to ACES and implementation of an information system to track JOBS participants who take any job offered ($200,000); and an evaluation coordinator ($75,000). (Other Funds: General Fund-Federal)

10. ONE-TIME PROJECTS: SELF-SUFFICIENCY - Funding is provided for one-time projects involving clients and communities in self-sufficiency efforts ($70,000); staff training to assist clients in becoming self-sufficient and in family planning ($800,000); and providing family planning and employment information in the Community Service Offices ($352,000). (Other Funds: General Fund-Federal)

Department of Social & Health Services
Revenue Collections

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	**35,763**	**178,323**	**214,086**
1994 Supplemental Budget			
1. Employer Reporting *	-194	194	0
2. Child Support Enforcement/Postage *	-31	-61	-92
3. Medicaid Estate Recovery *	47	48	95
4. Support Enforcement Shortfall	5,824	-5,824	0
5. Transfer Incentive Pay from Federal	0	0	0
Total Supplemental Items	**5,646**	**-5,643**	**3**
1993-95 REVISED APPROPRIATION	**41,409**	**172,680**	**214,089**

Comments:

1. EMPLOYER REPORTING * - Chapter 127, Laws of 1994 (EHB 2487) adds one new Standard Industrial Classifications (SIC) code to the current list of employers required to report new hires and rehires to the Department as part of the Employer Reporting Program. The addition of this SIC code will allow the Office of Support Enforcement (OSE) to expand Employer Reporting into an industry that generally employs high percentages of child support payers and has high rates of employee turnover. This should increase OSE's ability to quickly identify where parents are employed and to promptly issue payroll deduction notices thus increasing the support collections. This item reflects the additional incentive payment from the federal government which offsets General Fund-State administrative costs. (Other Funds: General Fund-Local)

2. CHILD SUPPORT ENFORCEMENT/POSTAGE * - Chapter 230, Laws of 1994 allows the Office of Support Enforcement to send the informational copy of the Order to Withhold and Deliver (OWD) to the responsible parent by regular mail instead of certified mail. (Other Funds: General Fund-Federal)

3. MEDICAID ESTATE RECOVERY * - Chapter 21, Laws of 1994 (HB 2492) amends Washington's estate recovery law to resemble the federal statute regarding Medicaid recovery. Savings resulting from this legislation are shown in the Aging and Adult Services Administration and the Medical Assistance programs. (Other Funds: General Fund-Local)

4. SUPPORT ENFORCEMENT SHORTFALL - Office of Support Enforcement (OSE) revenue collections are projected to be far below the revenue estimates assumed in the original 1993-95 budget. The collections are directly related to OSE field staffing levels. These staff were not added as planned in the original revenue estimate so the collection estimates decreased. This item restores funding to offset the shortfall in the federal incentive payments as a result of the lower estimates. (Other Funds: General Fund-Local)

5. TRANSFER INCENTIVE PAY FROM FEDERAL - This transfers AFDC incentive pay from the federal appropriation to the local appropriation. The Department tracks expenditures as local dollars for accounting purposes. (Other Funds: General Fund-Federal, General Fund-Local)

Department of Social & Health Services
Payments to Other Agencies

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	**30,935**	**11,724**	**42,659**
1994 Supplemental Budget			
1. Food Stamp Administration	26	-26	0
2. Facilities and Services Adjustment	265	205	470
Total Supplemental Items	**291**	**179**	**470**
1993-95 REVISED APPROPRIATION	**31,226**	**11,903**	**43,129**

Comments:

1. FOOD STAMP ADMINISTRATION - Recent Congressional action on the federal budget eliminated enhanced funding for fraud control activities in the food stamp program effective April 1, 1994. State funding is provided to replace the discontinued federal funding for this activity. (Other Funds: General Fund-Federal)

2. FACILITIES AND SERVICES ADJUSTMENT - This item provides the additional funds the agency needs to cover its share of General Administration Facilities and Services Revolving Fund charges for the 1993-95 Biennium. (Other Funds: General Fund-Federal)