

# Department of Social & Health Services

## **Children and Family Services**

The budget provides \$2.6 million from General Fund-State and \$195,000 from General Fund-Federal to develop short-term housing for homeless teenagers in “Hope Centers” and long-term housing in “Responsible Living Skills Centers,” where teens will learn self-sufficiency skills. Funding for chemical dependency assessments and treatment is provided through the Division of Alcohol and Substance Abuse. The Washington State Patrol will facilitate communication with the Missing Children’s Clearinghouse, and the Washington State Institute for Public Policy will conduct a study to review the effectiveness of the program.

Amounts of \$13.4 million General Fund-State and \$8.3 million General Fund-Federal are provided for foster care enhancements. Increased funding is provided to cover inflation of rates paid for foster care over and above the vendor rate increase and to pay for first aid/CPR and HIV/AIDS training for foster parents. When foster children damage a foster parent’s property, the state currently reimburses for these damages at depreciated value. The budget provides resources for reimbursements to be paid at the replacement value of property.

The budget provides \$306,000 from General Fund-State and \$78,000 from General Fund-Federal for specialized training for caseworkers involved in child sexual abuse cases. The budget includes funding in the Criminal Justice Training Commission for training of law enforcement and prosecutors involved in child sexual abuse cases. The Washington State Institute for Public Policy will coordinate a workgroup that will develop protocols for child sexual abuse investigations.

The budget provides \$2.3 million in state general funds to assist counties in responding to the increasing number of truancy, child in need of services (CHINS), and at-risk youth (ARY) petitions filed since the implementation of the Becca Bill. This increase brings the total direct appropriation for county implementation of the Becca Bill to \$6.9 million. Additional funds are available for truancy, CHINS, and ARY petitions through revenue provided to the counties in the County Criminal Justice Assistance Account.

The budget provides \$205,000 from the state general fund to maintain funding for the Family Policy Council at the current level. State funding in the Children's Administration base budget will replace federal funds that are eliminated from the Family Policy Council. These federal funds remain available to the state and will be utilized by the Children's Administration.

## **Juvenile Rehabilitation Administration**

A total of \$2.7 million in state and federal funding is provided to resume parole services for lower risk offenders. The Washington State Institute for Public Policy is directed to study the outcomes of lower risk offenders who receive parole services compared to those who do not. The results of that study will be used to decide if parole services will be revised or continued for lower risk offenders.

Funding for the Community Juvenile Accountability Act (CJAA) grants to local governments is increased by \$2.5 million. The grants are intended to be an incentive to local communities to implement interventions proven by research to be effective in reducing recidivism among juvenile offenders. The Juvenile Rehabilitation Administration's base budget contains \$5 million in funding for the CJAA grants. The additional \$2.5 million is provided to expand the number and types of CJAA grants.

The amount of \$1 million from the state general fund is provided to create a new juvenile crime prevention program. In addition to this new funding, several existing grant programs (including mentoring, Team Child, Skagit County Delinquency Prevention Project, and federal Byrne programs) are consolidated into the new program.

### **Mental Health Division**

A total of \$6.2 million in state and federal funds is authorized to be distributed among the Regional Support Networks (RSNs) according to a formula which they and the Mental Health Division agree will best maintain the availability of viable community alternatives to state hospital use. With this funding and the vendor rate increase, total 1999-01 funding for the community mental health system will exceed the fiscal year 1999 level by approximately \$29 million (5.0 percent).

A total of \$2.1 million in state and federal funds is provided for implementation of Chapter 297, Laws of 1998, Partial Veto (2SSB 6214). This 1998 legislation is expected to increase the number of persons receiving evaluation and treatment in the state psychiatric hospitals by approximately 7.5 percent (104 beds), and to result in an approximately 6 percent increase in workloads for community evaluation and treatment facilities.

The budget provides \$1.7 million in state and federal funds to implement Chapter 214, Laws of 1999 (SSB 5011), which seeks to improve the coordination and delivery of services to persons being released from state prisons who pose a potential danger to themselves or others because of a mental illness. The budget provides funding for improved pre-release screening and planning for such offenders; and for expanded post-release mental health and community re-integration services.

### **Developmental Disabilities Division**

The budget provides \$16 million in state and federal funds to enhance current services to children and adults with developmental disabilities. These funds are to be used for priorities identified by the developmental disabilities Stakeholders Advisory Group. At least 60 percent of this new funding is to be used to increase the number of people receiving residential, employment, family support, or other direct services.

A total of \$9.8 million in state and federal funding is authorized for increased outpatient, residential, and diversion services for persons with developmental disabilities who would likely otherwise need to reside in one of the state psychiatric hospitals. As a result of this initiative, the number of persons with developmental disabilities residing in the state hospitals is to decrease to the lowest level in many years.

The sum of \$2.3 million in state and federal funding is provided in the Developmental Disabilities Division budget for job training and placement, or other productive daytime activities, for the approximately 800 young people with developmental disabilities who are expected to graduate from special education programs during the 1999-01 biennium. An additional \$2.0 million is provided for this purpose in the Vocational Rehabilitation budget.

The budget authorizes \$3.3 million for increased rates for community residential placements in adult family homes. This funding is expected to increase access to adult family homes for people with developmental disabilities.

Funding totaling \$3.9 million in state and federal monies is provided to develop intensively-supervised residential placements for 48 persons with developmental disabilities who have a history of arson, or of physically or sexually abusive behaviors.

### **Long-Term Care**

The 1999-01 budget provides \$1.5 billion for an average of 45,000 people each month to receive publicly-funded long-term care in their own homes, assisted living facilities, adult family homes, and nursing homes. This is 9.1 percent more people than received such services during the 1997-99 biennium. By contrast, the total state population is projected to grow by 2.4 percent over the same period, and the population aged 75 and older is projected to grow by 4.7 percent.

The budget provides a total of \$38.4 million in state and federal funding to increase homecare worker wages by 50 cents per hour in July 1999, and by an additional 50 cents per hour in July 2000. Most workers should see a total increase of 16 percent in their hourly compensation over the course of the biennium. DSHS programs utilizing homecare workers that are consequently affected by this increase include Aging and Adult Services and Developmental Disabilities.

A total of \$26.2 million in state and federal funding is provided to increase nursing home payment rates, which will increase by an average of 2.1 percent each year.

A total of \$11.6 million in state and federal funding is provided to employ approximately 70 more state and Area Agency on Aging case management staff as well as Aging and Adult Services staff. This will result in a 15 percent increase in the ratio of Area Agency on Aging case managers to persons served. These staff will perform functions such as assessment and eligibility determination, care planning, service coordination, and monitoring of the delivery of in-home and community residential services.

The amount of \$650,000 from the state general fund is provided for a 25 percent increase in funding for the recruitment, training, and supervision of volunteers to assist senior and disabled citizens with transportation and household tasks.

### **Economic Services**

In combination with child care funding shifts in the Division of Children and Family Services, the budget reduces state general funds for the WorkFirst program by \$246.2 million and replaces these funds with federal welfare funds. Funding for the state Maintenance of Effort (MOE) is set at 80 percent of historical spending, the federally required level.

The budget provides \$10.0 million from General Fund-Federal for WorkFirst eligible families to access housing support to obtain and keep stable housing. Resources are included to provide short-term housing assistance to eligible families to avoid their entry on the welfare cash assistance caseload.

A total of \$5.9 million from General Fund-Federal is provided for programs to reduce the prevalence of drug-affected infants and improve the health and welfare of substance abusing mothers and their infants. Additional funding for these programs is provided in the Division of Alcohol and Substance Abuse.

The budget provides \$4.5 million from General Fund-Federal for expected increases in child care provider rates in response to increases in the minimum wage and for targeted enhancements to providers impacted by federal child care food assistance reductions.

### **Alcohol and Substance Abuse**

As mentioned above, a total of \$3.4 million (\$3.1 million state general fund) is provided for programs to reduce the prevalence of drug-affected infants and improve the health and welfare of substance abusing mothers and their infants. The programs involve intensive case management, family planning and child development services, and expanded treatment and support services. Funding is included to expand the Parent-Child Assistance Program developed by the University of Washington. Additional federal funding for these programs is provided in the Economic Services Administration Program.

The budget provides \$3.9 million from the state general fund for 50 additional drug and alcohol involuntary treatment act (ITA) beds. This funding will increase the ITA beds available in Washington from 65 to 115.

A total of \$2.6 million (\$1.6 million state general fund) is provided for a pilot project offering drug and alcohol treatment to recipients of Supplemental Security Income. This enhancement is expected to be offset by savings in medical assistance services for these clients.

### **Medical Assistance**

The 1999-01 budget provides a total of \$4.4 billion in state and federal funds for an average of about 750,000 people per month to receive medical care through Medicaid and other DSHS medical assistance programs. While this is only a 2.3 percent increase over the number of persons covered during the 1997-99 biennium, total Medical Assistance expenditures are projected to increase by about 11 percent in 1999-01 as a result of substantial increases in managed care and prescription drug costs.

A total of \$11.7 million in state and federal funds is provided to implement the Children's Health Insurance Program (CHIP). Washington's program will provide partially subsidized medical, dental, mental health, and chemical dependency coverage for children in families with incomes between 200 percent and 250 percent of the federal poverty level (about \$33,000 to \$41,000 per year for a family of four). An estimated 10,000 children are expected to be enrolled in the program by April 2001.

The budget provides \$11.3 million in federal funds authority to implement a federal Medicaid waiver, which would result in 90 percent federal funding for coverage of family planning services for people with incomes up to 200 percent of the federal poverty level. In the 2001-03 biennium and thereafter, the program should result in state savings of at least \$10 million through reduced maternity and children's medical costs.

A total of \$19.4 million in state and federal funds is provided to increase payment rates for nursing facilities operated by rural public hospital districts. This will result in increased funding for a range of rural health initiatives across the state.

### **Vocational Rehabilitation**

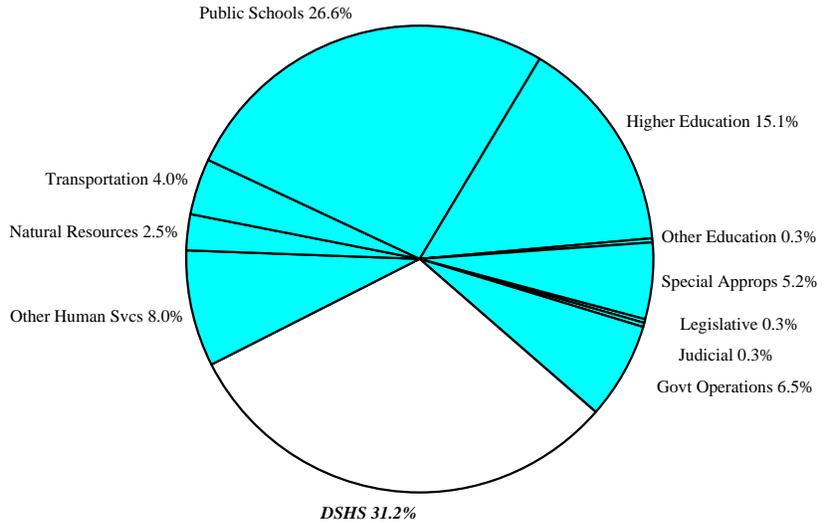
As noted above, a total of \$2.0 million (\$0.4 million state general fund) is provided for job training and placement services for young people with developmental disabilities who graduate from special education programs in 1999-01. In addition, \$5.4 million (\$0.6 million state general fund) is provided to reflect increases in the federal basic support employment grants. These increases will provide job training and placement services for approximately 5,000 more people with disabilities each year during the 1999-01 biennium.

### **Administration and Supporting Services**

The budget reduces administration in the Department of Social and Health Services by a total of \$2.4 million (\$1.6 million state general fund). In order to implement the reduction, transfers may be made from the Department's program administration budgets to the central administration budget.

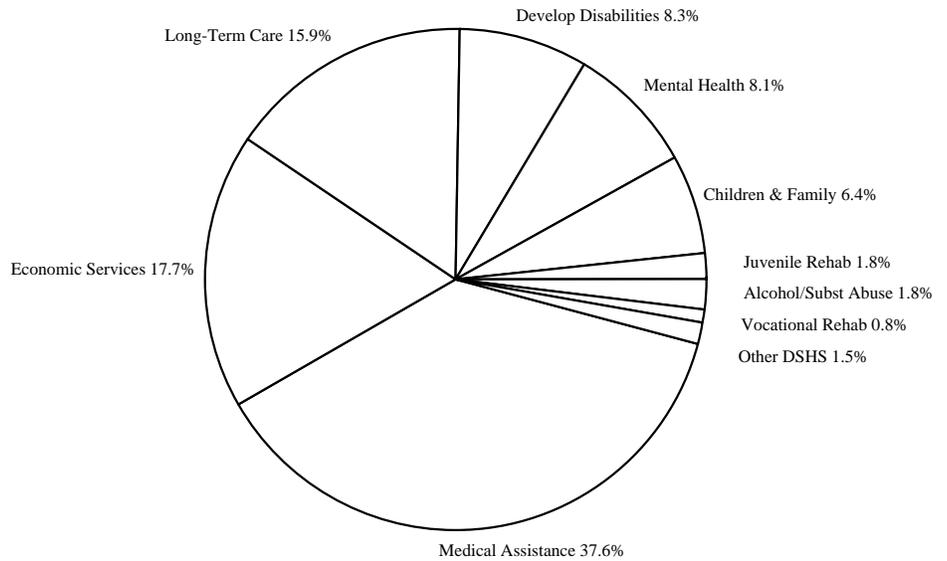
**1999-01 Washington State Operating Budget**  
**Total Budgeted Funds**  
(Dollars in Thousands)

Legislative	134,074
Judicial	117,098
Governmental Operations	2,537,982
<b>DSHS</b>	<b>12,154,545</b>
Other Human Services	3,106,770
Natural Resources	980,598
Transportation	1,549,524
Public Schools	10,327,599
Higher Education	5,862,453
Other Education	99,870
Special Appropriations	2,025,008
<b>Statewide Total</b>	<b>38,895,521</b>



**Washington State**

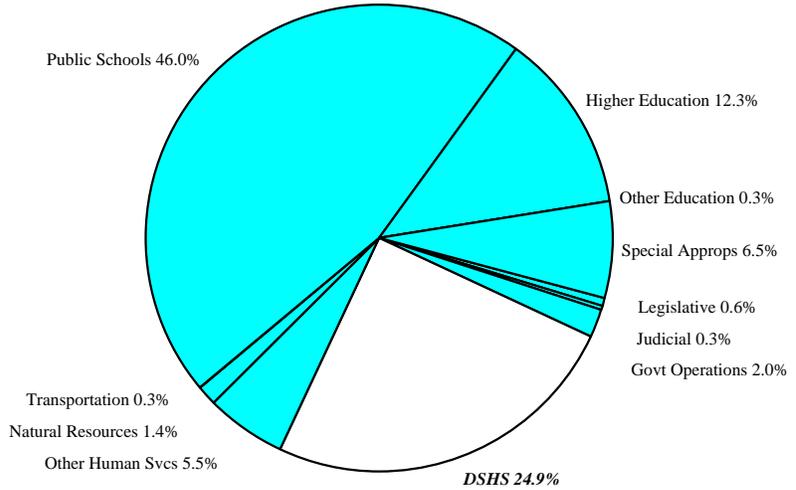
Medical Assistance	4,571,058
Economic Services	2,150,449
Long-Term Care Svcs	1,936,812
Developmental Disabilities	1,010,382
Mental Health	988,248
Children & Family Svcs	772,432
Juvenile Rehabilitation	220,721
Alcohol/Subst Abuse	219,123
Vocational Rehabilitation	102,848
Other DSHS	182,472
<b>DSHS</b>	<b>12,154,545</b>



**DSHS**

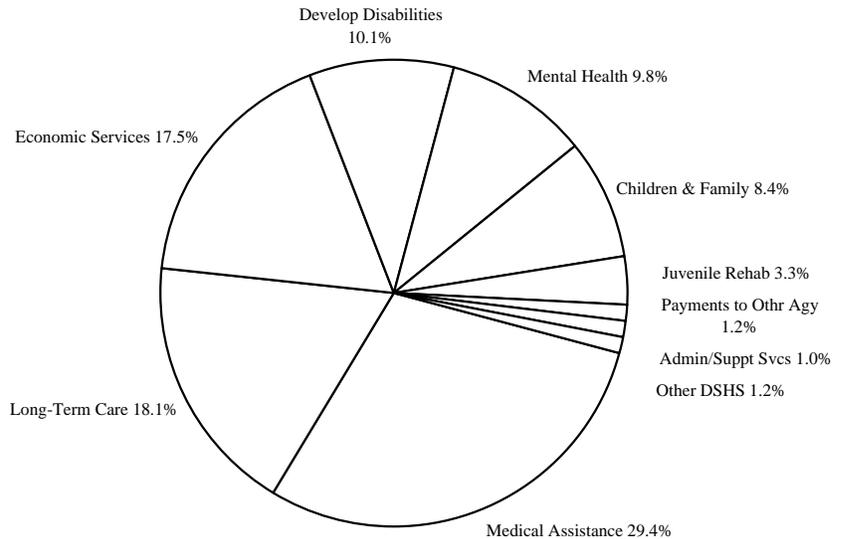
**1999-01 Washington State Operating Budget  
General Fund-State**  
(Dollars in Thousands)

Legislative	117,413
Judicial	62,060
Governmental Operations	403,375
<b>DSHS</b>	<b>5,129,809</b>
Other Human Services	1,123,158
Natural Resources	282,072
Transportation	53,453
Public Schools	9,463,978
Higher Education	2,538,245
Other Education	52,930
Special Appropriations	1,346,329
<b>Statewide Total</b>	<b>20,572,822</b>



**Washington State**

Medical Assistance	1,506,938
Long-Term Care Svcs	928,805
Economic Services	898,737
Developmental Disabilities	518,068
Mental Health	505,084
Children & Family Svcs	430,481
Juvenile Rehabilitation	167,945
Pmts to Other Agencies	61,509
Admin/Support Svcs	50,895
Other DSHS	61,347
<b>DSHS</b>	<b>5,129,809</b>



**DSHS**

**Department of Social and Health Services  
Children & Family Services**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1997-99 Expenditure Authority</b>	<b>414,488</b>	<b>257,032</b>	<b>671,520</b>
1999 Supplemental *	-16,032	41,209	25,177
<b>Total 1997-99 Biennium</b>	<b>398,456</b>	<b>298,241</b>	<b>696,697</b>
<b>1999-01 Maintenance Level</b>	<b>417,785</b>	<b>324,823</b>	<b>742,608</b>
<b>Policy Items</b>			
1. General Inflation	-465	-108	-573
2. Expanding CCDF Activities	-14,830	14,830	0
3. Family Policy Council Funding	0	-9,061	-9,061
4. Family Policy Council Restoration	205	0	205
5. Foster Care Cost Increases	12,978	8,106	21,084
6. Secure Crisis Residential Centers	-1,906	0	-1,906
7. Foster Parent Reimbursements	181	64	245
8. Foster Parent Training	222	80	302
9. Child Sex Abuse Interviews	306	78	384
10. Truancy, CHINS, ARY Petitions	2,281	0	2,281
11. Pediatric Interim Care	106	0	106
12. ISSD Administrative Reductions	-40	-10	-50
13. Street Youth Placement	2,558	195	2,753
14. Vendor Rate Increase	11,100	2,954	14,054
<b>Total 1999-01 Biennium</b>	<b>430,481</b>	<b>341,951</b>	<b>772,432</b>
Fiscal Year 2000 Total	207,273	167,397	374,670
Fiscal Year 2001 Total	223,208	174,554	397,762

**Comments:**

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| <p>1. GENERAL INFLATION - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, General Fund-Federal)</p> <p>2. EXPANDING CCDF ACTIVITIES - Child Care Development Fund (CCDF) federal funding in the Children's Administration (CA) program is provided where expenditures are eligible for federal funding from CCDF. General Fund-State funding is reduced by the same amount. (General Fund-State, General Fund-Federal)</p> <p>3. FAMILY POLICY COUNCIL FUNDING - The statutory requirement to provide the Council with 7.5 percent of the Violence Reduction and Drug Enforcement (VRDE) funds will be delayed for the 1999-01 biennium. Federal funds provided from Title IV-B(2) are eliminated from the Council's budget. (General Fund-Federal, Violence Reduction and Drug Enforcement Account)</p> <p>4. FAMILY POLICY COUNCIL RESTORATION - CA is directed to provide state funds in exchange for federal funds that were eliminated from the Family Policy Council but retained by CA. The additional funding provided in this item will return the Family Policy Council to its 1997-99 level of support.</p> <p>5. FOSTER CARE COST INCREASES - Funding is provided for increases in the cost per case for foster care services. (General Fund-State, General Fund-Federal)</p> <p>6. SECURE CRISIS RESIDENTIAL CENTERS - Funding is adjusted on a one-time basis to reflect the expected implementation schedule for secure Crisis Residential Centers (CRCs) during FY 2000. The Department has funding for the operation of 75 secure CRC beds in the base budget. By July 1, 1999, 33 beds are expected to be available. The adjusted funding level assumes that the Department will continue implementation of secure CRCs and will reach the currently authorized level of 75 beds during FY 2000.</p> | <p>7. FOSTER PARENT REIMBURSEMENTS - Funding is provided for the implementation of Chapter 338, Laws of 1999, Partial Veto (SHB 1619 - Reimbursements for Foster Parents). The Department will reimburse foster parents for the replacement value of property damaged or destroyed by foster children. (General Fund-State, General Fund-Federal)</p> <p>8. FOSTER PARENT TRAINING - Funding is provided for first aid/CPR and HIV/AIDS training for foster parents in accordance with Chapter 160, Laws of 1999 (SHB 1668 - Foster Parent Training). (General Fund-State, General Fund-Federal)</p> <p>9. CHILD SEX ABUSE INTERVIEWS - Funding is provided for the implementation of Chapter 389, Laws of 1999, Partial Veto (SB 5127 - Child Abuse Investigations). The Department of Social and Health Services, prosecutors, and law enforcement agencies will provide training for workers responsible for child sexual abuse cases. The Washington State Institute for Public Policy will facilitate a working group that will establish child sex abuse interview protocols. (General Fund-State, General Fund-Federal)</p> <p>10. TRUANCY, CHINS, ARY PETITIONS - Funding to the counties is increased for costs associated with processing truancy, child in need of services (CHINS), and at-risk youth (ARY) petitions related to implementation of the Becca Bill. The funding provided reflects the use of community truancy boards in accordance with Chapter 319, Laws of 1999 (ESSB 5988 - Truancy), the base budget of \$4.6 million in the Children's Administration, and revenue provided through the County Criminal Justice Assistance Account.</p> <p>11. PEDIATRIC INTERIM CARE - State funding for drug-affected infants is increased to support the costs of one additional bed at the pediatric interim care facility.</p> |
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**Department of Social and Health Services**  
**Children & Family Services**

12. ISSD ADMINISTRATIVE REDUCTIONS - These savings reflect administrative reductions in the Information System Services Division (ISSD), including operational efficiencies and staff reductions. (General Fund-State, General Fund-Federal)
13. STREET YOUTH PLACEMENT - Funding is provided to establish 29 short-term residential placements (Hope Centers) and 29 long-term responsible living skills residential placements for homeless dependent youth in accordance with Chapter 267, Laws of 1999 (E2SHB 1493 - Homeless Children and Families). The Washington State Patrol will facilitate communication with the Missing Children's Clearinghouse regarding youth who access Hope Center placements. The Division of Alcohol and Substance Abuse will provide chemical dependency assessments and services to these youth, and the Washington State Institute for Public Policy will conduct a study to review the effectiveness of the program. (General Fund-State, General Fund-Federal)
14. VENDOR RATE INCREASE - Department vendors will have their rates increased by 2 percent on July 1, 1999, and an additional 2 percent on July 1, 2000. (General Fund-State, General Fund-Federal, Violence Reduction and Drug Enforcement Account)

\* Please see the 1999 Supplemental Operating Budget Section for additional information.

**Department of Social and Health Services  
Children & Family Services**

**WORKLOAD HISTORY**

By Fiscal Year

	<b>1992</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>Estimate</b>	
									<b>2000</b>	<b>2001</b>
<b>Foster Care *</b>										
Avg # Children Served Monthly	6,143	6,441	6,734	6,723	6,665	6,762	8,215	8,118	8,412	8,541
% Change from prior year		4.9%	4.5%	-0.2%	-0.9%	1.5%	21.5%	-1.2%	3.6%	1.5%
<b>Child Care **</b>										
Avg # Children Served Monthly	5,235	6,051	6,386	7,109	7,715	7,100	7,241	7,275	7,275	7,275
% Change from prior year		15.6%	5.5%	11.3%	8.5%	-8.0%	2.0%	0.5%	0.0%	0.0%
<b>Child Protective Services</b>										
Avg Cases Referred Monthly	3,644	4,301	5,819	5,699	5,750	6,108	6,241	6,602	6,986	7,391
% Change from prior year		18.0%	35.3%	-2.1%	0.9%	6.2%	2.2%	5.8%	5.8%	5.8%
Avg Cases Per Worker	32:1	31:1	31:1	33:1	36:1	36:1	32:1	32:1	29:1	29:1
<b>Adoption Support</b>										
Avg # Served Monthly	1,351	1,598	1,901	2,361	2,843	3,186	3,678	4,040	4,459	4,837
% Change from prior year		18.3%	19.0%	24.2%	20.4%	12.1%	15.4%	9.8%	10.4%	8.5%

\* Includes Family Foster Care and Group Foster Care.

\*\* Includes the following services: Protective/Welfare, Therapeutic, Teen Parent, Seasonal, and Foster Parent Employment. Employment Child Care is no longer included.

Data Source:

DSHS Budget Division.

## Department of Social and Health Services Juvenile Rehabilitation

(Dollars in Thousands)

	GF-S	Other	Total
<b>1997-99 Expenditure Authority</b>	<b>164,886</b>	<b>44,408</b>	<b>209,294</b>
1999 Supplemental *	-4,221	-4,664	-8,885
<b>Total 1997-99 Biennium</b>	<b>160,665</b>	<b>39,744</b>	<b>200,409</b>
<b>1999-01 Maintenance Level</b>	<b>166,948</b>	<b>51,341</b>	<b>218,289</b>
<b>Policy Items</b>			
1. General Inflation	-478	0	-478
2. SSODA Caseload	-1,642	0	-1,642
3. Intervention/Prevention Contracts	-4,840	0	-4,840
4. Community Juvenile Accountability	2,323	177	2,500
5. Reinstate Juvenile Parole	2,382	356	2,738
6. Mental Health Services	1,030	0	1,030
7. Juvenile Prevention Grants	1,000	0	1,000
8. Firearms on School Property	32	0	32
9. ISSD Administrative Reductions	-6	0	-6
10. Vendor Rate Increase	1,196	902	2,098
<b>Total 1999-01 Biennium</b>	<b>167,945</b>	<b>52,776</b>	<b>220,721</b>
Fiscal Year 2000 Total	82,734	26,283	109,017
Fiscal Year 2001 Total	85,211	26,493	111,704

**Comments:**

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| <p>1. GENERAL INFLATION - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.</p> <p>2. SSODA CASELOAD - The Special Sex Offender Disposition Alternative (SSODA) caseload has decreased over time. Funding is adjusted to recognize savings achieved because of reduced caseload.</p> <p>3. INTERVENTION/PREVENTION CONTRACTS - State funding for the early intervention and prevention program is eliminated. The Washington State Institute for Public Policy's evaluation of the early intervention and prevention programs indicates these activities, taken in total, have not proven effective in reducing recidivism.</p> <p>4. COMMUNITY JUVENILE ACCOUNTABILITY - Funding, in addition to the \$5.0 million provided in the base budget, is provided to increase the level of grant funding made available to counties as part of the Community Juvenile Accountability Act (CJAA). Chapter 338, Laws of 1997 (E3SHB 3900), established the CJAA grant process. (General Fund-State, Juvenile Accountability Incentive Account-Federal)</p> <p>5. REINSTATE JUVENILE PAROLE - Funding is provided to resume parole services for lower risk offenders. The Washington State Institute for Public Policy is directed to study the outcomes of lower risk offenders who receive parole services compared to those who do not. The results of that study will be used to decide if parole services will be revised or continued for lower risk offenders. (General Fund-State, General Fund-Federal)</p> <p>6. MENTAL HEALTH SERVICES - Consistent with recent studies of mental health treatment needs in Juvenile Rehabilitation Administration (JRA), funding is increased to provide for additional treatment services.</p> <p>7. JUVENILE PREVENTION GRANTS - Funding is provided to implement a new program of grants focused on preventing juvenile crime. In addition to the funding provided here, several existing grants (including the Skagit County Delinquency Prevention Program, mentoring, Team Child, and federal Byrne programs) are consolidated into the program. There is no reduction made in the funding level as a result of the consolidation. In addition to these amounts,</p> | <p>\$150,000 is provided in the maintenance level budget specifically to fund the Team Child and Skagit County Delinquency Prevention programs in FY 2000.</p> <p>8. FIREARMS ON SCHOOL PROPERTY - Funding is provided to local governments for the costs of implementing Chapter 167, Laws of 1999 (SSB 5214). The funding will be distributed using the current consolidated juvenile services contract formula.</p> <p>9. ISSD ADMINISTRATIVE REDUCTIONS - Savings are achieved in the Information System Services Division (ISSD) through operational efficiencies and staff reductions. (General Fund-State, General Fund-Federal)</p> <p>10. VENDOR RATE INCREASE - Funding is provided for a vendor rate increase of 2 percent on July 1, 1999, and an additional 2 percent increase on July 1, 2000. (General Fund-State, General Fund-Federal, Violence Reduction and Drug Enforcement Account)</p> <p>* Please see the 1999 Supplemental Operating Budget Section for additional information.</p> |
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**Department of Social & Health Services  
Juvenile Rehabilitation**

**WORKLOAD HISTORY**  
By Fiscal Year

	1992	1993	1994	1995	1996	1997	1998	Estimate		
								1999	2000	2001
<b>Community Residential *</b>										
Avg Daily Population/Month	253	314	353	346	359	362	305	297	251	251
% Change from prior year		24.1%	12.4%	-2.0%	3.8%	0.8%	-15.7%	-2.6%	-15.5%	0.0%
<b>Institutions</b>										
Avg Daily Population/Month	683	720	753	915	1,007	1,028	1,048	949	1,065	1,119
% Change from prior year		5.4%	4.6%	21.5%	10.1%	2.1%	1.9%	-9.4%	12.2%	5.1%
<b>Parole**</b>										
Avg Daily Population/Month	496	537	595	765	917	949	1,002	768	1,133	1,207
% Change from prior year		8.3%	10.8%	28.6%	19.9%	3.5%	5.6%	-23.4%	47.6%	6.5%

\* Includes State Group Homes, Community Residential Placements, and the County Commitment Program.

\*\* Parole eligibility standards were significantly modified in FY 1998 and again in FY 2000.

Data Source :

FY 1992 through FY 1997 from DSHS Juvenile Rehabilitation Administration.

FY 1998 from DSHS Juvenile Rehabilitation Administration Executive Management Information System (EMIS) Reports.

FY 1999 through FY 2001 data from legislative fiscal staff.

**Department of Social and Health Services  
Mental Health**

(Dollars in Thousands)

	GF-S	Other	Total
<b>1997-99 Expenditure Authority</b>	<b>488,210</b>	<b>469,073</b>	<b>957,283</b>
1999 Supplemental *	1,008	-6,799	-5,791
<b>Total 1997-99 Biennium</b>	<b>489,218</b>	<b>462,274</b>	<b>951,492</b>
<b>1999-01 Maintenance Level</b>	<b>501,020</b>	<b>464,044</b>	<b>965,064</b>
<b>Policy Items</b>			
1. General Inflation	-451	-441	-892
2. Community Funding Adjustment	2,966	3,205	6,171
3. DD Census Reduction	-974	-345	-1,319
4. Increased DSH Revenues	-3,333	3,333	0
5. Staff for HCFA Concerns	611	140	751
6. Close MICA Program	-6,304	0	-6,304
7. ISSD Administrative Reductions	-4	0	-4
8. Clark County Pilot	0	3,800	3,800
9. SSB 5011 - Dangerous Offenders	1,217	459	1,676
10. SSB 5214 - School Violence	94	0	94
11. Vendor Rate Increase	10,242	8,969	19,211
<b>Total 1999-01 Biennium</b>	<b>505,084</b>	<b>483,164</b>	<b>988,248</b>
Fiscal Year 2000 Total	247,938	238,107	486,045
Fiscal Year 2001 Total	257,146	245,057	502,203

**Comments:**

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| <p>1. GENERAL INFLATION - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.</p> <p>2. COMMUNITY FUNDING ADJUSTMENT - Funding is provided to be distributed among the Regional Support Networks (RSNs) according to a formula which the RSNs and the Mental Health Division agree will best maintain the availability of viable community alternatives to state hospital use. (General Fund-State, General Fund-Federal)</p> <p>3. DD CENSUS REDUCTION - Funding included in the Developmental Disabilities (DD) budget to provide alternatives to psychiatric hospitalization for 80 persons will reduce the average number of persons with DD receiving care and treatment in the state psychiatric hospitals. This reduction is a portion of the expected savings in state hospital costs. (General Fund-State, General Fund-Federal, General Fund-Local)</p> <p>4. INCREASED DSH REVENUES - Additional federal Disproportionate Share Hospital (DSH) revenues available as a result of expenditure reductions in the Medical Assistance Administration can be used to offset state expenditures in the state psychiatric hospitals. (General Fund-State, General Fund-Federal)</p> <p>5. STAFF FOR HCFA CONCERNS - Funding is provided for additional staff to address concerns raised during recent surveys of the state hospitals by the Health Care Finance Administration (HCFA), which oversees the federal Medicaid and Medicare programs. (General Fund-State, General Fund-Local, General Fund-Federal)</p> <p>6. CLOSE MICA PROGRAM - Due to a recent court decision, funding is discontinued for the 65 bed mentally ill chemical abuser (MICA) treatment program at Pioneer Center North. Funding is transferred for the 65 bed alcohol involuntary treatment program at Pioneer Center North from the Mental Health Division to the Division of Alcohol and Substance Abuse, which holds the contract. (General Fund-State)</p> <p>7. ISSD ADMINISTRATIVE REDUCTIONS - Information System Services Division (ISSD) administrative reductions include operational efficiencies and</p> | <p>staff reductions. (General Fund-State, General Fund-Federal)</p> <p>8. CLARK COUNTY PILOT - Funding is provided for a pilot project which will demonstrate collaborative methods for providing intensive mental health services in the school setting for severely emotionally disturbed children who are Medicaid eligible. (General Fund-Federal, General Fund-Local)</p> <p>9. SSB 5011 - DANGEROUS OFFENDERS - In accordance with Chapter 214, Laws of 1999 (SSB 5011), funding is provided to improve the coordination and delivery of services to an estimated 125 persons leaving state prison each year who are thought to be potentially dangerous because of a mental illness. (General Fund-State, General Fund-Federal)</p> <p>10. SSB 5214 - SCHOOL VIOLENCE - Chapter 167, Laws of 1999 (SSB 5214), requires evaluation by a county-designated mental health professional of any youth detained for possession of a firearm on school property. (General Fund-State)</p> <p>11. VENDOR RATE INCREASE - Department vendors will have their rates increased by 2 percent on July 1, 1999, and an additional 2 percent on July 1, 2000. (General Fund-State, General Fund-Federal)</p> |
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\* Please see the 1999 Supplemental Operating Budget Section for additional information.

**Department of Social and Health Services**  
**Mental Health**

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***overnor's Vetoes:***

The Governor vetoed Section 205(3)(b) of Chapter 309, Laws of 1999, Partial Veto (ESSB 5180), which would have required the Civil Commitment program to begin paying 85 percent of billed charges if the average cost of civil commitment trials and annual reviews exceeded \$44,000 and \$17,000, respectively, after December 1999.

**Department of Social & Health Services  
Mental Health**

**WORKLOAD HISTORY**  
By Fiscal Year

	1992	1993	1994	1995	1996	1997	1998	Estimate		
								1999	2000	2001
<b>State Hospitals *</b>										
Avg Daily Population/Month	1,709	1,622	1,444	1,349	1,278	1,276	1,311	1,360	1,438	1,441
% Change from prior year		-5.1%	-11.0%	-6.6%	-5.3%	-0.2%	2.7%	3.7%	5.7%	0.2%
Avg Daily Census/Month				1,323	1,246	1,243	1,275	1,320	1,398	1,402
% Change from prior year					-5.8%	-0.2%	2.6%	3.5%	5.9%	0.3%
<b>Community Outpatient Services</b>										
	<b>25,110</b>	<b>30,108</b>	<b>32,939</b>	<b>36,728</b>	<b>38,482</b>	<b>39,861</b>	<b>41,318</b>	<b>42,054</b>	<b>42,054</b>	<b>42,054</b>
% Change from prior year		19.9%	9.4%	11.5%	4.8%	3.6%	3.7%	1.8%	0.0%	0.0%
Avg Adults Served per Month	19,317	23,070	25,065	27,210	28,077	28,853	30,017	30,736	30736	30736
% Change from prior year		19.4%	8.6%	8.6%	3.2%	2.8%	4.0%	2.4%	0.0%	0.0%
Avg Children Served per Month	5,793	7,038	7,874	9,518	10,405	11,008	11,301	11,318	11,318	11,318
% Change from prior year		21.5%	11.9%	20.9%	9.3%	5.8%	2.7%	0.2%	0.0%	0.0%
<b>Special Commitment Center **</b>										
Avg Monthly Population	11	17	23	28	33	44	59	83	108	132
% Change from prior year		54.5%	35.3%	21.7%	17.9%	33.3%	34.1%	40.7%	30.1%	22.2%

\* Includes Eastern State Hospital, Western State Hospital (WSH), WSH Program for Adaptive Living Skills (PALS), and Child Study and Treatment Center. Prior to FY 1995, also includes Program Offering Rehabilitation and Training in Adult Living (PORTAL).

\*\* Special Commitment Center opened in July 1990. Counts include persons on supervised conditional release.

Data Source :

FY 1992 through FY 1998 actuals provided by the DSHS Budget Division. FY 1992 through 1997 updated based on Historical Indicators Performance System database DSHS Research and Data Analysis.

FY 2000 and FY 2001 estimates were provided by the DSHS Budget Division.

## Department of Social and Health Services Developmental Disabilities

(Dollars in Thousands)

	GF-S	Other	Total
<b>1997-99 Expenditure Authority</b>	<b>449,025</b>	<b>396,669</b>	<b>845,694</b>
1999 Supplemental *	487	164	651
<b>Total 1997-99 Biennium</b>	<b>449,512</b>	<b>396,833</b>	<b>846,345</b>
<hr/>			
<b>1999-01 Maintenance Level</b>	<b>491,874</b>	<b>446,231</b>	<b>938,105</b>
<b>Policy Items</b>			
1. Minimum Wage	3,348	4,518	7,866
2. General Inflation	-927	-832	-1,759
3. Increase CAP Waiver	-6,679	14,126	7,447
4. Community Protection	1,934	2,033	3,967
5. 1999-01 High School Transition	1,585	694	2,279
6. Homecare Workers Wages	2,515	2,717	5,232
7. ISSD Administrative Reductions	-14	-8	-22
8. Adult Family Home Rate Parity	1,631	1,757	3,388
9. Mental Health Outplacement	4,811	4,992	9,803
10. Increase Services and Supports	7,750	8,250	16,000
11. Vendor Rate Increase	10,240	7,836	18,076
<hr/>			
<b>Total 1999-01 Biennium</b>	<b>518,068</b>	<b>492,314</b>	<b>1,010,382</b>
Fiscal Year 2000 Total	252,037	235,524	487,561
Fiscal Year 2001 Total	266,031	256,790	522,821

**Comments:**

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| <p>1. MINIMUM WAGE - Funding is provided to support minimum wage increases resulting from Initiative 688. (General Fund-State, General Fund-Federal)</p> <p>2. GENERAL INFLATION - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.</p> <p>3. INCREASE CAP WAIVER - Federal matching funds are to be collected under the Community Alternatives Program (CAP) waiver for approximately 2,400 persons who are currently receiving employment, residential, or family support services which are funded entirely with state general funds. (General Fund-State, General Fund-Federal)</p> <p>4. COMMUNITY PROTECTION - Funding is provided for 24-hour staffed residential settings for 48 individuals with histories of physically or sexually abusive behaviors or arson. (General Fund-State, General Fund-Federal)</p> <p>5. 1999-01 HIGH SCHOOL TRANSITION - Funding is provided for employment and day training programs for young persons with developmental disabilities who will graduate from public school during the 1999-01 biennium. (General Fund-State, General Fund-Federal)</p> <p>6. HOMECARE WORKERS WAGES - Funding is provided to increase wages for individual and agency homecare workers by an average of 50 cents per hour on July 1, 1999, and by an additional 50 cents per hour on July 1, 2000. (General Fund-State, General Fund-Federal)</p> <p>7. ISSD ADMINISTRATIVE REDUCTIONS - Information System Services Division (ISSD) administrative reductions include operational efficiencies and staff reductions. (General Fund-State, General Fund-Federal)</p> <p>8. ADULT FAMILY HOME RATE PARITY - Funding is provided to increase payment rates for adult family homes. (General Fund-State, General Fund-Federal)</p> <p>9. MENTAL HEALTH OUTPLACEMENT - Funding is provided for residential and day program services for 48 long-term residents of the state mental</p> | <p>hospitals whose hospital treatment is complete, but cannot be accommodated in existing community vacancies. Funding is also provided for 32 persons who were placed from the state hospitals into community settings in FY 1999. (General Fund-State, General Fund-Federal)</p> <p>10. INCREASE SERVICES AND SUPPORTS - Funding is provided to enhance services to children and adults with developmental disabilities. These funds are to be expended on priorities established by the Stakeholder Advisory Group appointed in accordance with Chapter 216, Laws of 1998 (SSB 6751), with two conditions: (1) at least 60 percent of the appropriated funds must be used to increase the number of people receiving residential, employment, family support, or other direct services; and (2) the services and supports must be designed and implemented in a fashion such that the cost of continuing them in the 2001-03 biennium does not exceed \$19.2 million (\$9.3 million state). (General Fund-State, General Fund-Federal)</p> <p>11. VENDOR RATE INCREASE - Department vendors will have their rates increased by 2 percent on July 1, 1999, and an additional 2 percent on July 1, 2000. (General Fund-State, General Fund-Federal)</p> |
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\* Please see the 1999 Supplemental Operating Budget Section for additional information.

## Department of Social and Health Services Developmental Disabilities

### WORKLOAD HISTORY

By Fiscal Year

	1992	1993	1994	1995	1996	1997	1998	1999	Estimate	
									2000	2001
<b>Institutions</b>										
Avg Monthly Population	1,758	1,616	1,534	1,477	1,412	1,322	1,295	1,262	1,262	1,240
% Change from prior year		-8.1%	-5.0%	-3.7%	-4.4%	-6.4%	-2.0%	-2.5%	0.0%	-1.7%
<b>Community Residential Programs *</b>										
Month End Contracted Beds	2,849	3,113	3,188	3,474	3,585	3,683	3,740	3,819	3,898	4,065
% Change from prior year		9.3%	2.4%	9.0%	3.2%	2.7%	1.5%	2.1%	2.1%	4.3%
<b>Employment and Day Programs</b>										
Avg Monthly Number Served	6,064	6,528	6,133	6,531	6,789	7,049	7,571	7,954	8,304	9,016
% Change from prior year		7.7%	-6.1%	6.5%	4.0%	3.8%	7.4%	5.1%	4.4%	8.6%
<b>Family Support **</b>										
# Clients Served	1,054	1,347	1,486	1,674	2,071	2,207	2,659	3,637	4,404	4,956
% Change from prior year		27.8%	10.3%	12.7%	23.7%	6.6%	20.5%	36.8%	21.1%	12.5%
<b>Adult Personal Care ***</b>										
# Clients Served	1,634	1,908	2,154	2,443	2,844	3,244	3,525	3,951	4,388	4,868
% Change from prior year		16.8%	12.9%	13.4%	16.4%	14.1%	8.7%	12.1%	11.1%	10.9%

\* Includes Alternate Living (clients served), Group Homes, intermediate care facilities for the mentally retarded (IMRs), Tenant Support (clients served), and State Operated Living Alternatives (SOLA).

\*\* Family Support includes Children's Personal Care for FY 1990 through FY 1999.

\*\*\* Adult Personal Care includes Medicaid Personal Care and Chore Services. Prior to FY 1990, Developmental Disabilities clients enrolled in these programs are counted in the Long-Term Care program totals.

Data Source:

FY 1990 through FY 1997 from LEAP workload database except: (1) FY 1990 - FY 1995 Adult Personal Care from DSHS Aging and Adult Services Administration; and (2) FY 1993 through FY 1997 Community Residential from DSHS Division of Developmental Disabilities due to a change in reporting methodology.

FY 1998 and FY 1999 estimates from Legislative Fiscal Committees.

## Department of Social and Health Services Long-Term Care Services

(Dollars in Thousands)

	GF-S	Other	Total
<b>1997-99 Expenditure Authority</b>	<b>834,599</b>	<b>914,698</b>	<b>1,749,297</b>
1999 Supplemental *	-4,225	-11,051	-15,276
<b>Total 1997-99 Biennium</b>	<b>830,374</b>	<b>903,647</b>	<b>1,734,021</b>
<hr/>			
<b>1999-01 Maintenance Level</b>	<b>883,188</b>	<b>961,963</b>	<b>1,845,151</b>
<b>Policy Items</b>			
1. Minimum Wage	7,628	8,208	15,836
2. General Inflation	-216	-148	-364
3. Nursing Home Rate Setting	12,564	13,607	26,171
4. Long-Term Care Provider Training	275	275	550
5. Improved AAA Case Management Ratio	2,980	2,980	5,960
6. Utilization Tracking and Management	0	310	310
7. Compliance Consulting FTEs	658	644	1,302
8. Nursing Home Therapy	-1,058	-1,132	-2,190
9. Self Directed Care	-619	-695	-1,314
10. Homecare Worker Wages	8,864	9,572	18,436
11. ISSD Administrative Reductions	-10	-10	-20
12. Increase Volunteer Chore	650	0	650
13. Vendor Rate Increase	13,219	13,115	26,334
14. Boarding Home Licensing Fees	682	-682	0
<hr/>			
<b>Total 1999-01 Biennium</b>	<b>928,805</b>	<b>1,008,007</b>	<b>1,936,812</b>
Fiscal Year 2000 Total	452,044	491,897	943,941
Fiscal Year 2001 Total	476,761	516,110	992,871

**Comments:**

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| <p>1. <b>MINIMUM WAGE</b> - Under Initiative 688, the state minimum wage will increase to \$6.50 per hour on January 1, 2000, and to an estimated \$6.68 per hour on January 1, 2001. This item funds the projected cost of the increase for individual provider homecare programs, where the payment rate is currently \$6.18 per hour. Additionally, \$2.0 million is provided to pay the new minimum wage for those job classes and geographic areas where the Aging and Adult Services adult family home, assisted living, and adult residential care rate models assume compensation below the new minimum wage. (General Fund-State, General Fund-Federal)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <p>4. <b>LONG-TERM CARE PROVIDER TRAINING</b> - Funding is provided for several enhancements to the current system for training community long-term care providers. These enhancements include: a higher payment rate for trainers in rural areas so that classes can be conducted on a more frequent basis; consultant resources to modify the current training curriculum to make it more relevant to actual provider training needs, and to adapt it for use with caregivers with special needs such as learning disabilities and low literacy levels; and funding to cover the minimum wage increase for homecare workers during their hours in training. (General Fund-State, General Fund-Federal)</p>                                    |
| <p>2. <b>GENERAL INFLATION</b> - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <p>5. <b>IMPROVED AAA CASE MANAGEMENT RATIO</b> - The Area Agencies on Aging (AAA) have the primary responsibility for case management and client reassessments for persons receiving in-home long-term care services. In conjunction with Chapter 175, Laws of 1999 (2SHB 1546), this item improves the ratio of AAA case managers to homecare clients by 15 percent, from one case manager for every 100 homecare recipients to one for every 85. This will enable case managers to see clients on a more frequent basis, to better screen and evaluate the performance of homecare providers, and to more thoroughly assess whether the appropriate type and level of care is being provided. (General Fund-State, General Fund-Federal)</p> |
| <p>3. <b>NURSING HOME RATE SETTING</b> - Nursing home payment rates will increase by an average of 2.1 percent each year. The average nursing home payment rate will be \$118.56 per day in FY 2000, and \$121.48 per day in FY 2001, compared to an average of \$115.46 per day during the 1997-99 biennium. In accordance with RCW 74.46, rates are to be adjusted for economic trends and conditions by 2 percent each year, except that facilities whose direct care rates are being held harmless are to receive a 1 percent (rather than 2 percent) increase each year on their direct care rates. Direct care rates for facilities paid on a case-mix basis are expected to increase by an additional 2 percent each year, on average, as a result of increased patient care needs. The budget also reflects the elimination of the working capital component of the rate - a 0.5 percent add-on for cash-flow, which the state has paid nursing homes. A mechanism to ensure that no individual nursing home experiences a net reduction in their daily Medicaid rate (as adjusted for case mix changes), along with funding for that purpose, is also provided. This last provision was included in Chapter 376, Laws of 1999 (SSB 5967). (General Fund-State, General Fund-Federal)</p> | <p>6. <b>UTILIZATION TRACKING AND MANAGEMENT</b> - The agency is to develop improved management information systems for tracking service utilization and expenditure patterns at the local office level. Based on actual expenditures during the 1997-99 biennium, sufficient state funds are available to accomplish this within the program's base appropriation level, though some additional federal spending authority is needed. (General Fund-Federal)</p>                                                                                                                                                                                                                                                                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <p>7. <b>COMPLIANCE CONSULTING FTES</b> - Funding is provided for staff to work in a consultative capacity with adult family homes and boarding homes to avoid problems with meeting licensure standards and providing quality care. (General Fund-State, General Fund-Federal)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

## Department of Social and Health Services Long-Term Care Services

8. NURSING HOME THERAPY - Chapter 181, Laws of 1999 (SHB 2152), authorizes 12 nursing facilities to provide more extensive rehabilitative services (than they might otherwise provide under Medicaid) to certain patients with a high potential for increased independence. This is expected to enable approximately two-thirds of the participants to move to a less expensive level of care. As a result, the number of people requiring publicly-funded nursing home care is expected to decrease by 17 people in FY 2000, and by 267 people in FY 2001. (General Fund-State, General Fund-Federal)
9. SELF DIRECTED CARE - Chapter 336, Laws of 1999 (SHB 1880), allows certain persons with physical disabilities to receive assistance with certain medical tasks from persons other than licensed medical professionals. This is expected to enable an average of 150 people in FY 2000 and an average of 350 people in FY 2001 to receive long-term care in their own homes rather than in more expensive adult family home and assisted living facility settings. These savings are partially offset by the cost of one staff position to develop and maintain the personal aide registry required by the legislation, and \$150,000 for an evaluation of the bill's impacts which is to be conducted by the University of Washington School of Nursing. (General Fund-State, General Fund-Federal)
10. HOMECARE WORKER WAGES - Funding is provided to increase wages for individual and agency homemaker workers. Individual provider pay will increase from the current level of \$6.18 per hour to \$6.68 per hour in July 1999, and to \$7.18 per hour in July 2000. Agency providers will see their rates increase from a current level (in most cases) of \$11.33 per hour to \$11.97 per hour in July 1999, and to \$12.62 per hour in July 2000. Effective July 1, 1999, all agency providers will be paid the same rate of \$11.97 per hour. Other funds for accomplishing this policy are included in the minimum wage step (item 1) and in the vendor rate increase step (item 13). (General Fund-State, General Fund-Federal)
11. ISSD ADMINISTRATIVE REDUCTIONS - Information System Services Division (ISSD) administrative reductions include operational efficiencies and staff reductions. (General Fund-State, General Fund-Federal)
12. INCREASE VOLUNTEER CHORE - Funding for the volunteer chore services program is increased by 25 percent for recruitment, training, and linkage of additional volunteers to assist elderly and disabled persons with household tasks, shopping, and travel. (General Fund-State)
13. VENDOR RATE INCREASE - Homecare, case management, adult day health, nursing care, adult family homes, assisted living facilities, and other long-term care contractors will have their rates increased by 2 percent on July 1, 1999, and by an additional 2 percent on July 1, 2000. (General Fund-State, General Fund-Federal)
14. BOARDING HOME LICENSING FEES - Boarding home licensing fees are to be maintained at their current level of \$79 per bed per year during the 1999-01 biennium. Under the budgetary policy adopted in 1998, these fees would otherwise have increased to \$102 per bed in FY 2001. This budget establishes the policy that a biennial average of 75 percent of the non-federal share of the cost of boarding home inspections should be fee-supported. (General Fund-State, General Fund-Local)

\* Please see the 1999 Supplemental Operating Budget Section for additional information.

**Department of Social and Health Services**  
**Long-Term Care Services**

**WORKLOAD HISTORY**

By Fiscal Year

	1992	1993	1994	1995	1996	1997	1998	1999	Estimate	
									2000	2001
<b>Nursing Homes</b>										
# FTE Clients	16,953	17,190	17,344	17,445	17,168	16,639	15,985	14,984	14,660	14,433
% Change from prior year		1.4%	0.9%	0.6%	-1.6%	-3.1%	-3.9%	-6.3%	-2.2%	-1.5%
<b>Community Care *</b>										
# Clients Served	17,119	18,051	19,087	19,587	19,411	19,576	20,876	23,116	26,124	28,715
% Change from prior year		5.4%	5.7%	2.6%	-0.9%	0.9%	6.6%	10.7%	13.0%	9.9%

\* Includes Chore Services, COPES, Adult Residential, and Medicaid Personal Care.

Data Source:

Nursing Homes for FY 1990 through FY 1997 from LEAP workload database.

Community Care for FY 1990 through FY 1997 from Aging and Adult Services Administration.

FY 1998 and FY 1999 estimates from Legislative Fiscal Committees.

**Department of Social and Health Services  
Economic Services**

(Dollars in Thousands)

	GF-S	Other	Total
<b>1997-99 Expenditure Authority</b>	<b>1,020,443</b>	<b>946,615</b>	<b>1,967,058</b>
1999 Supplemental *	-5,046	-65,280	-70,326
<b>Total 1997-99 Biennium</b>	<b>1,015,397</b>	<b>881,335</b>	<b>1,896,732</b>
<b>1999-01 Maintenance Level</b>	<b>1,129,296</b>	<b>968,935</b>	<b>2,098,231</b>
<b>Policy Items</b>			
1. Client Overpayment Recoveries	-85	-1,615	-1,700
2. General Inflation	-2,531	-2,941	-5,472
3. Homeless Children's Plan	0	10,000	10,000
4. Fund Source Change	-34,368	34,368	0
5. ISSD Administrative Reductions	-76	-106	-182
6. Adjust WorkFirst Funding	-196,946	206,720	9,774
7. Food Stamp Error Rate Plan	4,000	5,138	9,138
8. GA-U Projects	1,872	0	1,872
9. Offset Childcare Food Cuts	0	3,000	3,000
10. Childcare Cost Incr due to Min Wage	0	1,500	1,500
11. ESSB 5625 Exemptions	0	8,280	8,280
12. Drug-Affected Infants	0	4,178	4,178
13. Refinance & Expand P-CAP	0	1,700	1,700
14. TANF Eligibility	0	262	262
15. Vendor Rate Increase	75	12,293	12,368
16. Emergency Shelter Transfer	-2,500	0	-2,500
<b>Total 1999-01 Biennium</b>	<b>898,737</b>	<b>1,251,712</b>	<b>2,150,449</b>
Fiscal Year 2000 Total	457,162	608,566	1,065,728
Fiscal Year 2001 Total	441,575	643,146	1,084,721

**Comments:**

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| <p>1. CLIENT OVERPAYMENT RECOVERIES - A partnership effort between Economic Services and Administration and Supporting Services will increase public assistance and food stamp collections. Administration and Supporting Services will devote staff to the collection of Temporary Assistance for Needy Families (TANF) and food stamp overpayments. Funds collected will be split between the two divisions. Collections provided to Economic Services will offset assistance expenditures. (General Fund-State, General Fund-Federal)</p> <p>2. GENERAL INFLATION - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, General Fund-Federal)</p> <p>3. HOMELESS CHILDREN'S PLAN - Funding is provided to implement the Homeless Children's Plan. A total of \$6 million is provided for housing services to WorkFirst clients. Families that are in WorkFirst will be able to access housing services to obtain or keep a stable housing situation as part of their self-sufficiency plan. A total of \$4 million is provided for cash diversion payments related to housing stability. The Cash Diversion program will provide housing assistance to families that are eligible for WorkFirst, but that need a one-time payment to obtain or keep stable housing in order to avoid entering the WorkFirst caseload. (General Fund-Federal)</p> <p>4. FUND SOURCE CHANGE - Federal Social Services Block Grant (SSBG) funding is provided where expenditures are eligible. General Fund-State funding is reduced by an equal amount. To provide adequate SSBG funds, 4.25 percent of the federal TANF block grant will be transferred to the SSBG, consistent with the provisions of the federal Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA). (General Fund-State, General Fund-Federal)</p> | <p>5. ISSD ADMINISTRATIVE REDUCTIONS - These savings reflect administrative reductions in the Information System Services Division (ISSD), including operational efficiencies and staff reductions. (General Fund-State, General Fund-Federal)</p> <p>6. ADJUST WORKFIRST FUNDING - The level of funding provided for the Economic Services Administration is set at a level necessary to continue the WorkFirst program. State maintenance of effort (MOE) funding for TANF is budgeted at 80 percent of historical expenditures, the federally required level. (General Fund-State, General Fund-Federal)</p> <p>7. FOOD STAMP ERROR RATE PLAN - One-time only funding is provided to bring the food stamp error rate in line with federal requirements. (General Fund-State, General Fund-Federal)</p> <p>8. GA-U PROJECTS - Funding is provided for three pilot projects, which will develop employment services for General Assistance-Unemployable (GA-U) recipients.</p> <p>9. OFFSET CHILDCARE FOOD CUTS - Funding is provided for targeted enhancements to child care providers impacted by cuts to federal child care food assistance, assuming the Department can identify a mechanism for compensating these providers that is allowable under federal rules. (General Fund-Federal)</p> <p>10. CHILDCARE COST INCR DUE TO MIN WAGE - The Department pays child care providers their usual charges up to a certain maximum. Funding is provided for increases in child care provider charges due to the increased minimum wage. Maximum child care payment rates are not expected to be affected by the minimum wage increase. (General Fund-Federal)</p> |
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## Department of Social and Health Services Economic Services

11. ESSB 5625 EXEMPTIONS - Funding provided for the implementation of ESSB 5625, which would have exempted certain WorkFirst recipients from participation requirements, will remain available for other WorkFirst program expenditures, including costs associated with the change in exemption status for parents of young children. (General Fund-Federal)
12. DRUG-AFFECTED INFANTS - Federal TANF funding is provided for programs designed to prevent drug and alcohol affected infants in the Division of Alcohol and Substance Abuse. Under federal regulations, TANF funds can be used for prevention programs, such as these pilot projects, without requiring program participants to be eligible for TANF and without requiring the more complex data collection required for other kinds of TANF expenditures. (General Fund-Federal)
13. REFINANCE & EXPAND P-CAP - Federal TANF funding is provided for the Parent-Child Assistance Program (P-CAP). Under federal regulations, TANF funds can be used for prevention programs, such as P-CAP, without requiring program participants to be eligible for TANF and without requiring the more complex data collection required for other kinds of TANF expenditures. (General Fund-Federal)
14. TANF ELIGIBILITY - Funding is provided for the implementation of Chapter 120, Laws of 1999 (ESB 5798), which allows children who are 19 and 20 years old to be eligible for TANF. In order to be eligible, the child must be attending high school full time, making satisfactory progress toward graduation, and be declared the responsibility of the public school system until their 21st birthday due to a disability. The Department may make exceptions for other 19- and 20-year-old students, if the Department determines that the exception will enable the child to complete his or her high school education, General Education Development (GED), or vocational education. These changes are expected to affect fewer than 200 families statewide. (General Fund-Federal)
15. VENDOR RATE INCREASE - Department vendors will have their rates increased by 2 percent on July 1, 1999, and an additional 2 percent on July 1, 2000. (General Fund-State, General Fund-Federal)
16. EMERGENCY SHELTER TRANSFER - A portion of the consolidated emergency assistance program is transferred from the Department of Social and Health Services to the Department of Community, Trade, and Economic Development. These funds will be used to prevent families with children from becoming homeless.

\* Please see the 1999 Supplemental Operating Budget Section for additional information.

**Department of Social & Health Services  
Economic Services**

**WORKLOAD HISTORY**  
By Fiscal Year

	1992	1993	1994	1995	1996	1997	1998	Estimate		
								1999	2000	2001
<b>SSI State Supplement</b>										
Avg Monthly Caseload	62,532	69,332	76,518	82,249	86,299	87,674	88,006	88,414	88,843	89,508
% Change from prior year		10.9%	10.4%	7.5%	4.9%	1.6%	0.4%	0.5%	0.5%	0.7%
<b>General Assistance *</b>										
Avg Monthly Caseload	16,326	16,683	17,617	18,371	18,074	18,155	17,657	17,659	17,725	17,731
% Change from prior year		2.2%	5.6%	4.3%	-1.6%	0.4%	-2.7%	0.0%	0.4%	0.0%
<b>TANF Cases **</b>										
Avg Monthly Caseload	99,012	102,306	104,626	104,472	101,136	97,309	84,685	71,260	61,889	60,010
% Change from prior year		3.3%	2.3%	-0.1%	-3.2%	-3.8%	-13.0%	-15.9%	-13.2%	-3.0%
<b>Child Care</b>										
Avg # Children Served/Month	21,436	27,142	29,772	32,757	30,636	33,309	41,707	46,633	43,184	45,566
% Change from prior year		26.6%	9.7%	10.0%	-6.5%	8.7%	25.2%	11.8%	-7.4%	5.5%

\* Includes General Assistance-Unemployable (GA-U), General Assistance-Unemployable with expedited medical (GA-X), and General Assistance for children living with legal guardians (GA-H). Data collection changed to the Caseload Analysis and Reporting Database (CARD) system in FY 1998. To provide comparable data, monthly caseload data from FY 1992-1997 have been adjusted to reflect the CARD system, which is 7.05 percent higher on average than the previous Average Grant method.

\*\* Includes General Assistance-Pregnant Women (GA-S) cases, which will be integrated into the Temporary Assistance for Needy Families (TANF) caseload during the 1999-01 biennium. To provide comparable data, monthly caseload data from FY 1992-1997 have been adjusted to reflect the CARD system, which is 7.08 percent higher on average than the previous Average Grant method.

Data Source :

FY 1992 through FY 1998 from LEAP workload database except: (1) FY 1992 - FY 1998 GA-U and GA-S data from the Caseload Forecast Council and (2) Child Care from DSHS Budget Division.

FY 1999 through FY 2001 estimates represent legislative budget assumptions, based upon forecasts provided by the Caseload Forecast Council and the DSHS Budget Division.

## Department of Social and Health Services Alcohol & Substance Abuse

(Dollars in Thousands)

	GF-S	Other	Total
<b>1997-99 Expenditure Authority</b>	<b>30,789</b>	<b>159,841</b>	<b>190,630</b>
1999 Supplemental *	1,451	20	1,471
<b>Total 1997-99 Biennium</b>	<b>32,240</b>	<b>159,861</b>	<b>192,101</b>
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<b>1999-01 Maintenance Level</b>	<b>33,883</b>	<b>169,664</b>	<b>203,547</b>
<b>Policy Items</b>			
1. SSI Pilot Project	1,558	1,059	2,617
2. General Inflation	-67	0	-67
3. ISSD Administrative Reductions	-2	0	-2
4. Increase DASA ITA/Residential Beds	3,920	0	3,920
5. Drug-Affected Infants	2,928	330	3,258
6. Refinance & Expand P-CAP	180	0	180
7. Street Youth Placement	106	116	222
8. Vendor Rate Increase	803	4,645	5,448
<hr/>			
<b>Total 1999-01 Biennium</b>	<b>43,309</b>	<b>175,814</b>	<b>219,123</b>
Fiscal Year 2000 Total	21,451	87,397	108,848
Fiscal Year 2001 Total	21,858	88,417	110,275

**Comments:**

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| <p>1. SSI PILOT PROJECT - Funding for drug and alcohol treatment is increased in the Division of Alcohol and Substance Abuse (DASA) for a pilot project to provide treatment services to Supplemental Security Income (SSI) clients who need treatment. The increased cost for treatment and outreach is offset by projected savings in the Medical Assistance budget. The Department will provide progress reports by December 31, 1999, and December 31, 2000, on appropriate project outcomes, including the increase in numbers of SSI clients served, their pre-treatment and post-treatment use of medical services as reported in Medical Management Information System (MMIS), as well as the number of emergency room visits and hospital admissions obtained from information sources that are more up-to-date than what is available in MMIS. (General Fund-State, General Fund-Federal)</p> <p>2. GENERAL INFLATION - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.</p> <p>3. ISSD ADMINISTRATIVE REDUCTIONS - Information System Services Division (ISSD) administrative reductions include operational efficiencies and staff reductions.</p> <p>4. INCREASE DASA ITA/RESIDENTIAL BEDS - Funding is provided to contract for an additional 50 drug and alcohol involuntary treatment act (ITA) beds. The Department shall prioritize this expanded capacity for high utilizers of hospital services.</p> <p>5. DRUG-AFFECTED INFANTS - Funding is provided for the development and implementation of comprehensive programs for alcohol and drug abusing mothers and their young children. These pilot programs will be implemented in several locations, including at least one rural location. Federal welfare funds are provided in the Economic Services budget for the pilot programs, as a way to achieve welfare reform objectives. (General Fund-State, General Fund-Federal)</p> <p>6. REFINANCE &amp; EXPAND P-CAP - Funding is provided to expand the Parent-Child Assistance Program (P-CAP) in Yakima and Spokane and to replace lost charitable funding in King and Pierce counties. General Fund-State is provided in DASA and federal Temporary Assistance to Needy Families (TANF) funds are provided in the Economic Services Administration.</p> | <p>7. STREET YOUTH PLACEMENT - Funding is provided for chemical dependency assessments and services for youth in Hope Centers and responsible living skills programs in accordance with Chapter 267, Laws of 1999 (E2SHB 1493 - the Homeless Youth Prevention, Protection, and Education Act). Funding for the establishment of 29 Hope beds and 29 responsible living skills beds is provided in the Children's Administration. (General Fund-State, General Fund-Federal)</p> <p>8. VENDOR RATE INCREASE - Department vendors will have their rates increased by 2 percent on July 1, 1999, and an additional 2 percent on July 1, 2000. (General Fund-State, General Fund-Federal, Violence Reduction and Drug Enforcement Account, Public Safety and Education Account)</p> |
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\* Please see the 1999 Supplemental Operating Budget Section for additional information.

**Department of Social & Health Services  
Alcohol & Substance Abuse**

**WORKLOAD HISTORY  
By Fiscal Year**

	1992	1993	1994	1995	1996	1997	1998	Estimate		
								1999	2000	2001
<b>ADATSA - Assessment</b>										
Avg Monthly Assessments	1,168	1,199	1,195	1,278	1,284	1,199	1,194	1,230	1,230	1,230
% Change from prior year		2.7%	-0.3%	6.9%	0.5%	-6.6%	-0.4%	3.0%	0.0%	0.0%
<b>ADATSA - Outpatient Treatment</b>										
Avg Monthly Admissions	345	320	272	295	325	308	322	303	303	303
% Change from prior year		-7.2%	-15.0%	8.5%	10.2%	-5.2%	4.5%	-5.9%	0.0%	0.0%
<b>ADATSA - Residential</b>										
Avg Monthly Admissions	585	519	586	608	610	631	673	531	531	531
% Change from prior year		-11.3%	12.9%	3.8%	0.3%	3.4%	6.7%	-21.1%	0.0%	0.0%

*The Alcoholism and Drug Addiction Treatment and Support Act (ADATSA) was established in 1987.  
Workloads in ADATSA services are limited to openings available.*

Data Source :

*Historically updated FY 1992 through FY 1998 provided by the DSHS Budget Division.*

*FY 1999 through FY 2001 estimates provided by the Division of Alcohol & Substance Abuse.*

**Department of Social and Health Services  
Medical Assistance Payments**

(Dollars in Thousands)

	GF-S	Other	Total
<b>1997-99 Expenditure Authority</b>	<b>1,348,187</b>	<b>2,651,856</b>	<b>4,000,043</b>
1999 Supplemental *	4,485	30,920	35,405
<b>Total 1997-99 Biennium</b>	<b>1,352,672</b>	<b>2,682,776</b>	<b>4,035,448</b>
<b>1999-01 Maintenance Level</b>	<b>1,513,211</b>	<b>2,906,221</b>	<b>4,419,432</b>
<b>Policy Items</b>			
1. SSI Pilot Project	-1,558	-1,687	-3,245
2. General Inflation	-429	-490	-919
3. Pharmacies Bill Private Insurance	-452	-466	-918
4. Pharmacies Bill Medicare	-626	-674	-1,300
5. Review Pharmacy Billings	-2,578	-2,598	-5,176
6. Timing of Managed Care Payments	-2,287	-2,465	-4,752
7. Increase Provider Reviews	-2,396	-2,235	-4,631
8. Medicare Hospital Rates	-3,858	-4,142	-8,000
9. Revise Hospital Outpatient Fees	-1,140	61	-1,079
10. DRG Increases at Vendor Rate	6,894	7,455	14,349
11. Complex Procedure Rate Increases	4,056	4,406	8,462
12. Rebase Hospital Rates	4,388	4,747	9,135
13. Outpatient Hospital Rates	3,325	3,521	6,846
14. Reduce LI-DSH Payments	-3,067	-3,333	-6,400
15. Family Planning Waiver	-1,132	11,341	10,209
16. MMIS Enhancements/MCE Class Study	60	1,598	1,658
17. Community Care Coordination	-493	-507	-1,000
18. Pursue Tort Claims	-1,315	-1,324	-2,639
19. Recover BHP+ Premium	-3,145	-3,333	-6,478
20. Pay for Private Coverage	-5,347	-5,451	-10,798
21. Realign Interpreter Services	1,874	1,996	3,870
22. Children's Health Insurance Program	0	11,643	11,643
23. Medically-Intensive HomeCare	1,234	1,331	2,565
24. Medicare Part B Match	-11,640	11,940	300
25. ISSD Administrative Reductions	-4	-8	-12
26. Rural Public Hospital Districts	0	108,048	108,048
27. Patient Bill of Rights	582	627	1,209
28. Newborn Screening Fees	105	114	219
29. Vendor Rate Increase	13,258	17,784	31,042
30. Lapse: Patient Bill of Rights	-582	0	-582
<b>Total 1999-01 Biennium</b>	<b>1,506,938</b>	<b>3,064,120</b>	<b>4,571,058</b>
Fiscal Year 2000 Total	722,672	1,504,054	2,226,726
Fiscal Year 2001 Total	784,266	1,560,066	2,344,332

**Comments:**

1. SSI PILOT PROJECT - In the Division of Alcohol and Substance Abuse, funding is provided for a pilot project which will provide alcohol and drug treatment to Supplemental Security Income (SSI) clients. These savings reflect expected reductions in medical payments on behalf of these clients. (General Fund-State, General Fund-Federal)
2. GENERAL INFLATION - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.
3. PHARMACIES BILL PRIVATE INSURANCE - Pharmacies will pursue reimbursement from private insurance carriers for pharmacy goods and services delivered to insured clients. (General Fund-State, General Fund-Federal)
4. PHARMACIES BILL MEDICARE - Pharmacies will pursue reimbursement from Medicare for covered pharmacy goods and services delivered to clients dually eligible for Medicaid and Medicare. (General Fund-State, General Fund-Federal)
5. REVIEW PHARMACY BILLINGS - The Medical Assistance Administration will review claims currently paid through the Pharmacy Point-of-Sale system, evaluate for adherence to Department guidelines, and recoup inappropriate payments. (General Fund-State, General Fund-Federal)

## Department of Social and Health Services Medical Assistance Payments

6. TIMING OF MANAGED CARE PAYMENTS - The timing of monthly premium payments for Medicaid clients enrolled in managed care plans will be changed so that the payment occurs after the most current eligibility listing is available. Savings are derived from not making payments on behalf of ineligible persons. (General Fund-State, General Fund-Federal) 19.
7. INCREASE PROVIDER REVIEWS - Increased staff is authorized to increase the number of Medical Assistance provider surveillance and utilization reviews from 180 cases to at least 500 cases per year and to increase hospital audits. Cost recoveries are expected to more than double. (General Fund-State, General Fund-Federal) 20.
8. MEDICARE HOSPITAL RATES - Federal law now permits payments for inpatient hospital services provided to Medical Assistance clients who are dually eligible for both Medicare and Medicaid to be the lower of the allowable rates for each program. (General Fund-State, General Fund-Federal) 21.
9. REVISE HOSPITAL OUTPATIENT FEES - The Medical Assistance Administration, the Health Care Authority, and the Department of Labor and Industries plan to adopt a new system for paying for laboratory, x-ray, radiology, and other hospital outpatient services. This is expected to result in a 3.75 percent reduction over DSHS's current fee-for-service and percentage-of-billed charges methods of paying for such services. (General Fund-State, General Fund-Federal) 22.
10. DRG INCREASES AT VENDOR RATE - Diagnostic-Related Group (DRG) rates for routine procedures performed by non-rural hospitals are increased by the national index of hospital inflation (projected at 2.7 percent per year), rather than by the 2 percent per year provided for other social and health services contractors. (General Fund-State, General Fund-Federal) 23.
11. COMPLEX PROCEDURE RATE INCREASES - Rate increases are limited to 175 percent of the national index of hospital inflation. This is equivalent to 4.7 percent per year, based on current projections. Rural hospitals and the state's level 1 trauma center are exempted from this limitation. (General Fund-State, General Fund-Federal) 24.
12. REBASE HOSPITAL RATES - Payment rates for routine hospital inpatient procedures are to be "rebased" effective July 2000, rather than July 1999. (General Fund-State, General Fund-Federal) 25.
13. OUTPATIENT HOSPITAL RATES - Rates for radiology, outpatient surgeries, and other outpatient services will be adjusted for inflation by the national index of hospital inflation, currently projected at 2.7 percent per year for the 1999-01 biennium. (General Fund-State, General Fund-Federal) 26.
14. REDUCE LI-DSH PAYMENTS - The Low Income-Disproportionate Share Hospital (LI-DSH) program is reduced by 10 percent. The formula for distributing LI-DSH funds is also to be revised so that (1) there is no reduction in funding to the state's only level 1 trauma center; and (2) there are smaller funding reductions to less profitable hospitals. (General Fund-State, General Fund-Federal) 27.
15. FAMILY PLANNING WAIVER - Authority is provided to implement family planning services for women with family incomes up to 200 percent of the federal poverty level. These services will be federally matched at a rate of 90 percent. (General Fund-State, General Fund-Federal) 28.
16. MMIS ENHANCEMENTS/MCE CLASS STUDY - Increased efficiency from technological improvements in the Medicaid Management Information System (MMIS) will reduce the need for claims processing staff. The savings from the staff reduction are to be used to fund salary increases for Medical Claims Examiners (MCE)/Benefits Specialists approved by the Personnel Resources Board. (General Fund-State, General Fund-Federal) 29.
17. COMMUNITY CARE COORDINATION - Care coordination services will be implemented to eliminate inappropriate and costly health services for Medicaid clients not enrolled in managed care. (General Fund-State, General Fund-Federal)
18. PURSUE TORT CLAIMS - Staff is added to pursue tort recoveries in cases where a Medical Assistance client has incurred state medical costs because of another party's actions. (General Fund-State, General Fund-Federal)
- RECOVER BHP+ PREMIUM - Basic Health Plan Plus (BHP+) children are those who apply for Medicaid coverage through the Health Care Authority, rather than directly to the Medical Assistance Administration. Improved coordination between the two agencies is expected to result in earlier and more consistent identification of the extent to which such children have other insurance, which can be used to defray the cost of their Medicaid coverage. (General Fund-State, General Fund-Federal)
- PAY FOR PRIVATE COVERAGE - The number of clients for whom the Medical Assistance Administration may pay for less expensive, private insurance premiums will be increased. (General Fund-State, General Fund-Federal)
- REALIGN INTERPRETER SERVICES - Funding is provided to assure client access to services through the availability of interpreters in American Sign Language and uncommon spoken languages. (General Fund-State, General Fund-Federal)
- CHILDREN'S HEALTH INSURANCE PROGRAM - Funding is provided to implement the Children's Health Insurance Program (CHIP) for children with family incomes at or under 250 percent of the federal poverty level. This program will be operated under Title XXI of the Social Security Act and is therefore not an entitlement. The size of the program is limited by the funds available. Families are expected to pay co-premiums averaging \$25 per child per month. (Health Services Account, General Fund-Federal)
- MEDICALLY-INTENSIVE HOMECARE - Funding is provided for a 10 percent increase in the rates paid for the nursing services component to medically-intensive home care providers in addition to the vendor rate increase provided in item 29. (General Fund-State, General Fund-Federal)
- MEDICARE PART B MATCH - The state can collect federal Medicaid match on a significant number of persons whose Medicare premiums have previously been paid with state funds only. Additional staff are provided to assure that claims are being made properly. (General Fund-State, General Fund-Federal)
- ISSD ADMINISTRATIVE REDUCTIONS - Savings reflect administrative reductions in the Information System Services Division (ISSD). The reduction includes operational efficiencies and staff reductions. (General Fund-State, General Fund-Federal)
- RURAL PUBLIC HOSPITAL DISTRICTS - Appropriation authority is provided for the implementation of the provisions of Chapter 392, Laws of 1999, Partial Veto (SSB 5968). Rural public hospital district payments under this program will have no impact on nursing home rates. (Health Services Account-State, General Fund-Federal)
- PATIENT BILL OF RIGHTS - ESSB 5587 would have required insurers to disclose additional information about the terms of the medical policies they sell and would have allowed consumers to appeal any adverse decision regarding their coverage to an independent review organization. Because the bill was not enacted, this funding will lapse (item 30). (General Fund-State, General Fund-Federal)
- NEWBORN SCREENING FEES - Chapter 76, Laws of 1999 (ESB 5141), authorizes the Department of Health to increase newborn screening fees by \$3.50 in order to fund specialty clinics which treat congenital disorders. The cost impact here is due to the fact that Medical Assistance budget pays for approximately 45 percent of all births in the state. (General Fund-State, General Fund-Federal)
- VENDOR RATE INCREASE - Department vendors will have their rates increased by 2 percent on July 1, 1999, and an additional 2 percent on July 1, 2000. (General Fund-State, General Fund-Federal, Health Services Account-State)

## Department of Social and Health Services Medical Assistance Payments

30. LAPSE: PATIENT BILL OF RIGHTS - ESSB 5587 would have required insurers to disclose additional information about the terms of the medical policies they sell and would have allowed consumers to appeal any adverse decision regarding their coverage to an independent review organization. Because the bill was not enacted, the General Fund-State portion of the funding will lapse. (General Fund-State)

\* Please see the 1999 Supplemental Operating Budget Section for additional information.

***Governor's Vetoes:***

The Governor vetoed Section 210(14) of Chapter 309, Laws of 1999, Partial Veto (ESSB 5180), which would have required the Medical Assistance program to cover chiropractic services.

**Department of Social & Health Services  
Medical Assistance Payments**

**WORKLOAD HISTORY**  
By Fiscal Year

	1992	1993	1994	1995	1996	1997	1998	Estimate		
								1999	2000	2001
<b>Categorically Needy</b>	<b>473,222</b>	<b>520,569</b>	<b>559,686</b>	<b>613,968</b>	<b>653,327</b>	<b>697,694</b>	<b>705,544</b>	<b>701,248</b>	<b>713,386</b>	<b>723,985</b>
AFDC/TANF	301,760	319,499	329,660	329,519	320,540	310,245	287,456	265,343	251,625	238,766
Elderly	34,397	35,365	35,823	36,892	38,716	42,024	44,096	44,994	45,537	46,107
Disabled	67,904	77,335	85,454	91,261	94,848	94,991	95,813	97,797	100,634	103,186
Non-AFDC Children	42,669	59,511	75,602	121,343	162,992	211,943	239,832	253,773	275,522	295,228
Non-AFDC Pregnant Women	14,201	15,734	17,845	18,299	19,043	20,854	21,344	21,374	21,510	21,592
Undocumented Children	11,127	10,911	12,361	12,786	13,000	13,468	13,039	13,423	13,696	13,925
Medicare Beneficiaries	1,164	2,214	2,941	3,868	4,188	4,169	3,964	4,544	4,862	5,181
<b>Medically Needy</b>	<b>17,616</b>	<b>18,151</b>	<b>17,012</b>	<b>14,425</b>	<b>11,395</b>	<b>10,237</b>	<b>11,022</b>	<b>11,665</b>	<b>11,921</b>	<b>12,146</b>
AFDC-Related	6,934	7,126	5,822	3,895	1,433	0	0	0	0	0
Elderly	5,169	5,163	5,208	4,837	4,295	4,339	4,638	4,807	4,836	4,837
Disabled	4,752	5,246	5,537	5,559	5,576	5,759	6,309	6,769	7,000	7,224
All Others	761	616	445	134	91	139	75	89	85	85
<b>Children's Health Insurance Program*</b>									3,074	7,800
<b>General Assistance/ADATSA</b>										
# Persons/Month	12,243	10,368	10,049	10,955	11,786	12,997	13,103	13,532	13,939	14,314
<b>State Medically Indigent</b>										
# Persons/Month	2,472	2,640	2,634	2,407	2,060	2,002	2,289	1,960	1,960	1,960
<b>Refugees</b>										
# Persons/Month	1,824	1,429	1,546	1,665	1,411	1,064	1,344	1,333	1,349	1,374
<b>Total Eligibles per Month</b>	<b>507,377</b>	<b>553,157</b>	<b>590,927</b>	<b>643,420</b>	<b>679,979</b>	<b>723,994</b>	<b>733,302</b>	<b>729,738</b>	<b>742,555</b>	<b>753,779</b>
% Change from prior year		9.0%	6.8%	8.9%	5.7%	6.5%	1.3%	-0.5%	1.8%	1.5%

\* The Children's Health Insurance Program (CHIP) begins in FY 2000. Full enrollment of all 10,000 eligible children is expected to occur by April 2001.

Data Source:  
DSHS Budget Division, Office of Forecasting and Policy Analysis.

**Department of Social and Health Services  
Vocational Rehabilitation**

(Dollars in Thousands)

	<b>GF-S</b>	<b>Other</b>	<b>Total</b>
<b>1997-99 Expenditure Authority</b>	<b>17,649</b>	<b>81,984</b>	<b>99,633</b>
1999 Supplemental *	300	-503	-203
<b>Total 1997-99 Biennium</b>	<b>17,949</b>	<b>81,481</b>	<b>99,430</b>
<b>1999-01 Maintenance Level</b>	<b>17,009</b>	<b>78,494</b>	<b>95,503</b>
<b>Policy Items</b>			
1. General Inflation	-22	-122	-144
2. 1999-01 High School Transition	430	1,590	2,020
3. Basic Support Employment Grants	592	4,852	5,444
4. ISSD Administrative Reductions	-2	-4	-6
5. Vendor Rate Increase	31	0	31
<b>Total 1999-01 Biennium</b>	<b>18,038</b>	<b>84,810</b>	<b>102,848</b>
Fiscal Year 2000 Total	8,960	41,869	50,829
Fiscal Year 2001 Total	9,078	42,941	52,019

**Comments:**

1. GENERAL INFLATION - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.
2. 1999-01 HIGH SCHOOL TRANSITION - Funding and additional staff are provided for the Division of Vocational Rehabilitation to provide job training and placement for approximately 56 percent of the 1,027 students with developmental disabilities who will graduate from high school in 1999 and 2000. Funding for other graduates, and ongoing support for all who require it, is provided in the Division of Developmental Disabilities budget. (General Fund-State, General Fund-Federal)
3. BASIC SUPPORT EMPLOYMENT GRANTS - Sufficient state funds are provided for the vocational rehabilitation program to earn Washington's full allotment of federal vocational rehabilitation funds. (General Fund-State, General Fund-Federal)
4. ISSD ADMINISTRATIVE REDUCTIONS - Information System Services Division (ISSD) administrative reductions include operational efficiencies and staff reductions. (General Fund-State, General Fund-Federal)
5. VENDOR RATE INCREASE - Funding is provided to increase the rates paid to social and health services contractors by 2 percent on July 1, 1999, and by an additional 2 percent on July 1, 2000. (General Fund-State, General Fund-Federal)

\* Please see the 1999 Supplemental Operating Budget Section for additional information.

**Department of Social and Health Services  
Administration & Supporting Services**

(Dollars in Thousands)

	<b>GF-S</b>	<b>Other</b>	<b>Total</b>
<b>1997-99 Expenditure Authority</b>	<b>51,370</b>	<b>43,176</b>	<b>94,546</b>
1999 Supplemental *	-227	181	-46
<b>Total 1997-99 Biennium</b>	<b>51,143</b>	<b>43,357</b>	<b>94,500</b>
<b>1999-01 Maintenance Level</b>	<b>52,747</b>	<b>47,497</b>	<b>100,244</b>
<b>Policy Items</b>			
1. Client Overpayment Recoveries	0	750	750
2. General Inflation	-225	-96	-321
3. Administrative Reductions	-1,585	-812	-2,397
4. ISSD Administrative Reductions	-42	-18	-60
<b>Total 1999-01 Biennium</b>	<b>50,895</b>	<b>47,321</b>	<b>98,216</b>
Fiscal Year 2000 Total	25,695	23,729	49,424
Fiscal Year 2001 Total	25,200	23,592	48,792

**Comments:**

1. CLIENT OVERPAYMENT RECOVERIES - Funding is provided for a partnership between Economic Services and Administration and Supporting Services to increase Public Assistance and Food Stamp collections. This will result in a decrease in Temporary Assistance for Needy Families (TANF) expenditures and an increase in Food Stamp incentive funds retained by the state to support collection activities. (General Fund-Federal, General Fund-Local)
2. GENERAL INFLATION - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.
3. ADMINISTRATIVE REDUCTIONS - Reductions in the Administration and Supporting Services program may be spread across all DSHS programs. The nature of these reductions ranges from efficiency savings due to consolidation, reorganization, and automation, to staff reductions. (General Fund-State, General Fund-Federal)
4. ISSD ADMINISTRATIVE REDUCTIONS - Reductions in the Information System Services Division (ISSD) include operational efficiencies and staff reductions. (General Fund-State, General Fund-Federal)

\* Please see the 1999 Supplemental Operating Budget Section for additional information.

**Department of Social and Health Services  
Payments to Other Agencies**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1997-99 Expenditure Authority</b>	<b>50,084</b>	<b>18,966</b>	<b>69,050</b>
1999 Supplemental *	-312	1,312	1,000
<b>Total 1997-99 Biennium</b>	<b>49,772</b>	<b>20,278</b>	<b>70,050</b>
<b>1999-01 Maintenance Level</b>	<b>61,547</b>	<b>22,758</b>	<b>84,305</b>
<b>Policy Items</b>			
1. General Inflation	-38	-11	-49
<b>Total 1999-01 Biennium</b>	<b>61,509</b>	<b>22,747</b>	<b>84,256</b>
Fiscal Year 2000 Total	30,790	11,339	42,129
Fiscal Year 2001 Total	30,719	11,408	42,127

**Comments:**

1. GENERAL INFLATION - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

\* Please see the 1999 Supplemental Operating Budget Section for additional information.