

Human Services

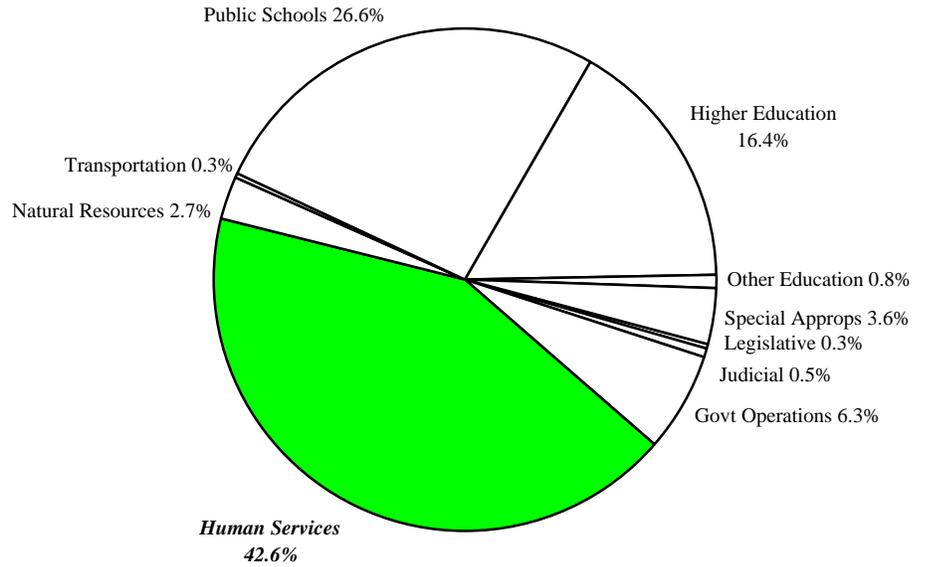
The Human Services section is separated into two subsections: the Department of Social and Health Services (DSHS) and Other Human Services. The DSHS budget is displayed by program division in order to better describe the costs of particular services provided by the Department. The Other Human Services section displays budgets at the departmental level and includes the Department of Corrections, the Department of Labor and Industries, the Employment Security Department, the Health Care Authority, the Department of Health, and other human services related agencies.

2007-09 Washington State Omnibus Operating Budget

Total Budgeted Funds

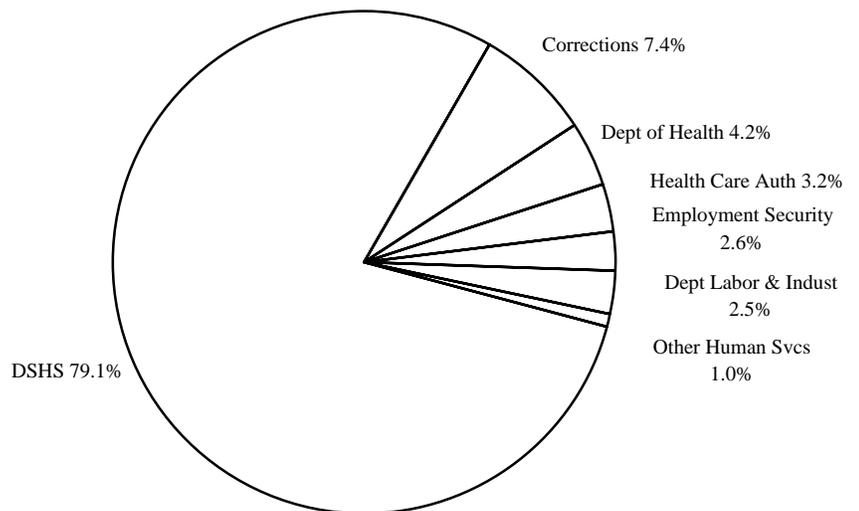
(Dollars in Thousands)

Legislative	170,750
Judicial	284,457
Governmental Operations	3,569,722
Human Services	24,186,777
Natural Resources	1,540,992
Transportation	169,985
Public Schools	15,070,666
Higher Education	9,282,202
Other Education	443,499
Special Appropriations	2,043,434
Statewide Total	56,762,484



Washington State

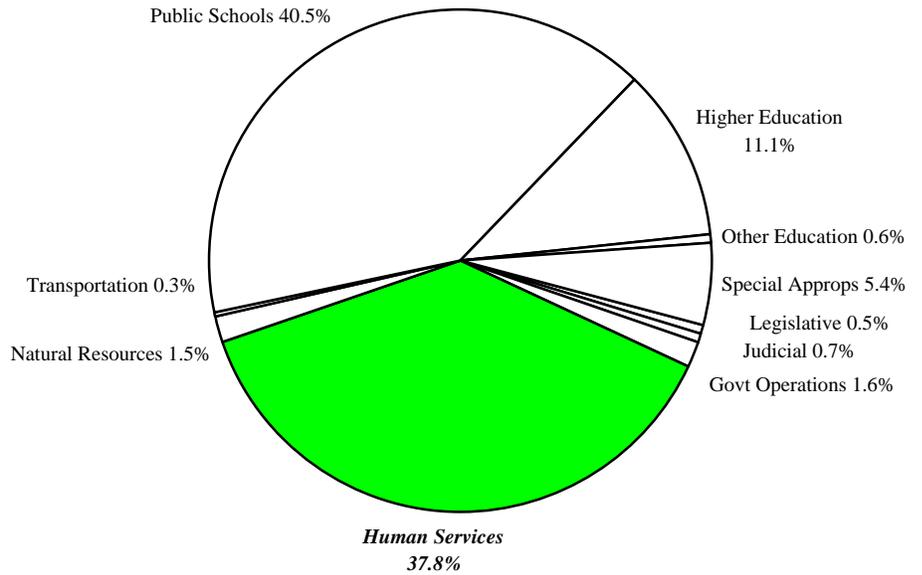
DSHS	19,142,583
Dept of Corrections	1,789,198
Dept of Health	1,006,397
Health Care Authority	784,533
Employment Security	616,875
Dept of Labor & Indust	615,875
Other Human Svcs	231,316
Human Services	24,186,777



Human Services

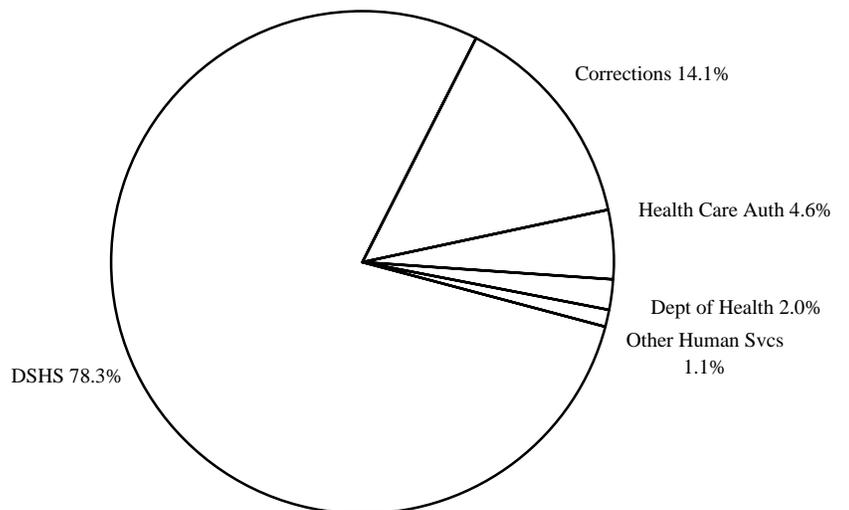
2007-09 Washington State Omnibus Operating Budget
Near General Fund - State
(Dollars in Thousands)

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Human Services	12,611,120
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Public Schools	13,524,072
Higher Education	3,689,446
Other Education	184,163
Special Appropriations	1,799,422
Statewide Total	33,364,407



Washington State

DSHS	9,872,000
Dept of Corrections	1,779,149
Health Care Authority	575,246
Dept of Health	252,093
Other Human Svcs	132,632
Human Services	12,611,120



Human Services

For a definition of Near General Fund-State, please see page 12.

Department of Social & Health Services

Children and Family Services

The budget provides a total of \$6.4 million for Chapter 410, Laws of 2007 (SHB 1333 – Child Welfare). Of the amounts provided, \$0.3 million is provided for administrative implementation of the bill, and \$6.1 million is provided for court-ordered remedial services for parents and caregivers involved in dependency proceedings who are determined by the court to be unable to pay for services, pursuant to the specifications of the bill.

The budget assumes \$5.7 million in state savings to the foster care program as a result of increased placements with kinship providers who are relatives or other suitable persons with whom the child has a relationship. Chapter 412, Laws of 2007 (HB 1377), expands the definition of persons who may qualify as a kinship provider. Prior to placement, the Department deems these placements to be safe and appropriate. The Caseload Forecast Council estimates approximately 8,000 children will be in foster care during the 2007-09 biennium. This legislation would reduce that amount by 271 children in fiscal year 2008 followed by an additional 771 children in fiscal year 2009. In addition, \$4.4 million is provided to increase support services to children placed with relatives.

A total of \$4.6 million is provided to complete the phase-in of Child Welfare Services staff to achieve the goal of face-to-face contact with children, parents, and/or caregivers every 30 days, for both in-home dependencies and out-of-home placements, by the end of calendar year 2008.

Additional funding of \$1.8 million is provided for the Indian Child Welfare program. The base funding for this program is approximately \$5 million General Fund-State and supports contracts with each of the 29 federally-recognized tribes and five Recognized American Indian Organizations.

The sum of \$1.6 million is provided to replace the loss of federal funds for Intensive Family Preservation Services (IFPS). The Washington State Institute for Public Policy (WSIPP) has determined that IFPS programs adhering closely to the Homebuilders model significantly reduce out-of-home placements and subsequent abuse and neglect. WSIPP estimates that such programs produce \$2.54 of benefits for each dollar of cost.

The amount of \$1.4 million is provided to implement Chapter 411, Laws of 2007 (2SHB 1334). The bill requires the Department of Social and Health Services (DSHS) to provide relevant original supporting documents to the court in dependency proceedings.

The budget provides \$1.1 million for DSHS to implement a new practice model to improve social workers' interviewing skills and their interactions with families. The model builds upon evidence-based practices to reduce repeat cases of abuse and neglect. The base budget includes \$3.7 million for classroom style training. The increase will provide additional training to social workers in the field.

Funding of \$1 million is provided for Children's Advocacy Centers. These centers offer a single location where professionals coordinate their investigations of child abuse and provide a child-friendly setting allowing for one centralized forensic interview and one centralized examination that is used by all investigators. This minimizes the need for traumatized children to undergo repetitive investigations. A 50 percent match will be required of each center receiving state funding.

The budget includes funding for the following rate enhancements:

- \$500,000 for a 5.0 percent rate increase each year for pediatric interim care facility services and to expand the number of beds provided from 13 to 17;
- \$500,000 for rate increases of 3.2 percent in fiscal year 2008 and 2.0 percent in fiscal year 2009 for crisis residential centers and secure crisis residential centers;

- \$6.3 million for rate increases of 3.2 percent in fiscal year 2008 and 2.0 percent in fiscal year 2009 for family foster care providers; and
- \$6.6 million for a 5.0 percent rate increase each year for behavioral rehabilitation services.

A total of \$10 million is provided to continue development of a statewide automated child welfare information system (SACWIS) designed to be a comprehensive automated case management tool to support social worker case management practice. SACWIS development began in fiscal year 2007 and will replace the current caseworker system. It is expected to be fully functional in fiscal year 2010.

Juvenile Rehabilitation Administration

Guided by the October 2006 report: “Evidenced-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs, and Crime Rates” by WSIPP, a total of \$9.7 million in state funds is invested in treatment programs for juvenile offenders to prevent continued criminal activity. According to WSIPP, investments in juvenile offender treatment, along with the adult offender re-entry programs, will reduce demand for prison beds by 1,444 in 2017 and 3,289 in 2030.

Mental Health

State and federal funding for the public mental health system is increased by a total of \$183.9 million (13.7 percent). Major increases include:

- \$46.9 million for salary, medical benefits, and other compensation increases for the state Mental Health Division’s 3,100 full-time equivalent (FTE) employees. Included within this total are salary increases averaging approximately 25 percent by the end of the 2007-09 biennium for nurses employed in the state psychiatric hospitals.
- A \$36.3 million vendor rate increase for community mental health services totaling 3.0 percent effective July 1, 2007, and an additional 3.0 percent effective July 1, 2008. The Legislature intends that at least two-thirds of this increase will be used to increase compensation for direct care and direct care support staff by approximately 4.0 percent each year. Funds are also provided for increased indirect costs in areas such as utilities, supplies, rent, insurance, and administrative and other support staff.
- \$11.9 million for two changes in community hospital payment rates and methods. First, payment rates for indigent psychiatric patients not eligible for Medicaid are increased to 85 percent of the Medicaid level. They presently average less than 60 percent of that level. Second, Medicaid payment rates for psychiatric inpatient care are increased by a total of \$7.4 million.
- State funding for people and services not covered by the state and federal Medicaid program is increased by \$6.1 million (3.0 percent). Regional Support Networks (RSNs) are encouraged to use a portion of this increase to provide local financial support for mental health clubhouses.
- A total of \$5.7 million is provided across several DSHS programs to improve children’s mental health services, pursuant to Chapter 359, Laws of 2007 (2SHB 1088). Wraparound services pilot programs designed to reduce inpatient psychiatric hospitalization and out-of-home placement of children will be developed in up to four RSNs. In addition, funding is provided to: expedite Medicaid enrollment or reinstatement for youth leaving confinement; establish a psychiatric consultation service for primary care providers; support a children’s mental health center focused on evidence-based mental health services at the University of Washington; reexamine children’s access to care standards; support a review of prescribing practices for children receiving medications for emotional or behavioral disturbances; and expand the Medicaid Healthy Options and fee-for-service children’s outpatient mental health benefits from 12 to 20 visits per year.
- \$3.7 million is provided to implement new legislation under which mental health professionals are to have the option of being accompanied by a second trained professional when conducting crisis intervention and outreach visits in a private setting. They are also to be equipped with a cell phone or other emergency communication device and to have prompt access to any available information concerning potential dangers posed by the person served. Additionally, all community mental health workers are to receive annual training in safety procedures and violence prevention techniques.

- A total of \$3.3 million is provided to enhance staff safety at the state psychiatric hospitals by increasing staff at Western State Hospital (WSH) during mealtimes to reduce the risk of assaults; providing additional safety equipment; training staff on how to identify and defuse situations that can lead to violence; and establishing a program that will assist injured WSH employees in returning to work more quickly.

Developmental Disabilities

The total state funding for services for persons with developmental disabilities for the 2007-09 biennium represents a 15.7 percent (\$120.7 million) increase from the 2005-07 biennium (including the 2006 supplemental budget). Of this amount, 3.9 percent is for carryforward and maintenance level changes, 4.7 percent is for policy level program expansions or changes, 2.6 percent is for the 2007 home care worker arbitration agreement and related agency parity, 2.2 percent is for other vendor rate increases, and 2.3 percent is for other policy-level compensation adjustments.

The budget provides an additional \$24.1 million in state funding and \$25.5 million in federal funding to add 378 new community residential placements for individuals using Medicaid Home and Community-Based Waivers. Of these placements, 112 are provided for community protection placements, 30 are provided for clients living with aging caregivers over 70 years of age, and 236 are provided for other community placements. Priority for the new placements includes children at risk of institutionalization, children aging out of other state services, clients without residential services who are in crisis and at risk of needing an institutional placement, and current waiver clients.

The budget provides \$5.1 million in state funding for employment services, including \$1.0 million for partnership programs to help high school students prepare for employment. Employment services funding is for approximately 750 clients with developmental disabilities. Priority funding is for young adults with developmental disabilities living with their families who need employment opportunities and assistance after high school graduation.

State funding in the amount of \$4.9 million is provided for family caregiver support and respite for an additional 1,300 clients (30 percent increase) to receive services by the end of fiscal year 2009.

The Legislature funded a number of vendor rate increases for providers of services to people with disabilities and elderly clients (see the Long-Term Care and Home Care Worker subsections for additional information.) The rate increases below are specific to providers of services to clients with developmental disabilities:

- \$13.5 million in state funding and \$14.2 million in federal funding are provided for a benchmark rate increase for community residential providers at an average rate of 5.0 percent in fiscal year 2008, 2.0 percent in fiscal year 2009, and a 3.2 percent administrative rate increase in fiscal year 2008 for certain providers.
- \$1.3 million in state funding and \$1.4 million in federal funding are provided for vendor rate increases of 6.0 percent in fiscal year 2008 and 2.0 percent in fiscal year 2009 for adult family homes and boarding homes with adult residential care contracts.
- \$1.9 million in state funding and \$0.8 million in federal funding are provided for vendor rate increases of 1.6 percent in fiscal year 2008 and 1.0 percent in fiscal year 2009 for counties and their contractors that provide assistance in gaining and maintaining paid employment.

Home Care Providers (Long-Term Care, Developmental Disabilities, and Children and Family Services)

A total of \$153.9 million in state and federal resources is provided to increase compensation to individual and agency providers who care for persons who receive publicly-funded personal care services in their own homes, including:

- \$98.6 million to implement an interest arbitration settlement between the Governor and the exclusive bargaining representative of individual home care providers. The settlement requires the state to pay the

employee share of worker's compensation premiums and increases provider wages by \$0.36 per hour in each year of the biennium. Individual home care providers will also receive: differential pay of \$1.00 per hour when they serve as mentors or trainers; mileage reimbursement for client-related travel in their personal vehicles, effective July 1, 2008; and an increase in accrual rates for vacation leave. Health care contributions for medical, vision, and dental benefits will be increased by 10 percent from \$532 per worker per month to \$585 per worker per month, effective July 1, 2008. Additionally, effective September 1, 2007, home care workers performing work for clients with certain special needs will not receive a reduction of hours based upon their shared residence with their clients, and certain hours of work for providers caring for clients with complex behavioral and cognitive issues will be increased;

- \$50.3 million to increase home care agency provider payments and health benefit contributions for direct care workers employed by agencies commensurate with the compensation-related provisions of the interest arbitration award for individual providers of home care services; and
- \$5 million to increase the administrative portion of the home care agency provider rate by 2.0 percent effective July 1, 2007, and an additional 2.0 percent effective July 1, 2008.

Long-Term Care

A total of \$3.0 billion is appropriated for DSHS to provide long-term care services to an average of 51,100 elderly and disabled adults per month. This represents a 2.6 percent increase in the number of persons receiving such services and a 15.2 percent increase in expenditures from the 2005-07 biennium.

A total of \$2.4 million in state resources is provided to increase support to unpaid family caregivers providing services to elderly and disabled adults by an additional 600 families by the end of the biennium, an increase of 7.5 percent.

The budget appropriates funding to increase vendor payments for a variety of long-term care service providers, including:

- \$60.7 million to modify Medicaid nursing facility payments in accordance with Chapter 508, Laws of 2007 (ESSB 6158), and provide a 3.2 percent inflationary rate increase effective July 1, 2007;
- \$20.3 million to provide boarding homes with a 6.0 percent vendor rate increase effective July 1, 2007, and an additional 2.0 percent vendor rate increase effective July 1, 2008;
- \$8.4 million to provide adult family homes with a 3.2 percent vendor rate increase effective July 1, 2007, and an additional 2.0 percent vendor rate increase effective July 1, 2008;
- \$5.3 million to provide Area Agencies on Aging, Adult Day Health Services, Respite Care Services, Senior Citizens Services Act Programs, and the Program of All-Inclusive Care for the Elderly with a 2.0 percent vendor rate increase effective July 1, 2007, and an additional 2.0 percent vendor rate increase effective July 1, 2008; and
- \$2.3 million to provide Private Duty Nursing Services a 10 percent vendor rate increase effective July 1, 2007.

Economic Services Administration

A total of \$51.4 million is provided for the collective bargaining agreement between the Department of Early Learning (DEL) and family child care workers. Some funding for the collective bargaining agreement is provided in the DSHS budget, to be distributed with the provider payments made by DSHS on DEL's behalf. The funding provided directly to DEL will cover subsidy and licensing training and agency implementation costs. In addition, \$32.4 million is provided for rate increases of 7.0 percent in fiscal year 2008 and 3.0 percent in fiscal year 2009 to licensed child care centers for state-subsidized child care services, commensurate with the collectively-bargained increase provided to licensed family care providers.

The budget provides several increases to the WorkFirst/Temporary Assistance to Needy Families (TANF) program:

- \$7.9 million is provided to establish a post-TANF program to increase long-term self-sufficiency.
- \$3.1 million is provided to implement Chapter 289, Laws of 2007 (2SSB 6016), which extends the TANF exemption for program participation for a single parent of an infant from when the infant is three months of age to twelve months of age.
- \$2.8 million is provided for an increase in TANF child-only grants to support additional children in foster care to be placed with relatives or other suitable persons with whom the child has a relationship as a result of Chapter 412, Laws of 2007 (HB 1377).
- \$500,000 is provided for the WorkFirst Pathway to Engagement program. Through this program, the Department and community partners will identify additional services needed for WorkFirst clients in sanction status. The Department shall then contract for such services to be provided to those clients voluntarily choosing to accept them.

The budget provides \$4.6 million in state funding to implement the child support pass-through option allowed under the federal Deficit Reduction Act (DRA) of 2005. The DRA changes allow states to pass through, or pay child support payments, to families receiving TANF cash assistance, without requiring the state to reimburse the federal government for its share of foregone revenue. Chapter 143, Laws of 2007 (SSB 5244), provides the Department authority to initiate the pass-through option. Effective October 1, 2008, Washington State will implement the pass-through option of up to \$100 for a one-child family or up to \$200 for a family with two or more children.

In addition, the DRA limits the allowable child support assignment to the state to include only the amount of child support due to the custodial parent during months that the family receives TANF payments. SSB 5244 aligns state law with federal DRA requirements. The budget provides \$1.0 million to make computer system modifications and to replace the reduced collections from this change.

The DRA also requires states to assess a \$25 mandatory fee for the use of Division of Child Support services. The fee shall be assessed on families who have received at least \$500 in child support collections in a calendar year and who have never received TANF payments. Of the revenue collected, 66 percent must be paid to the federal government. The collected revenue will be recorded as a negative expenditure.

A total of \$1.6 million is provided to hire ten additional Supplemental Security Income disability facilitators to assist disabled General Assistance clients who meet federal disability standards with application and enrollment onto the federal disability program. These targeted efforts are expected to generate \$10.4 million in additional recoveries from the federal government during the 2007-09 biennium.

The sum of \$3 million is provided to increase Limited English Proficiency Pathway services.

The budget also provides \$1.5 million to increase contracted naturalization services.

Medical Assistance Administration

A total of \$8.3 billion in state and federal funds is provided for an average of 908,000 low-income children and adults per month to receive medical and dental care through Medicaid and other DSHS medical assistance programs during the 2007-09 biennium. Total expenditures on these services are budgeted to increase by \$604 million (7.8 percent) from the 2005-07 biennium, and the state share of those expenditures is projected to increase by \$300 million (8.1 percent).

Approximately 65 percent of the expenditure increase is due to the continuation of existing program policies rather than new policy or program enhancements. About 35 percent of the expenditure growth reflects major policy enhancements, some of which are detailed below.

In accordance with Chapter 5, Laws of 2007 (2SSB 5093), \$34 million in state funds and \$27.1 in federal funds are provided for outreach and health care coverage for an additional 39,000 children by the end of the 2007-09 biennium. Of this amount, \$4.4 million in state funds will go toward outreach and educational efforts and streamlining the eligibility application and renewal process in order to enroll and retain more children in continuous health care coverage. The legislation creates an entitlement program for all children up to 250 percent of the federal poverty level and, beginning January 2009, expands health care coverage to children up to 300 percent of the federal poverty level within appropriated funds.

State funds of \$14.6 million and federal funds of \$15.5 million are provided to support increased Medicaid reimbursement in the following areas: a 48 percent increase for pediatric services; a 12 percent increase for adult office visits; and a 10 percent increase in private duty nursing through the Medically-Intensive Home Care Program.

State funds of \$15.1 million and federal funds of \$49.0 million are provided to continue implementation of ProviderOne, the system that will replace the Department's primary provider payment system, the Medicaid Management Information System, which is expected to be operational by February 2008.

State funds of \$7.3 million and federal funds of \$7.0 million are provided for a number of enhancements in dental care, including expansion of dental disease preventive care by primary care providers, a rate increase for the Access to Babies and Children Dentistry program, endodontics and dental prosthetic services for adults, and rate increases for children's orthodontic and endodontic services.

Additionally, the Department will transition to a new Medicaid hospital inpatient reimbursement system in August 2007 based on recommendations by an independent contractor. The new system will incorporate more current cost and claims data, provide for more equitable payment rates across similar services, and improve the state's ability to control costs. To facilitate the transition to this new system, \$4.7 million in state funds and \$5.5 million in federal funds are provided to increase payment rates for high-cost children's inpatient services and to pay rehabilitation services at the statewide average rate. Additional funding for this transition is provided in the DSHS Mental Health Program budget.

Alcohol and Substance Abuse

Funding for the substance abuse treatment expansion authorized by the 2007-09 biennium operating budget is adjusted consistent with actual data and revised treatment level projections. Total state and federal funds are reduced by \$7.4 million from the \$47.9 million in total funds assumed in the Department's base budget for 2007-09.

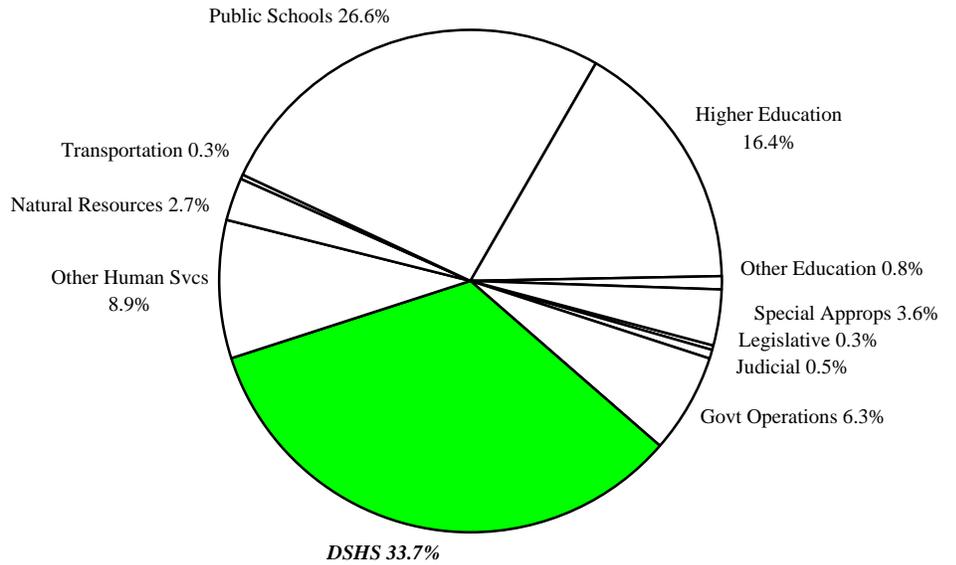
A total of \$16.9 million in state and federal resources is provided to increase outpatient treatment rates to cover 60 percent of providers' treatment costs, based on 2005 costs as estimated in the November 2006 Sorensen study. Overall, the increase is an average of 15 percent in fiscal year 2008 and 2 percent in fiscal year 2009.

2007-09 Washington State Omnibus Operating Budget

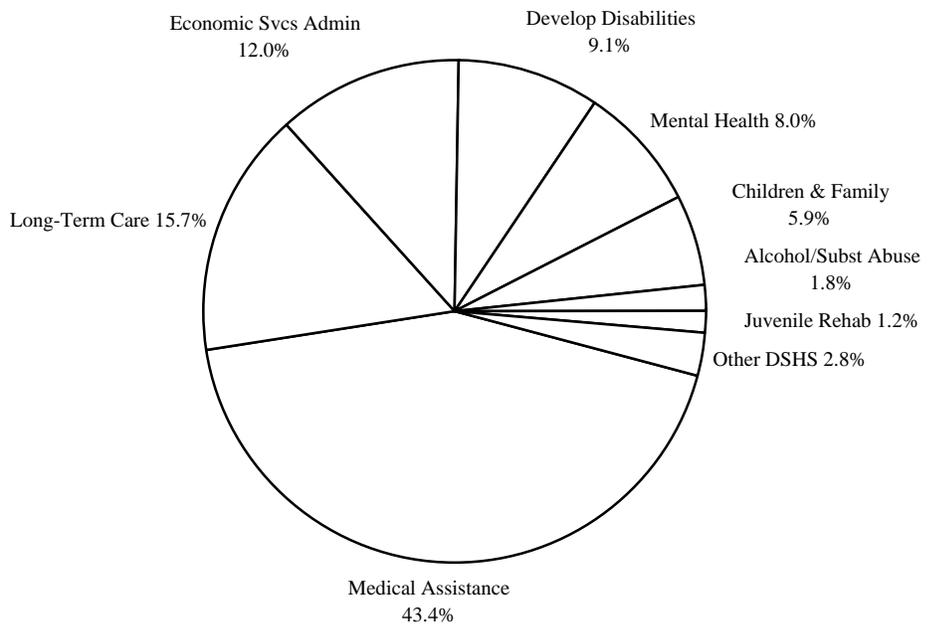
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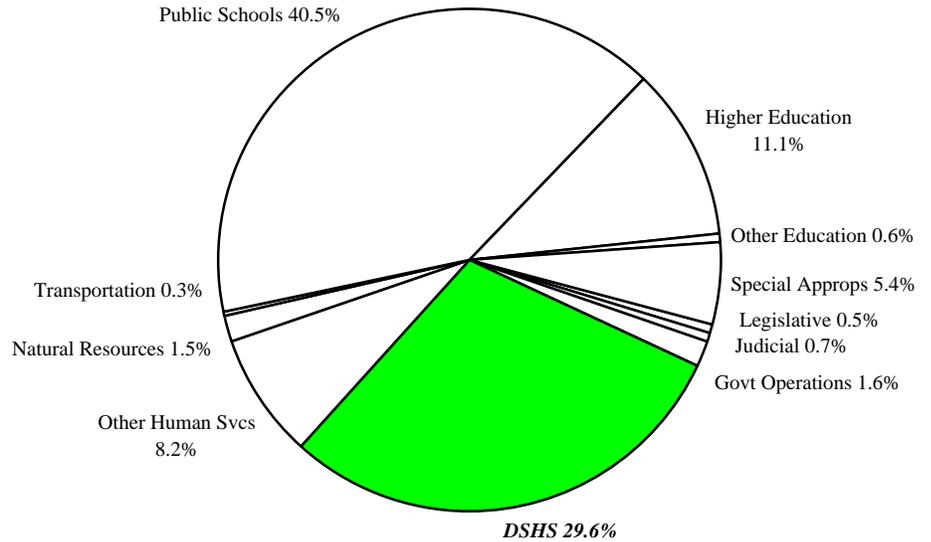
Medical Assistance	8,312,963
Long-Term Care	3,005,916
Economic Services Admin	2,305,698
Developmental Disabilities	1,737,585
Mental Health	1,524,885
Children & Family Svcs	1,126,199
Alcohol/Subst Abuse	349,310
Juvenile Rehabilitation	235,195
Other DSHS	544,832
DSHS	19,142,583



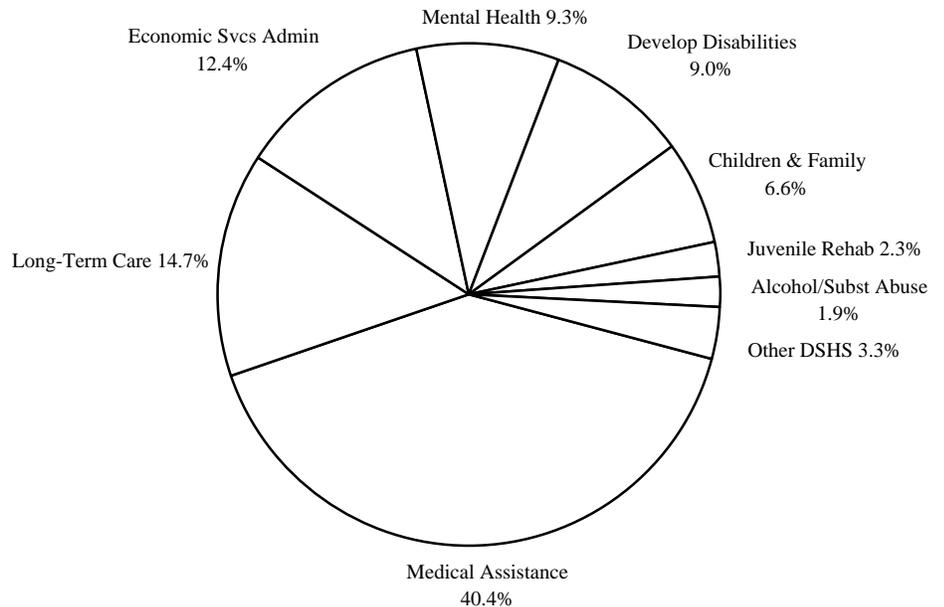
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Transportation	90,176
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Higher Education	3,689,446
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Statewide Total	33,364,407



Medical Assistance	3,990,690
Long-Term Care	1,446,903
Economic Services Admin	1,224,514
Mental Health	918,670
Developmental Disabilities	891,214
Children & Family Svcs	656,031
Juvenile Rehabilitation	224,203
Alcohol/Subst Abuse	190,417
Other DSHS	329,358
DSHS	9,872,000



DSHS

For a definition of Near General Fund-State, please see page 12.

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

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2005-07 Expenditure Authority	557,832	435,574	993,406
2007 Supplemental *	-3,030	321	-2,709
Total 2005-07 Biennium	554,802	435,895	990,697
2007-09 Maintenance Level	613,140	461,441	1,074,581
Policy Changes - Non-Comp			
1. Child Care Development Fund to DEL	0	-18,150	-18,150
2. Targeted Vendor Rate Increase	7,097	3,042	10,139
3. Safe and Timely Interstate Place	274	118	392
4. Increase Kinship Placements	-5,685	-5,821	-11,506
5. Foster Child Clothing	557	238	795
6. Build in Federal Grant Authority	0	18,364	18,364
7. Individ Provider Home Care Worker	147	155	302
8. Agency Provider Parity	29	31	60
9. Practice Model Implementation	1,080	464	1,544
10. Implement 30-Day Visits	4,604	1,973	6,577
11. SACWIS Implementation	9,548	9,548	19,096
12. Trans Adoption Supp Medical to HRSA	-16,712	-17,776	-34,488
13. Increase Kinship Support	4,424	454	4,878
14. Increase Support for Foster Parents	6,272	2,688	8,960
15. Indian Child Welfare	1,782	0	1,782
16. Interstate Compact-Place Children	264	110	374
17. Child Advocacy Centers	1,000	429	1,429
18. Parent/Caregiver Support	4,475	1,918	6,393
19. Child Welfare Proceedings	1,387	594	1,981
20. Racial Disproportionality	90	41	131
21. Child Welfare	80	35	115
22. Adam Walsh Act Requirements	1,667	715	2,382
23. Child Abuse and Neglect Allegations	126	55	181
24. Pediatric Interim Care	536	0	536
25. Intensive Family Preservation Svcs	1,584	0	1,584
26. Children in Foster Care Study	50	100	150
27. Technical Correction Caseload Adj	1,248	534	1,782
28. Foster Care Passport to College	201	201	402
29. Trauma Mitigation Pilot Program	300	129	429
Policy -- Non-Comp Total	26,425	189	26,614
Policy Changes - Comp			
30. Revise Pension Gain-Sharing	-366	-191	-557
31. Nonrepresented Staff Health Benefit	224	123	347
32. Nonrepresented Salary Increase	1,244	695	1,939
33. Nonrepresented Salary Survey	82	55	137
34. Nonrepresented Class Consolidation	31	16	47
35. Nonrepresented Additional Step	211	121	332
36. Retain FY 2007 Pay Increase (1.6%)	524	292	816
37. WFSE Collective Bargaining	14,516	7,427	21,943
Policy -- Comp Total	16,466	8,538	25,004
Total 2007-09 Biennium	656,031	470,168	1,126,199
Fiscal Year 2008 Total	321,232	233,735	554,967
Fiscal Year 2009 Total	334,799	236,433	571,232

Department of Social and Health Services Children & Family Services

Comments:

1. **Child Care Development Fund to DEL** - Funding and staffing for the federal Child Care Development Fund (CCDF) and a portion of the state matching money required to earn CCDF are transferred from the Department of Social and Health Services to the Department of Early Learning (DEL). CCDF funds are used to support the state's child care licensing function, quality initiatives, and child care subsidies. The transferred state matching money provides partial funding of the Early Childhood Education and Assistance Program. (General Fund-State, General Fund-Federal)
2. **Targeted Vendor Rate Increase** - Funding in the amount of \$6.6 million in state funds and \$2.8 million in federal funds are provided for rate increases of 5 percent in FY 2008 and 5 percent in FY 2009 for behavioral rehabilitation services. In addition, funds are provided for rate increases of 3.2 percent in FY 2008 and 2.0 percent in FY 2009 to crisis residential centers and secure crisis residential centers. (General Fund-State, General Fund-Federal)
3. **Safe and Timely Interstate Place** - Under federal law, foster parents, pre-adoptive parents, and relatives now have the right to be heard in review hearings pertaining to a child under federal law. Chapter 409, Laws of 2007, Partial Veto (SHB 1287), aligns state law with this new requirement. Funding is provided to support the cost to notify these parties via certified mail of court proceedings. (General Fund-State, General Fund-Federal)
4. **Increase Kinship Placements** - The budget reflects savings to the foster care program resulting from increased placements with kinship providers who are relatives or other suitable persons with whom the child has a relationship. Chapter 412, Laws of 2007 (HB 1377), expands the definition of persons who may qualify as a kinship provider. Prior to placement, the Children's Administration deems these placements to be safe and appropriate. The Caseload Forecast Council estimates approximately 8,000 children will be in foster care during the 2007-09 biennium. This legislation would reduce that amount by 271 children in FY 2008 followed by an additional 771 children in FY 2009. (General Fund-State, General Fund-Federal)
5. **Foster Child Clothing** - The Children's Administration currently provides a \$200 clothing voucher for foster youth upon entry into out-of-home care. This item provides an additional \$100 clothing voucher after six months in care. (General Fund-State, General Fund-Federal)
6. **Build in Federal Grant Authority** - The Children's Administration receives several federal grants to support social worker education, foster youth, tribes, and the child welfare information system. Additional federal expenditure authority is provided for these ongoing grants, eliminating the need to annually submit unanticipated receipts. (General Fund-Federal)
7. **Individ Provider Home Care Worker** - Funding is provided to implement the compensation-related components of an interest arbitration award to the approximately 23,000 individuals who contract with the state to provide publicly-funded home care services to elderly and disabled persons. Pursuant to the arbitration award, the state will pay the employee share of worker's compensation premiums, and average individual provider wages will increase from \$9.50 per hour to \$9.86 per hour in FY 2008 and to \$10.22 per hour in FY 2009, based upon changes to the existing seniority-based wage scale. Individual home care providers will also receive differential pay of \$1.00 per hour when they serve as mentors or trainers; mileage reimbursement for client-related travel in their personal vehicles, effective July 1, 2008; and an increase in accrual rates for vacation leave. Health care contributions for medical, vision, and dental benefits will be increased by 10 percent, from \$532 per worker per month to \$585 per worker per month, effective July 1, 2008. Additionally, effective September 1, 2007, home care workers performing work for clients with certain special needs will not receive a reduction of hours based upon their shared residence with their clients, and certain hours of work for providers caring for clients with complex behavioral and cognitive issues will be increased. (General Fund-State, General Fund-Federal)
8. **Agency Provider Parity** - Funding is provided to increase home care agency provider payments and health benefit contributions for direct care workers employed by agencies commensurate with the compensation-related provisions of the interest arbitration award for individual providers of home care services. In accordance with RCW 74.39A.310, the Department's provider payment rates and contribution levels for health care benefits are increased for agency providers of home services at the same rate as negotiated and funded for individual providers. (General Fund-State, General Fund-Federal)
9. **Practice Model Implementation** - Funding is provided to implement the Children's Administration practice model and to train, mentor, and coach individuals on casework and supervision skills to support better engagement of families receiving services. (General Fund-State, General Fund-Federal)
10. **Implement 30-Day Visits** - Funding is provided to complete the phase-in of child welfare services staff to achieve the goal of face-to-face contact with children, parents, and/or caregivers every 30 days, for both in-home dependencies and out-of-home placements by the end of calendar year 2008. (General Fund-State, General Fund-Federal)
11. **SACWIS Implementation** - Funding is provided to continue development of a statewide automated child welfare information system (SACWIS) designed to be a comprehensive automated case management tool to support social worker case management practice, including child protective services, child welfare services, and other family support services. SACWIS development began in FY 2007, and the system is expected to be fully functional beginning in FY 2010. It will replace the

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current Case and Management Information System. (General Fund-State, General Fund-Federal)

12. **Trans Adoption Supp Medical to HRSA** - The budget transfers the responsibilities of the Adoption Support Medical program from the Children's Administration to the Medical Assistance Administration's Health and Recovery Services Administration (HRSA) to consolidate the medical service delivery function within one administration. (General Fund-State, General Fund-Federal)
13. **Increase Kinship Support** - In order to increase the number of children placed with extended family members, funding is provided to conduct comprehensive relative searches, complete relative home studies, and provide support services to children placed with relatives. (General Fund-State, General Fund-Federal)
14. **Increase Support for Foster Parents** - Funding is provided for an increase to family foster home payments of \$25 per month per child in FY 2008 and an additional \$25 per month per child in FY 2009 to support the needs of children in foster care. This represents an increase of approximately 3.2 percent in FY 2008 and 2.0 percent in FY 2009. (General Fund-State, General Fund-Federal)
15. **Indian Child Welfare** - The budget provides additional funding for the Indian Child Welfare program. The base funding for this program is approximately \$5 million in state general funds and supports contracts with each of the 29 Federally-Recognized Tribes and 5 Recognized American Indian Organizations. Contracts include services that mirror those delivered by the Children's Administration. Direct service delivery funding has not been increased since the 1997-99 biennium. This funding is to assist with the implementation of new state and federal laws.
16. **Interstate Compact-Place Children** - As a result of the Safe and Timely Interstate Placement of Foster Children Act of 2006, the Children's Administration must comply with new tracking and reporting requirements. Funding is provided to establish the data tracking infrastructure, meet home study timelines, conduct home studies, and provide ongoing training and support in the regions. (General Fund-State, General Fund-Federal)
17. **Child Advocacy Centers** - Funds are provided solely for services provided through children's advocacy centers. Amounts provided may be used for: (a) children's advocacy centers that meet the National Children's Alliance accreditation standards for full membership and are members in good standing; (b) communities in the process of establishing a center; and (c) the state association of children's advocacy centers. A 50 percent match will be required of each center receiving state funding. (General Fund-State, General Fund-Federal)
18. **Parent/Caregiver Support** - Funding is provided to implement Chapter 410, Laws of 2007 (SHB 1333). Of the amounts provided, \$300,000 is for implementation of the bill, and \$6.1 million is for court-ordered remedial services for parents and caregivers involved in dependency proceedings who are determined by the court to be unable to pay for services, pursuant to the specifications of the bill. (General Fund-State, General Fund-Federal)
19. **Child Welfare Proceedings** - Funding is provided to implement Chapter 411, Laws of 2007 (2SHB 1334). The bill requires DSHS to provide relevant original supporting documents to the court in dependency proceedings.
20. **Racial Disproportionality** - Funding is provided to implement Chapter 465, Laws of 2007 (SHB 1472). The bill directs the Department to convene an advisory committee to examine and analyze the impact of racial disproportionality and disparity in Washington's child welfare system.
21. **Child Welfare** - Funding is provided to implement Chapter 413, Laws of 2007 (ESHB 1624). The bill establishes a process for reunification of dependent children with parents whose parental rights were terminated due to child abuse or neglect; modifies court procedures related to dependency proceedings; requires the Department to consult with foster parents at least quarterly; and directs the Department to study the need and feasibility of establishing tiered classifications for foster parents, including a professional foster parent classification.
22. **Adam Walsh Act Requirements** - The budget provides funding and staff to implement new federal fingerprint check requirements resulting from the Adam Walsh Act of 2006, and as required by Chapter 387, Laws of 2007, Partial Veto (ESSB 5774). All adoptive parents, foster parents, and others over 16 years of age residing in the household must be fingerprinted for a criminal history background check. (General Fund-State, General Fund-Federal)
23. **Child Abuse and Neglect Allegations** - Funding is provided to implement Chapter 220, Laws of 2007 (SSB 5321). The bill modifies the definitions of child abuse and neglect findings. The legislation also establishes time frames for the expunging of records and for conducting investigations of child abuse and neglect allegations. (General Fund-State, General Fund-Federal)
24. **Pediatric Interim Care** - Funding is provided for a 5 percent rate increase each year for the facility-based pediatric interim care program and to expand the number of beds provided from 13 to 17.
25. **Intensive Family Preservation Svcs** - State funds are provided to replace the loss of federal funds for intensive family preservation services.
26. **Children in Foster Care Study** - One-time funding is provided for the Department to contract with the Washington Institute of Public Policy to study evidence-based, cost-effective programs and policies to reduce the likelihood of children entering and remaining in the child welfare system, including both prevention and intervention programs. If the Department does not receive \$100,000 in matching funds from a private

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organization, this funding shall lapse. The study shall be completed by April 30, 2008. The Department shall ensure access to data is available to the contractor for purposes of this study. (General Fund-State, General Fund-Local)

27. **Technical Correction Caseload Adj** - A technical correction is made to the maintenance level caseload adjustment. (General Fund-State, General Fund-Federal)
28. **Foster Care Passport to College** - In accordance with Chapter 314, Laws of 2007 (ESHB 1131), funds are provided for the Children's Administration to contract with a non-profit organization to provide foster care youth, age 14 and older, with comprehensive information regarding post-secondary educational opportunities. In addition, amounts are appropriated to the Higher Education Coordinating Board to design and implement a program of supplemental scholarship and academic support services for foster youth who emancipate from foster care after spending at least one year in care after their 16th birthday. (General Fund-State, General Fund-Federal)
29. **Trauma Mitigation Pilot Program** - Funding is provided for a trauma mitigation pilot program for children who have been found to be dependent pursuant to 13.34 RCW. The pilot program shall: (a) implement a regional trauma mitigation early intervention program using evidence-based practice, including trauma-focused cognitive behavioral therapy, to reduce the effects on dependent children of exposure to trauma; and (b) identify and strengthen local resources for developmentally appropriate services for dependent children who have experienced trauma and their families. Program service components shall include receiving care, child care, periodic interventions, and periodic follow-up assessments. The pilot program shall also provide for the dissemination of information and training for professionals, parents, foster parents, and caregivers regarding the long-term impacts of exposure to trauma, as well as information on evidence-based practices, strategies, and resources for mitigating the impact of exposure to trauma. The Department shall report to the appropriate policy committees of the Legislature regarding impact and outcomes of the pilot program by June 30, 2009.
30. **Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
31. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
32. **Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
33. **Nonrepresented Salary Survey** - Funding is provided for state employees who lag most severely behind market rates in the 2006 Department of Personnel salary survey. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
34. **Nonrepresented Class Consolidation** - Funding is provided for nonrepresented state employees' increases in specific job classes corresponding to those provided in collective bargaining agreements negotiated by the Governor. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
35. **Nonrepresented Additional Step** - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
36. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)
37. **WFSE Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

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

WORKLOAD HISTORY
By Fiscal Year

	2000	2001	2002	2003	2004	2005	2006	Estimated		
								2007	2008	2009
Foster Care ⁽¹⁾										
Avg # Children Served Monthly	7,826	7,838	7,853	7,880	7,713	7,769	7,769	7,824	7,949	8,038
% Change from prior year		0.2%	0.2%	0.3%	-2.1%	0.7%	0.0%	0.7%	1.6%	1.1%
Child Care ⁽²⁾										
Avg # Children Served Monthly	4,909	5,253	4,608	4,388	4,021	4,028	4,205	4,525	4,618	4,694
% Change from prior year		7.0%	-12.3%	-4.8%	-8.4%	0.2%	4.4%	7.6%	2.1%	1.6%
Child Protective Services (CPS)										
Avg CPS Referrals Monthly	6,351	6,375	6,461	6,288	6,558	6,481	6,426	6,429	6,439	6,449
% Change from prior year		0.4%	1.4%	-2.7%	4.3%	-1.2%	-0.8%	0.0%	0.2%	0.2%
Adoption Support ⁽³⁾										
Avg # Children Served Monthly	4,720	5,683	6,603	7,392	8,387	9,208	9,964	10,822	11,689	12,556
% Change from prior year		20.4%	16.2%	12.0%	13.5%	9.8%	8.2%	8.6%	8.0%	7.4%
Caseload Ratio										
Avg Cases Per Worker ⁽⁴⁾	29:1	29:1	24:1	24:1	24:1	24:1	23:1	21:1	21:1	19:1

- ⁽¹⁾ Includes unduplicated count of children in licensed foster care placements (family foster care, behavioral rehabilitative services, and receiving care). Does not include unlicensed kinship care. These data are not comparable with prior editions of the Legislative Budget Notes, which provided a duplicated count of children in licensed foster care. Official forecasts are now based on an unduplicated count of children in licensed foster care placements, rather than a duplicated count.
- ⁽²⁾ Includes the following child care services: CPS/Child Welfare Services (CWS), Therapeutic/Medicaid Treatment, Foster Parent Employment, and Adoption Support Child Care. Prior to FY 2002, the monthly average also included teen parent and seasonal child care.
- ⁽³⁾ Data reflect Adoption Support maintenance payments. These data are not comparable to caseloads displayed in editions of the Legislative Budget Notes published prior to 2006, which reported total eligibles. Official forecasts are now based on maintenance payments rather than eligibles.
- ⁽⁴⁾ Combined average number of open cases per worker for CPS, CWS, and Family Reconciliation Services.

Data Sources :

FY 2000 through FY 2006 actuals for Foster Care, Child Care, CPS, and Adoption Support are from the Department of Social and Health Services (DSHS) Division of Research and Data Analysis reports.

FY 2000 through FY 2006 actuals for Caseload Ratio are from the DSHS Central Budget Office.

FY 2007 through FY 2009 estimates for Foster Care and Adoption Support represent the Caseload Forecast Council March 2007 forecast.

FY 2007 through FY 2009 estimates for Child Care and CPS are from DSHS.

FY 2007 through FY 2009 estimates for Caseload Ratio are from the DSHS Children's Administration Budget Office.

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

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2005-07 Expenditure Authority	198,480	12,282	210,762
2007 Supplemental *	1,688	1,761	3,449
Total 2005-07 Biennium	200,168	14,043	214,211
2007-09 Maintenance Level	200,566	9,320	209,886
Policy Changes - Non-Comp			
1. Reinvesting in Youth Program	0	1,414	1,414
2. Targeted Vendor Rate Increase	242	0	242
3. Reduce Double Bunking	1,768	0	1,768
4. Integrated Treatment Model	2,542	0	2,542
5. Consolidated Juvenile Services	1,000	0	1,000
6. Auto Theft	0	171	171
7. JCA Evidence-Based Programs	5,735	0	5,735
8. JRA Evidence-Based Programs	2,574	0	2,574
Policy -- Non-Comp Total	13,861	1,585	15,446
Policy Changes - Comp			
9. Revise Pension Gain-Sharing	-191	-3	-194
10. Nonrepresented Staff Health Benefit	150	6	156
11. Nonrepresented Salary Increase	870	32	902
12. Nonrepresented Salary Survey	255	6	261
13. Nonrepresented Class Consolidation	21	0	21
14. Nonrepresented Additional Step	260	8	268
15. Retain FY 2007 Pay Increase (1.6%)	365	14	379
16. WFSE Collective Bargaining	7,096	24	7,120
17. 1199 Collective Bargaining	950	0	950
Policy -- Comp Total	9,776	87	9,863
Total 2007-09 Biennium	224,203	10,992	235,195
Fiscal Year 2008 Total	110,353	5,296	115,649
Fiscal Year 2009 Total	113,850	5,696	119,546

Comments:

- Reinvesting in Youth Program** - Funding is provided to: (a) continue the Reinvesting in Youth pilot program in King, Kitsap/Jefferson, and Benton/Franklin Counties for research-based early intervention services that target youth involved in the juvenile justice system; and (b) reduce crime. (Reinvesting in Youth Account-State)
- Targeted Vendor Rate Increase** - Funding is provided for a targeted vendor rate increase of 3.2 percent in FY 2008 and 2.0 percent in FY 2009 for the contracted providers of the Basic Training Camp and contracted community facilities.
- Reduce Double Bunking** - Funding is provided to reduce the double bunking of violent offenders, sex offenders, offenders with significant mental health issues, and juveniles who are likely to be exploited or victimized by others. Eliminating double bunking is expected to reduce violence at Juvenile Rehabilitation Administration (JRA) facilities by 30 percent.
- Integrated Treatment Model** - Funding is provided for increased training and monitoring of the Integrated Treatment Model to ensure that the model is adhered to and applied in a consistent manner.
- Consolidated Juvenile Services** - Funding to local counties for the Consolidated Juvenile Services (CJS) contract is increased due to additional needs for parole officer training to fully implement evidenced-based programs. The CJS program is a partnership between the state, county juvenile courts, and the private sector. Funded programs provide services to pre-commitment juveniles, including diversion, probation supervision, individual and family service counseling, drug/alcohol assessment and treatment, vocational training, and psychiatric and psychological services.
- Auto Theft** - Funding is provided to implement Chapter 199, Laws of 2007 (E3SHB 1001), which increases auto theft-related penalties for juvenile offenders. The court is required to impose confinement, community supervision, and fines, in addition to community restitution as a minimum sentence when a juvenile is adjudicated for Theft of a Motor Vehicle, Possession of a Stolen Vehicle, or Taking a Motor Vehicle

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- without Permission in the First or Second Degree. The bill also requires an evaluation and treatment at sentencing. (Washington Auto Theft Prevention Authority Account-State)
7. **JCA Evidence-Based Programs** - Funding is provided to expand evidence-based treatment and training programs administered by local juvenile courts to serve an additional 2,100 youth by the end of FY 2009. The expanded programs include functional family therapy, multi-systemic therapy, aggression replacement training and interagency coordination programs. In its report, "Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs, and Crime Rates" (October 2006), the Washington State Institute for Public Policy (WSIPP) identifies these programs as cost-effective in reducing crime rates and future prison costs. WSIPP projects these investments, with expansion of Juvenile Rehabilitation Administration (JRA) therapies, will reduce demand for 302 prison beds by 2017 and 891 beds by 2030. JRA will distribute grants to county juvenile courts based upon the county's application and provide grants to the courts consistent with the per participant treatment costs identified by WSIPP.
 8. **JRA Evidence-Based Programs** - Funding is provided to expand evidence-based treatment and training programs administered by JRA to serve an additional 421 juvenile offenders by the end of FY 2009. The expanded programs include multi-dimensional treatment foster care, aggression replacement training and family integrated transitions. In its report, "Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs, and Crime Rate" (October 2006), WSIPP identifies these programs as cost-effective in reducing crime rates and future prison costs. WSIPP projects these investments, with expansion of juvenile court therapies, will reduce demand for 302 prison beds by 2017 and 891 beds by 2030.
 9. **Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 10. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 11. **Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 12. **Nonrepresented Salary Survey** - Funding is provided for state employees who lag most severely behind market rates in the 2006 Department of Personnel salary survey. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 13. **Nonrepresented Class Consolidation** - Funding is provided for nonrepresented state employees' increases in specific job classes corresponding to those provided in collective bargaining agreements negotiated by the Governor. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 14. **Nonrepresented Additional Step** - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 15. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)
 16. **WFSE Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 17. **1199 Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Service Employees' International Union, Local 1199. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
- * Please see the 2007 Supplemental Operating Budget Section for additional information.

**Department of Social & Health Services
Juvenile Rehabilitation**

WORKLOAD HISTORY
By Fiscal Year

	2000	2001	2002	2003	2004	2005	2006	<u>Estimated</u>		
								2007	2008	2009
Community Residential ⁽¹⁾										
Avg Daily Population/Month	209	194	173	172	144	123	99	108	108	108
% Change from prior year		-7.2%	-10.8%	-0.5%	-16.6%	-14.7%	-19.2%	9.1%	0.0%	0.0%
Institutions										
Avg Daily Population/Month	984	987	937	797	781	782	728	729	727	711
% Change from prior year		0.3%	-5.1%	-14.9%	-2.1%	0.1%	-6.8%	0.1%	-0.3%	-2.2%
Parole ⁽²⁾										
Avg Daily Population/Month	1,023	1,062	1,006	847	802	728	751	732	732	732
% Change from prior year		3.8%	-5.3%	-15.8%	-5.3%	-9.2%	3.1%	-2.5%	0.0%	0.0%

⁽¹⁾ Includes State Group Homes, Community Residential Placements, Short-Term Transition Program, and the County Commitment Program. Beginning in FY 2002, funding for County Commitment Program beds was eliminated.

⁽²⁾ Parole eligibility standards were significantly modified in FY 2000 and FY 2003.

Data Sources :

FY 2000 through FY 2006 are from the Department of Social and Health Services Juvenile Rehabilitation Administration.

FY 2007 through FY 2009 data are from legislative fiscal staff.

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

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2005-07 Expenditure Authority	896,500	530,264	1,426,764
2007 Supplemental *	-14,052	5,446	-8,606
Total 2005-07 Biennium	882,448	535,710	1,418,158
2007-09 Maintenance Level	834,573	578,865	1,413,438
Policy Changes - Non-Comp			
1. Return to Work	1,672	0	1,672
2. Cover All Kids	1,039	1,101	2,140
3. Hospital Payment Method	4,376	3,001	7,377
4. Non-Medicaid Inpatient Psych Rates	4,479	0	4,479
5. CLIP Rate Adjustment	626	626	1,252
6. Additional Forensic Capacity	658	0	658
7. Increased Non-Medicaid Caseload	6,149	0	6,149
8. WSH Food Service	1,090	0	1,090
9. Children's Mental Health	2,066	140	2,206
10. Mental Health Workers	3,704	0	3,704
11. WSH/City of Lakewood Partnership	535	0	535
12. Community MH Worker Wage Increase	15,083	9,382	24,465
13. Medicaid Foster Children Expansion	42	44	86
14. MHD Institution Safety	526	0	526
15. Mental Health Offender Re-Entry Svc	845	38	883
16. Personal Needs Allowance Increase	75	0	75
17. Vendor Rate Increase	7,308	4,545	11,853
Policy -- Non-Comp Total	50,273	18,877	69,150
Policy Changes - Comp			
18. Revise Pension Gain-Sharing	-484	-122	-606
19. Nonrepresented Staff Health Benefit	151	52	203
20. Nonrepresented Salary Increase	1,027	341	1,368
21. Nonrepresented Salary Survey	810	218	1,028
22. Nonrepresented Class Consolidation	42	4	46
23. Nonrepresented Additional Step	250	76	326
24. Retain FY 2007 Pay Increase (1.6%)	432	144	576
25. WFSE Collective Bargaining	17,666	4,301	21,967
26. 1199 Collective Bargaining	12,011	3,071	15,082
27. Coalition Collective Bargaining	1,919	388	2,307
Policy -- Comp Total	33,824	8,473	42,297
Total 2007-09 Biennium	918,670	606,215	1,524,885
Fiscal Year 2008 Total	455,606	297,190	752,796
Fiscal Year 2009 Total	463,064	309,025	772,089

Comments:

- 1. Return to Work** - Funding is provided to establish a program that will assist injured Western State Hospital employees return to work more quickly. The program will provide opportunities for light-duty work and vocational case management services that will assist injured employees progress through light-duty work and back to their regular job. Annual program operating costs are expected to be largely offset through reduced workers compensation premiums within three years.
- 2. Cover All Kids** - Outreach conducted as part of the "Cover All Kids" initiative is expected to result in an additional 19,000 children enrolling in Medicaid by the end of the 2007-09 biennium. This item provides funding for them to receive services through the community mental health system. (General Fund-State, General Fund-Federal)
- 3. Hospital Payment Method** - Funding is provided for implementation of a new rate system for Medicaid inpatient psychiatric care. Under the system, hospitals will be paid a fixed rate that is the higher of a percentage of either: (1) the statewide average cost of such care, adjusted for regional differences in wage rates, and individual hospital differences in

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medical education costs; or (2) the hospital's estimated actual costs for such care during the cost rebase year. (General Fund-State, General Fund-Federal)

4. **Non-Medicaid Inpatient Psych Rates** - Funds are provided to increase payment rates for non-Medicaid inpatient psychiatric care to approximately 85 percent of the Medicaid payment level. Non-Medicaid payment rates are presently set at less than 60 percent of the Medicaid level. The total cost of this portion of the increase is approximately \$12.8 million. Funds available within the base budget level for hospital rate increases are reprogrammed to offset \$8.1 million of this increase.
5. **CLIP Rate Adjustment** - Funding is provided to increase the daily reimbursement rate for the Children's Long-Term Inpatient Program (CLIP) from \$423 per day to \$462 per day. (General Fund-State, General Fund-Federal)
6. **Additional Forensic Capacity** - Funding is provided to improve the timeliness of criminal (forensic) competency evaluations by adding two additional positions at Western State Hospital (WSH), and resources to facilitate recruitment and retention of skilled evaluators at Eastern State Hospital. The staff will perform evaluations for both inpatient and outpatient services as demand requires.
7. **Increased Non-Medicaid Caseload** - State funding for people and services not covered by the state and federal Medicaid program is increased by 3 percent. Regional Support Networks (RSN's) are encouraged to use a portion of this increase to provide local financial support for mental health clubhouses.
8. **WSH Food Service** - Funding is provided to employ food service aides on wards at WSH that have experienced an unusually high number of security incidents during meal times and for an external review of the costs and benefits of alternative approaches to the delivery of food service at the hospital.
9. **Children's Mental Health** - Funding is provided to improve children's mental health services, pursuant to Chapter 359, Laws of 2007 (2SHB 1088). Amounts provided will be used to establish, in up to four Regional Support Networks, a wrap-around services pilot program designed to reduce inpatient psychiatric hospitalization and out-of-home placement of children. In addition, funding is provided to: (a) expedite Medicaid enrollment or reinstatement for youth leaving confinement; (b) establish a psychiatric consultation service for primary care providers; (c) support a children's mental health center focused on evidence-based mental health services at the University of Washington; (d) support a review of prescribing practices for children receiving medications for emotional or behavioral disturbances; (e) reexamine children's access to care standards; and (f) expand the Medicaid Healthy Options and fee-for-service children's outpatient mental health benefits from 12 to 20 visits per year. Funding is also provided to expand the types of service providers that may be reimbursed for children's outpatient mental health services under the Medicaid fee-for-service program. A total of \$5.7 million in state funds for these efforts is distributed between the Department of Social and Health Services Mental Health Division (MHD), Medical Assistance Administration, and Economic Services Administration program budgets. (General Fund-State, General Fund-Federal)
10. **Mental Health Workers** - Funding is provided to implement the provisions of Chapter 360, Laws of 2007 (SHB 1456). Under the legislation, mental health professionals are to have the option of being accompanied by a second trained professional when conducting crisis intervention and outreach visits in a private setting. They are also to be equipped with a cell phone or other emergency communication device and to have prompt access to any available information concerning potential dangers posed by the person served. Additionally, all community mental health workers are to receive annual training in safety procedures and violence prevention techniques.
11. **WSH/City of Lakewood Partnership** - Funding is provided for a community partnership between WSH and the city of Lakewood to support community policing efforts in the Lakewood community surrounding WSH. The amounts provided are for the salaries, benefits, supplies, and equipment of one full-time investigator, one full-time police officer, and one full-time community service officer at the city of Lakewood.
12. **Community MH Worker Wage Increase** - Funds are provided to increase compensation for community mental health (MH) agency staff who deliver direct patient care and also for staff such as receptionists, intake workers, and schedulers who directly support such work. Funds are sufficient for an initial increase of approximately 4 percent effective July 1, 2007, and for an additional increase of approximately 4 percent effective July 1, 2008. RSNs and the Department are to report by December 2007 on local plans for using these funds to increase direct care worker compensation, and RSNs are to document how the funds have actually been used. The increase has been calculated using the standard RSN allocations as a base and does not include any special projects contracted through the RSN. The "4 percent" average compensation increase is an approximation only because it is calculated on a compensation base that is not fully comparable to the job classes targeted for this enhancement. (General Fund-State, General Fund-Federal)
13. **Medicaid Foster Children Expansion** - Chapter 315, Laws of 2007 (2SHB 1201), extends Medicaid eligibility to age 21 for young people who reach their 18th birthday while in foster care. Funds are provided for Medicaid mental health benefits on behalf of these additional eligible recipients. (General Fund-State, General Fund-Federal)
14. **MHD Institution Safety** - Funding is provided for additional safety equipment and training for staff at the state psychiatric hospitals.

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15. **Mental Health Offender Re-Entry Svc** - Funding is provided to deliver mental health, housing assistance, chemical dependency treatment, and related services for an additional 25 offenders leaving the state prison system each year. Since 2002, the community integration assistance program has provided such services for up to five years after their release from prison for persons thought to be dangerous to themselves or others because of a mental illness. Program participants have demonstrated lower recidivism rates, faster connection to mental health services, and more drug and alcohol treatment than comparable offenders released without the benefit of such re-entry services. The Washington State Institute for Public Policy estimates that the net benefit of the service to taxpayers and to potential crime victims exceeds costs by at least 3 percent. (General Fund-State, General Fund-Federal)
16. **Personal Needs Allowance Increase** - Funding is provided to increase the personal needs allowance by 3.3 percent in each fiscal year of the biennium for publicly-funded residents of the state psychiatric hospitals and community residential facilities. The personal needs allowance is the portion of their income that a person in state-funded care is allowed to retain for personal effects. (General Fund-State, General Fund-Federal)
17. **Vendor Rate Increase** - In addition to the increase for direct care compensation increases funded above, funds are provided to address increased indirect costs in areas such as utilities, supplies, rent, insurance, and administrative and other support staff. This item provides an increase equivalent to 2 percent of such costs effective July 1, 2007, and an additional 2 percent effective July 1, 2008. The increase provided applies to the standard RSN allocations only, and does not apply to any special projects contracted through the RSN. (General Fund-State, General Fund-Federal)
18. **Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
19. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
20. **Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
21. **Nonrepresented Salary Survey** - Funding is provided for state employees who lag most severely behind market rates in the 2006 Department of Personnel salary survey. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
22. **Nonrepresented Class Consolidation** - Funding is provided for nonrepresented state employees' increases in specific job classes corresponding to those provided in collective bargaining agreements negotiated by the Governor. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
23. **Nonrepresented Additional Step** - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
24. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)
25. **WFSE Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
26. **1199 Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Service Employees' International Union, Local 1199. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
27. **Coalition Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the state employee Coalition. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

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

WORKLOAD HISTORY
By Fiscal Year

	2000	2001	2002	2003	2004	2005	2006	Estimated		
								2007	2008	2009
State Hospitals ⁽¹⁾										
Avg Daily Census/Month	1,343	1,343	1,328	1,231	1,192	1,207	1,262	1,302	1347	1252
% Change from prior year		0.0%	-1.2%	-7.3%	-3.1%	1.2%	4.6%	3.2%	3.5%	-7.1%
Community Outpatient Services - Average Persons Served per Month										
	44,985	49,362	51,206	53,141	55,252	53,918	51,779	52,700	53,000	53,400
% Change from prior year		9.7%	3.7%	3.8%	4.0%	-2.4%	-4.0%	1.8%	0.6%	0.8%
Adults	32,754	36,046	36,938	38,091	39,402	38,340	36,979	37,500	37,900	38,300
% Change from prior year		10.1%	2.5%	3.1%	3.4%	-2.7%	-3.5%	1.4%	1.1%	1.1%
Children	12,231	13,316	14,268	15,050	15,849	15,578	14,800	15,200	15,100	15,100
% Change from prior year		8.9%	7.2%	5.5%	5.3%	-1.7%	-5.0%	2.7%	-0.7%	0.0%
People on Medicaid	30,752	35,493	37,750	40,782	45,174	46,752	45,219	45,800	45,900	46,300
% Change from prior year		15.4%	6.4%	8.0%	10.8%	3.5%	-3.3%	1.3%	0.2%	0.9%
People not on Medicaid	14,234	13,869	13,456	12,358	10,078	7,166	6,560	6,900	7,100	7,100
% Change from prior year		-2.6%	-3.0%	-8.2%	-18.5%	-28.9%	-8.4%	5.2%	2.9%	0.0%

⁽¹⁾ Includes: Eastern State Hospital, Western State Hospital (WSH), WSH Program for Adaptive Living Skills (PALS), and Child Study and Treatment Center.

Data Sources :

FY 2000 through FY 2006 actuals are from the Department of Social and Health Services Division of Research and Data Analysis reports.

FY 2007 through FY 2009 estimates are by legislative fiscal committee staff.

**Department of Social and Health Services
Developmental Disabilities**

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2005-07 Expenditure Authority	770,517	688,715	1,459,232
2007 Supplemental *	4,839	18,156	22,995
Total 2005-07 Biennium	775,356	706,871	1,482,227
2007-09 Maintenance Level	800,379	763,978	1,564,357
Policy Changes - Non-Comp			
1. Targeted Vendor Rate Increase	13,469	14,229	27,698
2. Individ Provider Home Care Worker	16,499	17,441	33,940
3. Agency Provider Parity	3,493	3,695	7,188
4. Agency Admin Vendor Rate Increase	240	229	469
5. Public Safety	8,760	9,268	18,028
6. Expanded Community Services	14,198	15,016	29,214
7. Aging Caregivers	1,118	1,179	2,297
8. Case Resource Manager Needs	787	831	1,618
9. DD Employment Services	5,057	2,105	7,162
10. Vendor Rate Increase-DD Employment	1,890	836	2,726
11. Case Management Information System	1,327	714	2,041
12. Family Support Prog Consolidation	300	0	300
13. Personal Needs Allowance Increase	69	72	141
14. Boarding Hm & Adult Fam Hm Rate Inc	1,329	1,405	2,734
15. Family Caregiver Support & Respite	4,948	0	4,948
Policy -- Non-Comp Total	73,484	67,020	140,504
Policy Changes - Comp			
16. Revise Pension Gain-Sharing	-291	-259	-550
17. Nonrepresented Staff Health Benefit	127	107	234
18. Nonrepresented Salary Increase	798	679	1,477
19. Nonrepresented Salary Survey	261	238	499
20. Nonrepresented Class Consolidation	32	26	58
21. Nonrepresented Additional Step	201	173	374
22. Retain FY 2007 Pay Increase (1.6%)	336	284	620
23. WFSE Collective Bargaining	14,020	12,402	26,422
24. 1199 Collective Bargaining	1,867	1,723	3,590
Policy -- Comp Total	17,351	15,373	32,724
Total 2007-09 Biennium	891,214	846,371	1,737,585
Fiscal Year 2008 Total	430,914	409,021	839,935
Fiscal Year 2009 Total	460,300	437,350	897,650

Comments:

- 1. Targeted Vendor Rate Increase** - Funding is provided for a vendor rate increase for community residential providers including Supported Living, Group Homes, and Companion Homes who provide services to clients with developmental disabilities. The statewide average benchmark rate is increased by 5.0 percent in FY 2008 and 2.0 percent in FY 2009. (For King County, the benchmark rate increase is 6.5 percent in FY 2008 and 2.0 percent in FY 2009. For non-Metropolitan Statistical Area (MSA) counties, the benchmark rate increase is 4.6 percent in FY 2008 and 2.0 percent in FY 2009. For other counties, the benchmark rate increase is 4.5 percent in FY 2008 and 2.0 percent in FY 2009.) Of the total amount, about \$1 million in state funds and \$2 million in total funds is provided for a 3.2 percent administrative rate increase in FY 2008 for providers below the rate standard set by the Department of Social and Health Services (DSHS). (General Fund-State, General Fund-Federal)
- 2. Individ Provider Home Care Worker** - Funding is provided to implement the compensation-related components of an interest arbitration award to the approximately 23,000 individuals who contract with the state to provide publicly-funded home care services to persons with disabilities and elderly clients. The interest arbitration resulted when negotiations between the Governor's Office and the exclusive bargaining representative of individual providers reached an impasse. Pursuant to the arbitration award, the state will pay the employee share of worker's compensation premiums, and

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average individual provider wages will increase from \$9.50 per hour to \$9.86 per hour in FY 2008 and to \$10.22 per hour in FY 2009, based upon changes to the existing seniority-based wage scale. Individual home care providers will also receive: (a) differential pay of \$1.00 per hour when they serve as mentors or trainers; (b) mileage reimbursement for client-related travel in their personal vehicles, effective July 1, 2008; and (c) an increase in accrual rates for vacation leave. Health care contributions for medical, vision, and dental benefits will be increased by 10 percent, from \$532 per worker per month to \$585 per worker per month, effective July 1, 2008.

Additionally, effective September 1, 2007, home care workers performing work for clients with certain special needs will not receive a reduction of hours based upon their shared residence with their clients, and certain hours of work for providers caring for clients with complex behavioral and cognitive issues will be increased. (General Fund-State, General Fund-Federal)

3. **Agency Provider Parity** - Funding is provided to increase home care agency provider payments and health benefit contributions for direct care workers employed by agencies commensurate with the compensation-related provisions of the interest arbitration award for individual providers of home care services. In accordance with RCW 74.39A.310, the Department's provider payment rates and contribution levels for health care benefits are increased for agency providers of home services at the same rate as negotiated and funded for individual providers. (General Fund-State, General Fund-Federal)
4. **Agency Admin Vendor Rate Increase** - Funding is provided for a 2.0 percent rate increase in FY 2008 and an additional 2.0 percent rate increase in FY 2009, roughly equivalent to inflation as measured by the implicit price deflator, for home care agency administrative and supervision costs. Increases for home care agency workers are covered by the "Agency Provider Parity" item above. Funding is also provided in the DSHS Long-Term Care Program budget. (General Fund-State, General Fund-Federal)
5. **Public Safety** - Funding is provided for individuals with community protection issues using Medicaid community-based waivers who need residential, behavior, and/or habilitative support in addition to personal care to remain in the community instead of institutions. Funding is phased in for residential services for: 112 clients being diverted or discharged from state psychiatric hospitals; participants in the Dangerous Mentally Ill Offender Program; participants in the Community Protection Program; and mental health crisis diversions. The average funding level is \$349 per day per client in FY 2008 and \$356 per day per client in FY 2009. Funds include specialized therapies and employment and day services. (General Fund-State, General Fund-Federal)
6. **Expanded Community Services** - Funding is provided for individuals using Medicaid community-based waivers who need residential, behavior, and/or habilitative support in addition to personal care to remain in the community instead of in institutions. Funding is phased in for 236 community residential placements for: children at risk of institutionalization; youth aging out of Children's Administration or Juvenile Rehabilitation Administration services; clients without residential services who are in crisis and at immediate risk of needing institutional placement; community-based waiver clients assessed as having an immediate need for increased services; and residents of Residential Habilitation Centers who choose to live in community settings. The average funding level is \$253 per day per client in FY 2008 and \$258 per day per client in FY 2009. Funds include specialized therapies and employment services. The increased funding represents about a 2.0 percent annual growth in community residential waiver services. (General Fund-State, General Fund-Federal)
7. **Aging Caregivers** - Funds are provided to cover community-based waiver services for about 30 adults with developmental disabilities who are living with family caregivers over 70 years of age. Funds will be used to transition individuals to adult family homes or other community residential settings and to provide employment and day services for those not currently receiving them. The average cost of individuals needing Core waiver services is \$180 per day per client and about \$72 per day per client for those needing a Basic Plus waiver. (General Fund-State, General Fund-Federal)
8. **Case Resource Manager Needs** - Funds are provided for an additional 10.4 case resource managers and associated support staff for the Division of Developmental Disabilities (DD) to add to the areas of highest need as the Division consolidates and expands the family support program and expands waiver services. Funds may also be used to reduce caseloads in the Community Protection Program from 1:75 to 1:30. (General Fund-State, General Fund-Federal)
9. **DD Employment Services** - Funding is provided for an additional 720-750 clients by the end of FY 2009 who are expected to graduate from high school or who graduated in previous years. Services will cover both clients using waivers and those who are not. Employment and day services include job creation and job supports for paid employment. Services are provided at an average per client funding level of \$508 per month in FY 2008 and \$513 per month in FY 2009. Of the total funding, \$1 million in state funds and \$1 million in federal funds is included to partner with school districts under the Jobs to 21 Program to prepare high school students for employment. (General Fund-State, General Fund-Federal)
10. **Vendor Rate Increase-DD Employment** - Funding is provided for a 1.6 percent increase in FY 2008 and a 1.0 percent increase in FY 2009 for counties and their contractors that provide assistance to people with developmental disabilities in gaining and maintaining paid employment. (General Fund-State, General Fund-Federal)
11. **Case Management Information System** - Funding is provided to complete the developmental disabilities case management information system (CMIS). CMIS will serve as a single resource for client information and will provide the interface

Department of Social and Health Services Developmental Disabilities

between client pre-authorization of services and ProviderOne, the new Medicaid Management Information System. (General Fund-State, General Fund-Federal)

12. **Family Support Prog Consolidation** - Funding is provided to implement Chapter 283, Laws of 2007 (2SSB 5467), which consolidates the three existing state-funded family support programs into one program titled "The Individual and Family Services Program." Funding from the three existing programs will be transferred to the new program. Funding is provided for a program manager and a part-time analyst to develop reporting mechanisms and provide ongoing maintenance support and data analysis. No entitlement is created, and the individual and family services program must operate within available funds.
13. **Personal Needs Allowance Increase** - Funding is provided to increase the personal needs allowance (PNA) by 3.3 percent in each fiscal year of the biennium, for an average of 10,900 publicly-funded clients residing in institutional settings, including residents of nursing facilities, residential habilitation centers, and state mental hospitals, and 13,500 clients in community residential settings. The PNA is that portion of a person's income that state-funded clients are permitted to retain for their personal use after making contributions towards the cost of their care. Institutionalized clients who receive a state supplemental payment (SSP) to their Social Security income in lieu of a personal needs allowance will receive a commensurate increase in their SSP benefit. (General Fund-State, General Fund-Federal)
14. **Boarding Hm & Adult Fam Hm Rate Inc** - Funding is provided for a vendor rate increase of 6.0 percent in FY 2008 and 2.0 percent in FY 2009 for boarding homes with assisted living and enhanced or regular adult residential care contracts. Adult family homes will receive a rate increase of 3.2 percent in FY 2008 and 2.0 percent in FY 2009. Additional increases in FY 2009 will be subject to collective bargaining pursuant to Chapter 184, Laws of 2007 (ESHB 2111). Budgeted rate increases for boarding homes and adult family homes include those providers receiving exceptional care rates. The DSHS Long-Term Care Program budget also reflects increased funding in this area. (General Fund-State, General Fund-Federal)
15. **Family Caregiver Support & Respite** - Funding is provided for an additional 1,300 clients (30 percent increase) to receive state-only family support services by the end of FY 2009. Services will be provided at an average rate of \$3,000 per year per client. New Case Resource Managers and support staff are added to serve these clients.
16. **Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
17. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
18. **Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
19. **Nonrepresented Salary Survey** - Funding is provided for state employees who lag most severely behind market rates in the 2006 Department of Personnel salary survey. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
20. **Nonrepresented Class Consolidation** - Funding is provided for nonrepresented state employees' increases in specific job classes corresponding to those provided in collective bargaining agreements negotiated by the Governor. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
21. **Nonrepresented Additional Step** - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
22. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)
23. **WFSE Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
24. **1199 Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Service Employees' International Union, Local 1199. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

Department of Social & Health Services Developmental Disabilities

WORKLOAD HISTORY By Fiscal Year

	2000	2001	2002	2003	2004	2005	2006	Estimated		
								2007	2008	2009
Institutions										
Avg Monthly Population ⁽¹⁾	1,139	1,116	1,093	1,044	1,035	1,001	948	944	944	944
% Change from prior year		-2.0%	-2.0%	-4.5%	-0.8%	-3.3%	-5.3%	-0.4%	0.0%	0.0%
Community Residential Programs ⁽²⁾										
Avg Month End Contracted Beds	3,920	3,957	4,010	4,005	4,469	4,903	4,723	4,648	4,847	4,985
% Change from prior year		0.9%	1.3%	-0.1%	11.6%	9.7%	-3.7%	-1.6%	4.3%	2.9%
Employment & Day Programs										
Avg Monthly Number Served	9,193	9,636	10,186	10,751	9,700	8,636	9,021	9,335	9,540	9,908
% Change from prior year		4.8%	5.7%	5.5%	-9.8%	-11.0%	4.5%	3.5%	2.2%	3.9%
Family Support & Children's Medicaid Personal Care ⁽³⁾										
Number of Clients Served	5,247	4,449	4,986	5,249	5,758	5,648	5,922	6,375	6,653	7,378
% Change from prior year		-15.2%	12.1%	5.3%	9.7%	-1.9%	4.8%	7.6%	4.4%	10.9%
Personal Care ⁽⁴⁾										
Number of Clients Served	5,015	5,630	6,212	6,758	8,934	9,001	9,282	9,658	10,032	10,403
% Change from prior year		12.3%	10.3%	8.8%	32.2%	0.8%	3.1%	4.0%	3.9%	3.7%

⁽¹⁾ Funded capacity at the Residential Habilitation Centers from FY 2000 through FY 2003 was 1,231 clients. As of FY 2006 the data excludes respite care.

⁽²⁾ Includes Alternate Living (clients served), Group Homes, Companion Homes, Supported Living, Community Protection, intermediate care facilities for the mentally retarded (IMRs), state supplementary payment program (SSP), and State-Operated Living Alternatives (SOLA). (H51 clients)

⁽³⁾ Family Support includes Children's Medicaid Personal Care (non-waiver). Data was recast for FY 2001 forward to include only children receiving Medicaid Personal Care (non-waiver). Waiver Personal Care for children is included in Adult Personal Care as of FY 2001.

⁽⁴⁾ Adult Personal Care includes Medicaid Personal Care, Chore Services, and Waiver Personal Care. Prior to FY 1990, Developmental Disabilities' clients enrolled in these programs were counted in the Long-Term Care program totals. As of 2004, Waiver Personal Care for both children and adults are included since personal care on the waiver was not separately identified for these groups.

Data Sources :

FY 2000 through FY 2006 from the Department of Social and Health Services workload database and Executive Management Information System database.

FY 2007 through FY 2009 are budget estimates from legislative fiscal staff.

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

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2005-07 Expenditure Authority	1,279,152	1,331,011	2,610,163
2007 Supplemental *	-2,586	-1,079	-3,665
Total 2005-07 Biennium	1,276,566	1,329,932	2,606,498
2007-09 Maintenance Level	1,325,504	1,435,165	2,760,669
Policy Changes - Non-Comp			
1. Veterans' Enhancement Project	-722	-751	-1,473
2. Individ Provider Home Care Worker	31,089	32,863	63,952
3. Agency Provider Parity	21,086	21,935	43,021
4. Agency Admin Vendor Rate Increase	2,202	2,331	4,533
5. Nursing Home Vendor Rate Increase	29,470	31,206	60,676
6. AEM Long Term Care Medical Needs	668	0	668
7. Chronic Intensive Case Mgmt	250	250	500
8. Specialized BH Dementia Program	-88	-88	-176
9. Traumatic Brain Injury	0	440	440
10. AFH Provider Collective Barg	1,000	816	1,816
11. Private Duty Nursing Increase	1,116	1,168	2,284
12. Personal Needs Allowance Increase	438	462	900
13. Adult Family Home Quality Assurance	503	501	1,004
14. Supported Living Monitoring	262	262	524
15. Resident Protection	403	403	806
16. Facility Rate Study & Task Force	125	125	250
17. LTC Worker Training Study	100	100	200
18. Boarding Hm & Adult Fam Hm Rate Inc	14,073	14,632	28,705
19. Community Based Provider Rate Incr	3,041	2,214	5,255
20. Family Caregiver Support & Respite	2,404	0	2,404
21. Farmer's Market Nutrition Program	254	0	254
22. Ventilator Program Transfer	5,366	5,366	10,732
23. Kinship Navigation and Support	800	0	800
Policy -- Non-Comp Total	113,840	114,235	228,075
Policy Changes - Comp			
24. Revise Pension Gain-Sharing	-132	-140	-272
25. Nonrepresented Staff Health Benefit	113	111	224
26. Nonrepresented Salary Increase	689	675	1,364
27. Nonrepresented Salary Survey	39	61	100
28. Nonrepresented Class Consolidation	4	4	8
29. Nonrepresented Additional Step	23	24	47
30. Retain FY 2007 Pay Increase (1.6%)	290	284	574
31. WFSE Collective Bargaining	4,206	3,688	7,894
32. 1199 Collective Bargaining	2,327	4,906	7,233
Policy -- Comp Total	7,559	9,613	17,172
Total 2007-09 Biennium	1,446,903	1,559,013	3,005,916
Fiscal Year 2008 Total	702,257	754,229	1,456,486
Fiscal Year 2009 Total	744,646	804,784	1,549,430

Comments:

1. **Veterans' Enhancement Project** - The Department of Veterans' Affairs and the Department of Social and Health Services (DSHS) are collaborating to identify clients who are currently served by DSHS programs who could qualify for more robust veterans' benefits administered by the U.S. Department of Veterans' Affairs (VA). This collaborative effort will result in savings to DSHS programs as the clients

are served by the VA. (General Fund-State, General Fund-Federal)

2. **Individ Provider Home Care Worker** - Funding is provided to implement the compensation-related components of an interest arbitration award to the approximately 23,000 individuals who contract with the state to provide publicly-

Department of Social and Health Services Long-Term Care

funded home care services to persons with disabilities and elderly clients. The interest arbitration resulted when negotiations between the Governor's Office and the exclusive bargaining representative of individual providers reached an impasse. Pursuant to the arbitration award, the state will pay the employee share of worker's compensation premiums, and average individual provider wages will increase from \$9.50 per hour to \$9.86 per hour in FY 2008 and to \$10.22 per hour in FY 2009, based upon changes to the existing seniority-based wage scale. Individual home care providers will also receive: (a) differential pay of \$1.00 per hour when they serve as mentors or trainers; (b) mileage reimbursement for client-related travel in their personal vehicles, effective July 1, 2008; and (c) an increase in accrual rates for vacation leave. Health care contributions for medical, vision, and dental benefits will be increased by 10 percent, from \$532 per worker per month to \$585 per worker per month, effective July 1, 2008. Additionally, effective September 1, 2007, home care workers performing work for clients with certain special needs will not receive a reduction of hours based upon their shared residence with their clients, and certain hours of work for providers caring for clients with complex behavioral and cognitive issues will be increased. (General Fund-State, General Fund-Federal)

3. **Agency Provider Parity** - Funding is provided to increase home care agency provider payments and health benefit contributions for direct care workers employed by agencies commensurate with the compensation-related provisions of the interest arbitration award for individual providers of home care services. In accordance with RCW 74.39A.310, the Department's provider payment rates and contribution levels for health care benefits are increased for agency providers of home services at the same rate as negotiated and funded for individual providers. (General Fund-State, General Fund-Federal)
4. **Agency Admin Vendor Rate Increase** - Funding is provided for a 2.0 percent rate increase in FY 2008 and an additional 2.0 percent rate increase in FY 2009, roughly equivalent to inflation as measured by the implicit price deflator, for home care agency administrative and supervision costs. Increases for home care agency workers are covered by the "Agency Provider Parity" item above. Funding is also provided in the DSHS Developmental Disabilities (DD) Program. (General Fund-State, General Fund-Federal)
5. **Nursing Home Vendor Rate Increase** - Funding is provided to rebase direct care, therapy care, support services, and operations rate components to calendar year 2005 cost report data and to establish hold harmless rates for certain nursing facilities pursuant to Chapter 508, Laws of 2007 (ESSB 6158 - Nursing Facility Payments), and to increase these non-capital component rate allocations by 3.2 percent effective July 1, 2007. State funding in the amount of \$8.8 million is provided for additional unspecified rate increases beginning July 1, 2008, in accordance with recommendations from a newly-established Joint Legislative Task Force on Long-Term Care Residential Payment Systems. The projected statewide

weighted average rate is expected to be \$158.11 per patient day in FY 2008 and \$164.18 per patient day in FY 2009. (General Fund-State, General Fund-Federal)

6. **AEM Long Term Care Medical Needs** - State funds are provided for skilled nursing facility care for low-income adults who are not eligible for Medicaid due to their immigration status. Care for these individuals was previously funded through the Medicaid Alien Emergency Medical (AEM) Program, but that coverage has been discontinued because their conditions do not qualify as emergencies under federal program guidelines. Expenditures related to medical services received by clients once they have been admitted to a nursing facility are included in the DSHS Medical Assistance Program.
7. **Chronic Intensive Case Mgmt** - Funding is provided to implement Chapter 259, Laws of 2007, Partial Veto (E2SSB 5930), which directs DSHS to study the efficiency and effectiveness of the Intensive Chronic Case Management Project. The evaluation will describe how the pilot project works within the Department's larger chronic care efforts. (General Fund-State, General Fund-Federal)
8. **Specialized BH Dementia Program** - Funding is provided to expand the number of boarding homes (BH) that receive exceptional care rates for persons with Alzheimer's disease and related dementias who might otherwise require nursing home care. The Department may expand the existing number of licensed boarding home facilities that specialize in caring for such conditions by 100 beds. Additionally, effective July 1, 2008, the Department is authorized to provide enhanced rates for up to 50 beds in adult family homes that specialize in caring for dementia clients. These additional dementia boarding home placements are expected to delay resident placements into nursing facilities, resulting in a net savings to the state. (General Fund-State, General Fund-Federal)
9. **Traumatic Brain Injury** - Funding is provided to implement Chapter 356, Laws of 2007 (2SHB 2055), which creates the Washington Traumatic Brain Injury Strategic Partnership Advisory Council. The Department is required to provide staff support to the Council and institute and, in collaboration with the Council, a public awareness campaign to promote awareness of traumatic brain injuries (TBIs) through all forms of media, including television, radio, and print. Additionally, the Department is required to provide funding to programs that facilitate support groups to individuals with TBIs and their families. Activities will be funded by a new dedicated account established under the legislation, which is supported by an additional \$2 fee on traffic infractions. (Traumatic Brain Injury Account-State)
10. **AFH Provider Collective Barg** - Funding is provided to implement Chapter 184, Laws of 2007 (ESHB 2111), which provides for collective bargaining between the Governor and a statewide unit of adult family home providers (AFH) under the Public Employees' Collective Bargaining Act and provides for negotiated rule-making with a statewide unit of adult family home licensees under the Administrative Procedure Act. The

Department of Social and Health Services Long-Term Care

Department will provide a portion of this funding to the Office of Financial Management's Labor Relations Office through an interagency agreement. (General Fund-State, General Fund-Federal)

11. **Private Duty Nursing Increase** - Funding is provided for a 10 percent rate increase effective July 1, 2007, for Private Duty Nursing services, which provide nursing care to approximately 200 children with disabilities through the Medically-Intensive Home Care Program and to 75 clients over age 18 who would otherwise be institutionalized in skilled nursing facilities or receive care in hospitals. Funding is also provided in the DSHS Medical Assistance Program. (General Fund-State, General Fund-Federal)
12. **Personal Needs Allowance Increase** - Funding is provided to increase the personal needs allowance (PNA) by 3.3 percent in each fiscal year of the biennium, for an average of 10,900 publicly-funded clients residing in institutional settings, including residents of nursing facilities, residential habilitation centers, and state mental hospitals, and 13,500 clients in community residential settings. The PNA is that portion of a person's income that state-funded clients are permitted to retain for their personal use after making contributions towards the cost of their care. Institutionalized clients who receive a state supplemental payment (SSP) to their Social Security income in lieu of a personal needs allowance will receive a commensurate increase in their SSP benefit. (General Fund-State, General Fund-Federal)
13. **Adult Family Home Quality Assurance** - Funding is provided to establish a quality assurance program to increase oversight of licensed adult family homes. Emphasis will be placed on improving communication with vendors regarding their compliance with licensing standards. Increased staff will conduct unannounced visits to newly licensed facilities and conduct more frequent follow-up with vendors receiving enforcement actions. (General Fund-State, General Fund-Federal)
14. **Supported Living Monitoring** - Funding is provided to improve the investigation of complaints related to services provided to vulnerable adults in supported living programs. Although this item impacts clients with developmental disabilities, the regulatory function for this activity is included in the DSHS Long-Term Care Program. (General Fund-State, General Fund-Federal)
15. **Resident Protection** - Funding is provided to investigate allegations of mistreatment of adults by employees of adult family homes and boarding homes under Chapter 74.34 RCW, consistent with the level of investigation currently done at nursing homes. If a finding of mistreatment is made, the individual employee's name will be placed on a registry preventing them from working in any long-term care setting. (General Fund-State, General Fund-Federal)
16. **Facility Rate Study & Task Force** - Funding is provided for the agency to contract with an outside entity to review the current Medicaid payment methodology for nursing facilities, in preparation for a Joint Legislative Task Force on Long-Term Care Residential Payment Systems. The review shall make recommendations for revisions to, restructuring of, or replacement of the existing nursing facility payment methodology no later than October 1, 2007, to the Governor and the appropriate fiscal and policy committees of the Legislature. Funding is also provided for this purpose in the 2007 Supplemental Budget in order to accelerate the contract process and enable the review to begin as soon as practicable. (General Fund-State, General Fund-Federal)
17. **LTC Worker Training Study** - One-time funding is provided for the Department to contract for an evaluation of training requirements for long-term care (LTC) workers as generally described in Chapter 361, Laws of 2007 (E2SHB 2284). (General Fund-State, General Fund-Federal)
18. **Boarding Hm & Adult Fam Hm Rate Inc** - Funding is provided for a vendor rate increase of 6.0 percent in FY 2008 and 2.0 percent in FY 2009 for boarding homes with assisted living and enhanced or regular adult residential care contracts. Adult family homes will receive a rate increase of 3.2 percent in FY 2008 and 2.0 percent in FY 2009. Additional increases in FY 2009 will be subject to collective bargaining pursuant to ESHB 2111. Budgeted rate increases for boarding homes and adult family homes include those providers receiving exceptional care rates. The DD Program budget also reflects increased funding in this area. (General Fund-State, General Fund-Federal)
19. **Community Based Provider Rate Incr** - Funding is provided to DSHS sufficient for a vendor rate increase of 2.0 percent in FY 2008 and an additional 2.0 percent in FY 2009 for Area Agencies on Aging (AAAs), Adult Day Health, Respite Care Services, Senior Citizens Services Act Programs, and the Program of All-Inclusive Care for the Elderly (PACE/Elder Place). (General Fund-State, General Fund-Federal)
20. **Family Caregiver Support & Respite** - Funding is provided to increase support to unpaid family caregivers providing services to elderly and disabled adults by an additional 455 families in FY 2008 and 600 families for FY 2009, an increase of 7.5 percent by the end of the biennium. One-time funding also covers creation of an improved assessment tool to measure the level of respite care needed. (General Fund-State, General Fund-Federal)
21. **Farmer's Market Nutrition Program** - Funding is provided for the Farmer's Market Nutrition Program available to seniors. The program provides participants with vouchers for fresh fruits and vegetables.
22. **Ventilator Program Transfer** - Funding for the ventilator-weaning program is transferred from the DSHS Medical Assistance Program to the Long-Term Care Program. (General Fund-State, General Fund-Federal)

Department of Social and Health Services Long-Term Care

23. **Kinship Navigation and Support** - Funding is provided for Area Agencies on Aging (AAAs), or entities with which AAAs contract, to provide kinship navigator services to grandparents and other kinship caregivers of children. Kinship navigator services include, but are not limited to, assisting kinship caregivers with understanding and navigating the system of services for children in out-of-home care and connecting families with community resources, thus diverting children from entering foster care. The additional funding will be used to fully fund two existing locations in Seattle and Yakima that offer kinship navigator services and to expand the availability of such services to additional locations throughout the state.
24. **Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
25. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
26. **Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
27. **Nonrepresented Salary Survey** - Funding is provided for state employees who lag most severely behind market rates in the 2006 Department of Personnel salary survey. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
28. **Nonrepresented Class Consolidation** - Funding is provided for nonrepresented state employees' increases in specific job classes corresponding to those provided in collective bargaining agreements negotiated by the Governor. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
29. **Nonrepresented Additional Step** - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
30. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)
31. **WFSE Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
32. **1199 Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Service Employees' International Union, Local 1199. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
- * Please see the 2007 Supplemental Operating Budget Section for additional information.

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

**WORKLOAD HISTORY
By Fiscal Year**

	2000	2001	2002	2003	2004	2005	2006	<u>Estimated</u>		
								2007	2008	2009
Nursing Homes										
Avg. # Served per Day	13,783	13,529	13,154	12,943	12,446	12,088	11,920	11,512	11,240	10,928
% Change from prior year		-1.8%	-2.8%	-1.6%	-3.8%	-2.9%	-1.4%	-3.4%	-2.4%	-2.8%
Community Care ⁽¹⁾										
Avg. # Served per Month	29,319	30,919	32,213	33,727	34,635	35,514	37,041	38,215	39,432	40,675
% Change from prior year		5.5%	4.2%	4.7%	2.7%	2.5%	4.3%	3.2%	3.2%	3.2%
Combined Total										
Avg. Persons Served	43,101	44,448	45,367	46,670	47,080	47,602	48,962	49,727	50,672	51,603
% Change from prior year		3.1%	2.1%	2.9%	0.9%	1.1%	2.9%	1.6%	1.9%	1.8%

⁽¹⁾ Includes Chore Services, Community Options Program Entry Services (COPES), Medically Needy, Adult Residential, and Medicaid Personal Care

Data Sources :

Caseload Forecast Council and legislative fiscal staff.

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

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2005-07 Expenditure Authority	1,046,987	1,272,947	2,319,934
2007 Supplemental *	6,124	-19,507	-13,383
Total 2005-07 Biennium	1,053,111	1,253,440	2,306,551
2007-09 Maintenance Level	1,097,308	1,241,027	2,338,335
Policy Changes - Non-Comp			
1. Child Care Development Fund to DEL	-10,284	-170,306	-180,590
2. Post TANF Program	7,910	0	7,910
3. Full Family Sanction Assistance	500	0	500
4. Child Care Collective Bargaining	51,385	0	51,385
5. Increases to Child Care Centers	32,400	0	32,400
6. Child Support Pass-Through	4,613	4,613	9,226
7. Local Area Planning Transfer	-396	0	-396
8. Increase Kinship Placements	2,775	0	2,775
9. Veterans' Enhancement Project	-1,250	0	-1,250
10. Cover All Kids	1,472	1,472	2,944
11. Child Support Match	14,379	-16,111	-1,732
12. Child Support Mandatory Fee	-892	-1,732	-2,624
13. Expedited Medical Determinations	284	308	592
14. Medical Child Support	363	707	1,070
15. Mandatory Assignment Revision	1,056	1,111	2,167
16. County Prosecutor Cost	843	1,635	2,478
17. Children's Mental Health	397	396	793
18. Additional SSI Facilitators	-8,760	0	-8,760
19. Child Support Schedule	248	482	730
20. Naturalization Services	1,500	0	1,500
21. Refugee Assistance Programs	100	0	100
22. Limited English Proficiency Pathway	3,000	0	3,000
23. Infant Exemption	3,104	0	3,104
24. Dissolution Proceedings	200	0	200
Policy -- Non-Comp Total	104,947	-177,425	-72,478
Policy Changes - Comp			
25. Revise Pension Gain-Sharing	-447	-347	-794
26. Nonrepresented Staff Health Benefit	234	163	397
27. Nonrepresented Salary Increase	1,368	954	2,322
28. Nonrepresented Salary Survey	55	40	95
29. Nonrepresented Class Consolidation	52	30	82
30. Nonrepresented Additional Step	240	155	395
31. Retain FY 2007 Pay Increase (1.6%)	576	401	977
32. WFSE Collective Bargaining	20,181	16,186	36,367
Policy -- Comp Total	22,259	17,582	39,841
Total 2007-09 Biennium	1,224,514	1,081,184	2,305,698
Fiscal Year 2008 Total	595,070	544,776	1,139,846
Fiscal Year 2009 Total	629,444	536,408	1,165,852

Comments:

1. **Child Care Development Fund to DEL** - Beginning October 1, 2007, the Department of Early Learning (DEL) shall be the central recipient of the federal Child Care and Development Fund (CCDF) block grant. The Department of Social and Health Services (DSHS) is currently the central recipient of this grant. The federal block grant will continue to support functions in both DSHS and DEL, including the state's child

care licensing function, contracted quality initiatives, and child care subsidies. State funds used as CCDF match are also transferred. (General Fund-Federal)

2. **Post TANF Program** - Funding is provided to establish a Post-Temporary Assistance for Needy Families (TANF) Program to increase long-term self-sufficiency.

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3. **Full Family Sanction Assistance** - Funding is provided for the WorkFirst Pathway to Engagement Program. The Department shall collaborate with community partners and represented staff to identify additional services needed for workfirst clients in sanction status. The Department shall contract with qualified community-based organizations to deliver such services, provided that such services are complimentary to the work of the Department and are not intended to supplant existing staff or services. The Department shall also contract with community-based organizations for the provision of services for WorkFirst clients who have been terminated after six months of sanction. The contracts shall have a performance-based component and shall include both pre-sanction termination and post-sanction termination services. Clients shall be able to choose whether or not to accept the services. The Department shall develop outcome measures for the program related to outreach and re-engagement, reduction of barriers to employment, and client feedback and satisfaction. The Department shall report to the appropriate policy and fiscal committees of the Legislature by December 1, 2007, on program implementation and outcomes. The Department also shall report on implementation of specialized caseloads for clients in sanction status, including average caseload size, referral process and criteria, and expected outcomes for specialized caseloads.
4. **Child Care Collective Bargaining** - This item funds the collective bargaining agreement between family child care providers and the state. Rate increases of 7 percent in FY 2008 and 3 percent in FY 2009 are provided to licensed family child care providers for state-subsidized child care services. Rate increases of 4 percent in FY 2008 and 3 percent in FY 2009 are provided to license-exempt family child care providers for state-subsidized child care services. License-exempt providers will receive the same amount for each additional child cared for as they do for the first child. Funds are also included for tiered reimbursement, health care, a 15 percent infant differential payment, and a non-standard hours bonus. In addition, portions of the agreement related to licensing and subsidy training and agency implementation costs are provided in DEL's budget.
5. **Increases to Child Care Centers** - Rate increases of 7 percent in FY 2008 and 3 percent in FY 2009 are provided to licensed child care centers for state-subsidized child care services, commensurate with the collectively-bargained increase provided to licensed family child care providers.
6. **Child Support Pass-Through** - The Deficit Reduction Act (DRA) grant states the option to pass-through, or pay child support payments to families receiving TANF cash assistance. Chapter 143, Laws of 2007 (SSB 5244), provides the Department authority to initiate the pass through option. Effective October 1, 2008, Washington State will implement the pass-through option of up to \$100 for a one-child family or up to \$200 for a family with two or more children, and the federal government will waive the federal share. Funding is provided to notify pass-through recipients, make support enforcement management system changes, and adjust the levels of child support retained by the state. (General Fund-State, General Fund-Federal)
7. **Local Area Planning Transfer** - This item transfers Local Area Planning (LAP) funds from the Economic Services Administration to the Office of Financial Management (OFM) to align with LAP efforts in OFM.
8. **Increase Kinship Placements** - This item provides funding for an increase in TANF child-only grants to support additional children in foster care to be placed with relatives or other suitable persons with whom the child has a relationship as a result of Chapter 412, Laws of 2007 (HB 1377 - Placement of Children).
9. **Veterans' Enhancement Project** - The Department of Veterans' Affairs and the Department of Social and Health Services (DSHS) are collaborating to identify clients who are currently served by DSHS programs who could qualify for more robust veterans' benefits administered by the U.S. Department of Veterans' Affairs (VA). This collaborative effort will result in savings to DSHS programs as the clients are served by the VA. (General Fund-State, General Fund-Federal)
10. **Cover All Kids** - The budget provides funding for increased community service office workload associated with processing medical applications and outstationing eligibility workers to improve outreach as a result of Chapter 5, Laws of 2007 (2SSB 5093). Applications for medical assistance are initially filed with local community service offices. (General Fund-State, General Fund-Federal)
11. **Child Support Match** - Washington State has used federal child support incentive funds as state match for federal child support matching funds. The DRA has repealed the authority to use these child support incentive funds as state match. Funding is provided to continue the child support program based off of FY 2006 grant amounts. This assumes a 5 percent decline in the award based on the trend in prior years' grant amounts. (General Fund-State, General Fund-Federal)
12. **Child Support Mandatory Fee** - The DRA requires states to assess a \$25 mandatory fee annually for the use of Division of Child Support Services (DCS). Of the revenue collected, 66 percent must be paid to the federal government. The collected revenue will be recorded as a negative expenditure. The fee shall only be charged after a family has received \$500 in child support collections and shall not be charged to families that have previously received cash assistance through TANF. Chapter 143, Laws of 2007 (SSB 5244), aligns state law with DRA requirements. (General Fund-State, General Fund-Federal)
13. **Expedited Medical Determinations** - Funding is provided to phase-in additional staff to expedite medical determinations for eligible persons with serious mental disorders upon their release from a prison, jail, or state psychiatric hospital in order to provide immediate access to appropriate mental health and

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- other medical services. (General Fund-State, General Fund-Federal)
14. **Medical Child Support** - The DRA of 2005 requires DSHS to pursue private medical insurance from the custodial parent in cases when insurance is not provided by the non-custodial parent, and requires that procedures be established for the recovery of medical co-pays, deductibles, and medical costs. Funding is provided for the necessary medical child support changes. SSB 5244 aligns state law with federal DRA requirements. (General Fund-State, General Fund-Federal)
 15. **Mandatory Assignment Revision** - The DRA of 2005 limits the allowable child support assignment to the state to only the amount of child support due to the custodial parent for each month that TANF is paid to the family. Funding is provided to make necessary support enforcement system changes to allow DCS to meet the changes required by the federal government and for DCS operations that were previously supported from child support recoveries. SSB 5244 aligns state law with federal DRA requirements. (General Fund-State, General Fund-Federal)
 16. **County Prosecutor Cost** - DCS contracts with county prosecutors for the following services: paternity establishment, child support modifications, and contempt processing. Funding is provided for a vendor rate increase of 3.2 percent in FY 2008 and 2.0 percent in FY 2009. (General Fund-State, General Fund-Federal)
 17. **Children's Mental Health** - Funding is provided to expedite health insurance reinstatement or eligibility determination for youth exiting confinement, pursuant to Chapter 359, Laws of 2007 (2SHB 1088). (General Fund-State, General Fund-Federal)
 18. **Additional SSI Facilitators** - The sum of \$1.6 million is provided to hire 10 additional Supplemental Security Income (SSI) disability facilitators to assist disabled General Assistance clients who meet federal disability standards with application and enrollment onto the federal disability program. These targeted efforts are expected to generate \$10.4 million in additional recoveries from the federal government during FY 2008 and FY 2009.
 19. **Child Support Schedule** - Funding is provided to implement the child support schedule review required under Chapter 313, Laws of 2007 (2SHB 1009). (General Fund-State, General Fund-Federal)
 20. **Naturalization Services** - Funding is provided for the Department to increase contracted naturalization services.
 21. **Refugee Assistance Programs** - Funding is provided for award grants to small mutual assistance associations and similar small community-based organizations representing refugee and immigrant communities for purposes of organizational capacity building. The grants shall be awarded to small mutual assistance organizations and similar small community-based organizations that contract with the Department for immigrant and refugee assistance services, such as employment readiness and job placement, information and referral, and case management services.
 22. **Limited English Proficiency Pathway** - Funding is provided to increase Limited English Proficiency Pathway services.
 23. **Infant Exemption** - Funding is provided to implement Chapter 289, Laws of 2007 (2SSB 6016). Currently, the law exempts a single parent with an infant from participating in the WorkFirst program until the infant is three months of age. The bill raises the age of the infant exemption from three months to twelve months.
 24. **Dissolution Proceedings** - Funding is provided to DCS to implement the data tracking requirements of sections 701 and 702 of Chapter 496, Laws of 2007 (2SSB 5470). The bill modified various provisions related to dissolution, including the reporting of summary information for every case in which residential time with children is to be established or modified.
 25. **Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 26. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 27. **Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 28. **Nonrepresented Salary Survey** - Funding is provided for state employees who lag most severely behind market rates in the 2006 Department of Personnel salary survey. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 29. **Nonrepresented Class Consolidation** - Funding is provided for nonrepresented state employees' increases in specific job classes corresponding to those provided in collective bargaining agreements negotiated by the Governor. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 30. **Nonrepresented Additional Step** - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

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Economic Services Administration**

31. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)
32. **WFSE Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

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

WORKLOAD HISTORY
By Fiscal Year

	2000	2001	2002	2003	2004	2005	2006	Estimated		
								2007	2008	2009
General Assistance ⁽¹⁾										
Avg Monthly Caseload	16,416	17,857	19,933	19,483	22,028	25,578	27,676	29,359	31,080	32,793
% Change from prior year		8.8%	11.6%	-2.3%	13.1%	16.1%	8.2%	6.1%	5.9%	5.5%
TANF Cases ⁽¹⁾										
Avg Monthly Caseload	58,796	54,578	55,043	54,641	55,609	56,949	55,520	52,129	51,360	51,501
% Change from prior year		-7.2%	0.9%	-0.7%	1.8%	2.4%	-2.5%	-6.1%	-1.5%	0.3%
Working Connections Child Care										
Avg # Children Served/Month	58,511	67,425	71,890	70,709	62,189	61,606	60,860	60,205	62,058	63,043
% change from prior year		15.2%	6.6%	-1.6%	-12.0%	-0.9%	-1.2%	-1.1%	3.1%	1.6%

⁽¹⁾ FY 2000 caseload 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). Starting in FY 2001, GA-H cases are covered by Temporary Assistance to Needy Families (TANF) funding and are included in the TANF case estimate rather than the General Assistance case estimate.

Data Sources :

FY 2000 through FY 2003 General Assistance actuals are from the Department of Social and Health Services (DSHS) Division of Research and Data Analysis reports.

FY 2004 through FY 2006 General Assistance actuals provided by the Caseload Forecast Council.

FY 2007 through FY 2009 General Assistance estimates are from Caseload Forecast Council March 2007 forecast.

FY 2000 through FY 2006 TANF case actuals are from the Office of Financial Management (OFM).

FY 2007 through FY 2009 TANF case estimates are from the OFM March 2007 TANF forecast.

FY 2000 through FY 2006 Child Care actuals are from DSHS Division of Research and Data Analysis reports.

FY 2007 through FY 2009 Child Care estimates are from the OFM Working Connections Child Care June 2006 forecast.

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

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2005-07 Expenditure Authority	173,443	155,234	328,677
2007 Supplemental *	-8,372	19,976	11,604
Total 2005-07 Biennium	165,071	175,210	340,281
2007-09 Maintenance Level	179,294	157,269	336,563
Policy Changes - Non-Comp			
1. Adult Treatment Expansion Adjust	-1,389	-797	-2,186
2. Youth Treatment Expansion Adjust	-3,648	-1,528	-5,176
3. Problem Gambling Administration	0	67	67
4. Outpatient Rate Increase	13,313	3,570	16,883
5. PCN Lease Rate Adjustment	264	88	352
6. Prometa Treatment Services	500	0	500
7. Expand Parent-Child Asst Program	216	0	216
8. Prioritize Parents Needing Trtmt	971	0	971
Policy -- Non-Comp Total	10,227	1,400	11,627
Policy Changes - Comp			
9. Revise Pension Gain-Sharing	-19	-4	-23
10. Nonrepresented Staff Health Benefit	46	10	56
11. Nonrepresented Salary Increase	273	60	333
12. Nonrepresented Salary Survey	36	3	39
13. Nonrepresented Agency Request	4	0	4
14. Nonrepresented Additional Step	21	2	23
15. Retain FY 2007 Pay Increase (1.6%)	115	24	139
16. WFSE Collective Bargaining	420	129	549
Policy -- Comp Total	896	224	1,120
Total 2007-09 Biennium	190,417	158,893	349,310
Fiscal Year 2008 Total	95,100	79,719	174,819
Fiscal Year 2009 Total	95,317	79,174	174,491

Comments:

- 1. Adult Treatment Expansion Adjust** - Funding for the chemical dependency treatment expansion for adults authorized by the 2005-07 Omnibus Operating Budget is adjusted to reflect revised caseload assumptions. Although treatment levels have increased, the expansion has not occurred as rapidly as previously budgeted. Due to this slower expansion, funding is increased in the Medical Assistance maintenance level budget to reflect lower-than-expected total cost offsets. (General Fund-State, General Fund-Federal)
- 2. Youth Treatment Expansion Adjust** - Funding for the chemical dependency treatment expansion for youth authorized by the 2005-07 Omnibus Operating Budget is adjusted to reflect revised caseload assumptions. The agency is unlikely to be able to spend all of the funds it currently has in its base budget. Net of this adjustment, the budget reflects an increase of \$1.6 million in total funds over the 2005 youth treatment level. (General Fund-State, General Fund-Federal)
- 3. Problem Gambling Administration** - Administrative staff support is provided to assist the problem gambling program manager. This will allow additional resources to be dedicated to increasing program utilization and prevention efforts. (Problem Gambling Account-State)
- 4. Outpatient Rate Increase** - Funds are provided to cover 60 percent of outpatient treatment providers' treatment costs, based on the results of the November 2006 Sorensen study. Currently, the state reimburses about 52 percent of the average outpatient costs. The 2005-07 biennial budget assumed a doubling of treatment over 2005 levels for selected populations. Additional vendor funding is provided to ensure the solvency of treatment providers and availability of treatment for both the treatment expansion and the underlying treatment caseload and to ensure that anticipated cost offsets are realized within Medical Assistance. Overall, the increase is an average of 15 percent in FY 2008 and 2 percent in FY 2009. (General Fund-State, General Fund-Federal)
- 5. PCN Lease Rate Adjustment** - Funding is provided to pay for increased lease costs implemented by General Administration at the Pioneer Center North (PCN) involuntary inpatient substance abuse treatment facility. (General Fund-State, General Fund-Federal)

Department of Social and Health Services Alcohol & Substance Abuse

6. **Prometa Treatment Services** - One-time funding is provided for the Division of Alcohol and Substance Abuse (DASA) to contract with Pierce County for a pilot program of family therapeutic court services using the Prometa treatment protocol. Prometa is a pharmaceutical intervention that has shown some promise in reducing methamphetamine addiction. The amount of \$105,000 of the funded amount is provided for DASA to contract with an independent outside entity to evaluate the pilot program, including criminal justice and treatment outcomes. The evaluation will compare DASA clients and families receiving the pilot program services to those receiving family therapeutic court services without Prometa and to those receiving DASA outpatient treatment services in Pierce County who are a reasonably similar client sample. Outcomes for family members will include aggregate reports of other DSHS services received and time in foster care. DASA shall report to the Governor and the appropriate policy and fiscal committees of the Legislature by June 30, 2009.
7. **Expand Parent-Child Asst Program** - Funds are provided to expand the Parent-Child Assistance Program (PCAP) in Spokane County by an additional 22 families. PCAP provides intervention and case management with substance abusing pregnant women and parents and has been shown by the Washington State Institute for Public Policy to have a high benefit to cost ratio.
8. **Prioritize Parents Needing Trtmt** - Funding is provided to allow treatment for an additional 200 parents per year who are in danger of losing custody of their children. Currently, treatment is prioritized for Medicaid populations and pregnant women, but parents who need treatment are not always Medicaid-eligible and may not be able to access it as quickly as needed to avoid losing custody.
9. **Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
10. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
11. **Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
12. **Nonrepresented Salary Survey** - Funding is provided for state employees who lag most severely behind market rates in the 2006 Department of Personnel salary survey. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
13. **Nonrepresented Agency Request** - Funding is provided for increases for nonrepresented state employees for specific job classes corresponding to those provided in collective bargaining agreements negotiated by the Governor. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
14. **Nonrepresented Additional Step** - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
15. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)
16. **WFSE Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

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

WORKLOAD HISTORY
By Fiscal Year

	2000	2001	2002	2003	2004	2005	2006	Estimated		
								2007	2008	2009
ADATSA - Assessment										
Avg Monthly Assessments	1,167	1,112	1,176	1,126	1,213	1,232	1,139	1,120	1,120	1,120
% Change from prior year		-4.7%	5.8%	-4.3%	7.7%	1.6%	-7.6%	-1.7%	0.0%	0.0%
ADATSA - Outpatient Treatment										
Avg Monthly Admissions	351	357	386	381	388	411	448	375	375	375
% Change from prior year		1.7%	8.1%	-1.3%	1.7%	6.0%	9.0%	-16.3%	0.0%	0.0%
ADATSA - Residential										
Avg Monthly Admissions	574	596	575	569	573	639	575	565	565	565
% Change from prior year		3.8%	-3.5%	-1.0%	0.7%	11.6%	-10.1%	-1.7%	0.0%	0.0%

Data Sources :

FY 2000 through FY 2004 actuals provided by the Department of Social and Health Services (DSHS) Budget Division.

FY 2005 and FY 2006 actuals are from DSHS Division of Research and Data Analysis reports.

FY 2007 estimates are from DSHS Division of Research and Data Analysis reports.

FY 2008 and FY 2009 estimates are by legislative fiscal committee staff.

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

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2005-07 Expenditure Authority	3,690,399	4,018,987	7,709,386
2007 Supplemental *	-29,288	-99,875	-129,163
Total 2005-07 Biennium	3,661,111	3,919,112	7,580,223
2007-09 Maintenance Level	3,897,746	4,194,722	8,092,468
Policy Changes - Non-Comp			
1. Veterans' Enhancement Project	-520	-1,240	-1,760
2. Cover All Kids	34,033	27,121	61,154
3. Hospital Payment Method	4,709	5,454	10,163
4. CPE Update for Hosp Pymt Changes	4,524	0	4,524
5. Pediatrics Rate Increase	8,891	9,946	18,837
6. Adult Office Visits	2,994	2,740	5,734
7. Trans Adoption Supp Medical to HRSA	16,712	17,776	34,488
8. CHP Under Enrollment at 100% FPL	-11,536	-1,245	-12,781
9. Targeted Dental Rate Increases	4,000	4,470	8,470
10. Brand Name vs Generic Drug Study	50	0	50
11. AEM Long Term Care Medical Needs	104	0	104
12. Adult and Children's Endodontics	3,300	3,482	6,782
13. Children's Mental Health	3,210	2,448	5,658
14. GA-U Managed Care Pilot MH Benefit	3,377	0	3,377
15. Specialty Clinic Fees	-500	0	-500
16. Health Navigator Pilot Project	749	790	1,539
17. ProviderOne Funding	15,114	48,995	64,109
18. Chronic Care Management	565	566	1,131
19. Medicaid for Foster Care to 21	1,395	1,461	2,856
20. Home Visits Children with Asthma	466	0	466
21. Private Duty Nursing Increase	2,679	2,785	5,464
22. Foster Care Health Care Pilot	287	297	584
23. Citizenship Verification	450	450	900
24. Ventilator Program Transfer	-5,366	-5,366	-10,732
Policy -- Non-Comp Total	89,687	120,930	210,617
Policy Changes - Comp			
25. Revise Pension Gain-Sharing	-74	-145	-219
26. Nonrepresented Staff Health Benefit	130	211	341
27. Nonrepresented Salary Increase	797	1,293	2,090
28. Nonrepresented Salary Survey	20	22	42
29. Nonrepresented Class Consolidation	8	12	20
30. Nonrepresented Additional Step	140	274	414
31. Retain FY 2007 Pay Increase (1.6%)	334	544	878
32. WFSE Collective Bargaining	1,902	4,410	6,312
Policy -- Comp Total	3,257	6,621	9,878
Total 2007-09 Biennium	3,990,690	4,322,273	8,312,963
Fiscal Year 2008 Total	1,939,848	2,103,194	4,043,042
Fiscal Year 2009 Total	2,050,842	2,219,079	4,269,921

Comments:

1. **Veterans' Enhancement Project** - The Department of Veterans' Affairs and the Department of Social and Health Services (DSHS) are collaborating to identify clients who are currently served by DSHS programs who could qualify for more robust veterans' benefits administered by the U.S. Department of Veterans' Affairs (VA). This collaborative effort will result in savings to DSHS programs as the clients

are served by the VA. (General Fund-State, General Fund-Federal)

2. **Cover All Kids** - Funding is provided to implement Chapter 5, Laws of 2007 (2SSB 5093), which directs DSHS to provide health insurance coverage for children under age 19 in families with household incomes of up to 250 percent of the federal

Department of Social and Health Services Medical Assistance Payments

- poverty level and effective January 1, 2009, and within appropriated funds, for children whose family income is not greater than 300 percent of the federal poverty level. Additionally, DSHS is directed to establish an outreach and education effort to identify and enroll eligible children in health coverage and streamline the eligibility application and renewal process in order to enroll and retain more children in continuous health care coverage. The funding will support health care coverage for an additional 39,000 children by June 2009. Funding for this item is also provided in the DSHS Mental Health and Economic Services Programs. (General Fund-State, Health Services Account-State, General Fund-Federal)
3. **Hospital Payment Method** - Effective August 1, 2007, the Department will implement changes to the hospital inpatient Medicaid reimbursement methodology, as recommended by an independent contractor. The new payment system will also include adjustments to recommendations concerning children's outlier payments and psychiatric services. Overall, the changes will result in an updated payment system that reflects more current cost and claims data, limits the use of ratio-of-cost-to-charges payments, updates and expands the use of diagnosis related groupers or relative weights and conversion factors, limits the use of outlier payments, and makes payments more consistent for similar services. The impact of the changes on payments for psychiatric services is depicted in the DSHS Mental Health Program section of the budget. (General Fund-State, General Fund-Federal)
 4. **CPE Update for Hosp Pymt Changes** - State funding is provided to continue the Certified Public Expenditure (CPE) Program for public hospitals and recognize changes made to the hospital reimbursement methodology. Under the CPE Program, if payments are less than the total payment for claims for services rendered during the year as calculated according to the methodology and Disproportionate Hospital Share amounts paid to hospitals and retained in 2005, hospitals receive a state grant equal to the difference between payments during the year and the related baseline amount. The changes in reimbursement methodology, described in the Hospital Payment Method item above, are expected to result in increased hold harmless state grant payments.
 5. **Pediatrics Rate Increase** - Funding is provided to raise fee-for-service payments for pediatric services by 48 percent or roughly equivalent to 90 percent of Uniform Medical Plan rates, beginning January 1, 2008. The increase is intended to improve access to pediatric services for low-income children. (Health Services Account-State, General Fund-Federal)
 6. **Adult Office Visits** - Effective January 1, 2008, funding is provided to raise Medicaid reimbursements by 12 percent for fee-for-service providers of adult office visits, in order to improve access for adults to preventative care. (General Fund-State, General Fund-Federal)
 7. **Trans Adoption Supp Medical to HRSA** - Funding for the adoption support medical program is transferred from the DSHS Children and Family Services Program to the Health and Recovery Services Administration's (HRSA's) Medical Assistance Program to consolidate the medical service delivery function within one administration. (General Fund-State, General Fund-Federal)
 8. **CHP Under Enrollment at 100% FPL** - The appropriation for the Children's Health Program (CHP) is adjusted to reflect lower than projected enrollment. The program provides state-funded health care coverage for children under age 18 with family incomes at or below 100 percent of the federal poverty level who are ineligible for Medicaid or the State Children's Health Insurance Program as a result of their immigration status. (General Fund-State, General Fund-Federal)
 9. **Targeted Dental Rate Increases** - Funding is provided for targeted dental rate increases in four areas in order to provide improved access: (1) children's orthodontics and crowns; (2) providers who participate in the Access to Baby and Child Dentistry Program; (3) dental prosthesis for adults; and (4) reimbursement for primary care physicians to provide dental disease preventative services such as oral health screenings, risk assessment, and fluoride varnish. If expenditures are expected to exceed appropriated levels, the Department will take steps, including adjusting rates and/or benefits, to maintain expenditures within appropriated levels for the 2007-09 biennium. (General Fund-State, Health Services Account-State, General Fund-Federal)
 10. **Brand Name vs Generic Drug Study** - Funding is provided for the Department to conduct a study to determine the financial impact associated with continuing to cover brand name medications versus the same medications in their generic form. The study will account for all rebates paid to the state on each product studied up until the point where the generic form is less expensive, net of federally required rebates. A report is due to legislative fiscal committees by December 1, 2007.
 11. **AEM Long Term Care Medical Needs** - State funding is provided for skilled nursing facility care for low-income adults who are not eligible for Medicaid due to their immigration status. Care for these individuals was previously funded through the Medicaid Alien Emergency Medical (AEM) Program, but that coverage has been discontinued because their conditions do not qualify as emergencies under federal program guidelines. Funding for this item is also included in the DSHS Long-Term Care Program.
 12. **Adult and Children's Endodontics** - Funding is provided to expand dental services and access for adults and children, specifically in the area of endodontics, or root canal therapy. Services are restored for adults, and a rate increase is provided for children's endodontics in order to obtain access to specialty dental providers. If expenditures are expected to exceed appropriated levels, the Department will take steps, including adjusting rates and/or benefits, to maintain expenditures within appropriated levels for the 2007-09 biennium. (General Fund-State, Health Services Account-State, General Fund-Federal)

Department of Social and Health Services Medical Assistance Payments

13. **Children's Mental Health** - Funding is provided to implement Chapter 359, Laws of 2007 (2SHB 1088), which directs DSHS to revise mental health outpatient therapy benefits for its Medicaid managed care and fee-for-service programs in order to expand access to children's mental health services. Beginning July 1, 2008, the maximum annual limit on outpatient visits will be increased from 12 to 20 per year, and outpatient therapy services may be provided by any mental health professional licensed by the Department of Health. Additionally, DSHS will expedite Medicaid re-enrollment for eligible youth transitioning out of juvenile detention facilities; review prescribing practices for treatment of emotional or behavioral disturbances in children, including off-label use of prescription medication, use of multiple medications, and use of high medication dosage; and establish a pilot program to support primary care providers in the assessment and provision of appropriate diagnosis and treatment of children with mental and behavioral health disorders. Funding is also provided in DSHS Mental Health and Economic Services (ES) Programs for these and other provisions of the legislation. (General Fund-State, Health Services Account-State, General Fund-Federal)
14. **GA-U Managed Care Pilot MH Benefit** - Funding is provided to add a mental health (MH) service component to the General Assistance - Unemployable (GA-U) medical care services care management pilot project in King and Pierce Counties. The mental health service component may include care coordination, mental health services, and integrated medical and mental health service delivery for GA-U clients with mental health disorders, as well as primary care provider training and education.
15. **Specialty Clinic Fees** - State funding is transferred from the Medical Assistance (MA) Program to the Department of Health to offset the expected loss of fee-revenues for specialty clinics that provide treatment services for children diagnosed with certain inheritable or metabolic disorders defined by the State Board of Health. Revenues from a portion of newborn screening fees are reduced from \$6.60 per infant to \$3.50 per infant in accordance with Chapter 259, Laws of 2007, Partial Veto (E2SSB 5930). The authority to collect the remaining \$3.10 fee was also set to expire June 30, 2007, under current law.
16. **Health Navigator Pilot Project** - Funding is provided for a health navigation pilot project, which will link populations at disproportionate risk of receiving poor health care due to language and cultural barriers with "navigators" who will guide them through the health care system. The pilot will target 1,000 children with language and cultural barriers to help them access evidence-based care through improved service coordination. (General Fund-State, General Fund-Federal)
17. **ProviderOne Funding** - Funding is provided for the ongoing implementation of ProviderOne, the system scheduled to replace the Medicaid Management Information System (MMIS), the Department's primary provider payment system. The deployment of ProviderOne is anticipated to begin in February 2008. When fully operational, the system will pay more than 100,000 providers, support the delivery of services to more than 1 million clients, and manage roughly \$4 billion per year in Medicaid and other payments. The total cost of the MMIS replacement project is estimated to be \$115.6 million. (General Fund-State, General Fund-Federal)
18. **Chronic Care Management** - Funding is provided in accordance with Chapter 259, Laws of 2007, Partial Veto (E2SSB 5930), which directs the Department to design and implement medical homes for its aged, blind, and disabled clients in conjunction with chronic care management programs to improve health outcomes, access, and cost-effectiveness. Funding will support the incorporation of the concept of medical homes into its study of how to best implement chronic care management. (General Fund-State, General Fund-Federal)
19. **Medicaid for Foster Care to 21** - Funding is provided to implement Chapter 315, Laws of 2007 (2SHB 1201), which extends Medicaid coverage for foster care youth from age 18 through their 21st birthday. It is assumed that 309 foster care youth will age out each year and receive health care coverage through the eligibility expansion. (Health Services Account-State, General Fund-Federal)
20. **Home Visits Children with Asthma** - Funding is provided for the Department to contract with the Seattle-King County Health Department to initiate an asthma pilot project to have trained community health workers visit Medicaid-eligible children in their homes to identify and reduce exposure to asthma triggers, improve client self-management skills, improve the administration of medications, and coordinate client care with primary care and specialty providers. The contract will include an evaluation of the impact of the services provided by the pilot project on urgent physician's visits, emergency room utilization, and inpatient hospitalization.
21. **Private Duty Nursing Increase** - Funding is provided for a 10 percent rate increase for Private Duty Nursing services, which provide nursing care to approximately 200 children with disabilities through the Medically-Intensive Home Care Program and to 75 clients over age 18 who would otherwise be institutionalized in skilled nursing facilities or receive care in hospitals. Funding for this item is also provided in the DSHS Long-Term Care Program. (General Fund-State, General Fund-Federal)
22. **Foster Care Health Care Pilot** - Funding is provided to implement a foster care health care pilot, beginning July 1, 2008. When fully implemented, the pilot will serve approximately 2,000 children in foster care by creating the Center for Foster Care Health Services, which will provide care coordination services and be responsible for gathering, organizing, and maintaining the individual health histories of children in their care. (General Fund-State, General Fund-Federal)
23. **Citizenship Verification** - To implement the tasks needed to comply with new federal citizenship verification rules required

Department of Social and Health Services Medical Assistance Payments

by the Deficit Reduction Act of 2005, additional funding is provided to determine eligibility for new Medicaid clients. Citizenship verification for new applicants will initially be conducted by community service offices within the ES Program. Applicants whose verification cannot be immediately determined will be routed through a centralized function within the MA Program. (General Fund-State, General Fund-Federal).

24. **Ventilator Program Transfer** - Funding for the ventilator-weaning program is transferred from the MA Program to the Long-Term Care Program. (General Fund-State, General Fund-Federal)
25. **Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
26. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
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28. **Nonrepresented Salary Survey** - Funding is provided for state employees who lag most severely behind market rates in the 2006 Department of Personnel salary survey. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
29. **Nonrepresented Class Consolidation** - Funding is provided for nonrepresented state employees' increases in specific job classes corresponding to those provided in collective bargaining agreements negotiated by the Governor. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
30. **Nonrepresented Additional Step** - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
31. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)

32. **WFSE Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

Department of Social & Health Services
Medical Assistance Payments

WORKLOAD HISTORY
By Fiscal Year

	2000	2001	2002	2003	2004	2005	2006	Estimated		
								2007	2008	2009
Categorically Needy	718,286	766,349	788,931	825,437	824,262	811,998	842,020	842,366	847,561	868,851
AFDC/TANF	249,938	268,785	272,388	276,656	284,308	293,254	283,491	272,139	267,626	266,928
Elderly	50,408	51,757	53,091	54,096	54,599	55,607	56,720	57,693	58,900	59,966
Disabled	100,187	106,870	114,587	118,309	123,058	126,809	129,537	132,223	134,962	137,707
Non-AFDC Children	276,272	293,904	319,793	344,547	328,394	299,826	330,981	327,855	326,865	338,401
Non-AFDC Pregnant Women	21,702	22,353	23,937	25,832	26,392	27,146	27,635	28,307	28,518	28,861
Undocumented Children	15,328	18,100	0	0	0	0	1,749	8,615	13,914	19,305
Medicare Beneficiaries	4,451	4,580	5,036	5,734	7,068	8,571	10,744	13,996	14,911	15,539
Breast & Cervical Cancer			69	121	182	306	374	517	666	812
Medicaid Buy-In			30	142	261	479	789	1,021	1,199	1,331
Medically Needy	12,566	13,465	14,528	16,061	16,972	17,623	16,580	13,216	12,616	12,673
Elderly	5,158	5,642	6,005	6,437	6,514	6,599	6,159	5,129	4,941	4,989
Disabled	7,299	7,752	8,523	9,624	10,458	11,024	10,421	8,087	7,675	7,684
All Others	109	71	0	0	0	0	0	0	0	0
Childrens Health Insurance Program	355	3,378	6,049	7,347	9,531	13,310	11,803	11,957	13,117	19,929
General Assistance/ADATSA										
# Persons/Month	11,716	11,987	11,671	10,429	11,739	14,166	16,102	17,536	19,329	20,766
State Medically Indigent										
# Persons/Month	2,457	2,690	3,331	3,997	0	0	0	0	0	0
Refugees										
# Persons/Month	1,004	1,135	933	677	685	685	758	775	779	779
Total Eligibles per Month	746,384	799,004	825,443	863,948	863,189	857,782	887,263	885,850	893,402	922,998
% Change from prior year		7.0%	3.3%	4.7%	-0.1%	-0.6%	3.4%	-0.2%	0.9%	3.3%

Data Sources :

Caseload Forecast Council and legislative fiscal committees.

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

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2005-07 Expenditure Authority	21,739	91,264	113,003
2007 Supplemental *	-66	-1	-67
Total 2005-07 Biennium	21,673	91,263	112,936
2007-09 Maintenance Level	23,834	90,829	114,663
Policy Changes - Non-Comp			
1. Maximize Fed Funds for Employment	261	1,849	2,110
Policy -- Non-Comp Total	261	1,849	2,110
Policy Changes - Comp			
2. Revise Pension Gain-Sharing	-68	0	-68
3. Nonrepresented Staff Health Benefit	31	0	31
4. Nonrepresented Salary Increase	180	1	181
5. Nonrepresented Class Consolidation	2	0	2
6. Nonrepresented Additional Step	6	0	6
7. Retain FY 2007 Pay Increase (1.6%)	76	0	76
8. WFSE Collective Bargaining	3,116	0	3,116
Policy -- Comp Total	3,343	1	3,344
Total 2007-09 Biennium	27,438	92,679	120,117
Fiscal Year 2008 Total	13,044	45,703	58,747
Fiscal Year 2009 Total	14,394	46,976	61,370

Comments:

1. **Maximize Fed Funds for Employment** - Additional state funding is provided to insure that the maximum amount of federal matching funds is available for employment and rehabilitation services, based on the most up-to-date information on the level of federal funding available. The funding will provide rehabilitation plans for over 500 additional people at an average cost of \$2,000 per person. (General Fund-State, General Fund-Federal)
 2. **Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 3. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 4. **Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 5. **Nonrepresented Class Consolidation** - Funding is provided for nonrepresented state employees' increases in specific job classes corresponding to those provided in collective bargaining agreements negotiated by the Governor. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 6. **Nonrepresented Additional Step** - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 7. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)
 8. **WFSE Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
- * Please see the 2007 Supplemental Operating Budget Section for additional information.

**Department of Social and Health Services
 Special Commitment Center**

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2005-07 Expenditure Authority	0	0	0
2007-09 Maintenance Level	97,024	0	97,024
Policy Changes - Non-Comp			
1. Legal Defense Costs	2,210	0	2,210
Policy -- Non-Comp Total	2,210	0	2,210
Policy Changes - Comp			
2. Revise Pension Gain-Sharing	-88	0	-88
3. Nonrepresented Staff Health Benefit	47	0	47
4. Nonrepresented Salary Increase	304	0	304
5. Nonrepresented Salary Survey	66	0	66
6. Nonrepresented Agency Request	18	0	18
7. Nonrepresented Additional Step	27	0	27
8. Retain FY 2007 Pay Increase (1.6%)	127	0	127
9. WFSE Collective Bargaining	5,443	0	5,443
10. 1199 Collective Bargaining	130	0	130
11. Coalition Collective Bargaining	14	0	14
Policy -- Comp Total	6,088	0	6,088
Total 2007-09 Biennium	105,322	0	105,322
Fiscal Year 2008 Total	51,103	0	51,103
Fiscal Year 2009 Total	54,219	0	54,219

Comments:

- Legal Defense Costs** - Funding is provided to increase the hourly fees for prosecution and defense attorneys, paralegals, and investigators incurred by the counties during the civil commitment process of sexually violent predators (SVP). The hourly reimbursement rate for prosecution costs related to SVP cases is increased by \$20.65 for attorneys and \$16.00 for paralegals and investigators. The hourly reimbursement rate for defense costs related to SVP cases for all counties, with the exception of King County, is also increased by \$20.65 for attorneys and \$16.00 for paralegals and investigators.
- Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
- Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
- Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
- Nonrepresented Salary Survey** - Funding is provided for state employees who lag most severely behind market rates in the 2006 Department of Personnel salary survey. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
- Nonrepresented Agency Request** - Funding is provided for increases for nonrepresented state employees for specific job classes corresponding to those provided in collective bargaining agreements negotiated by the Governor. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
- Nonrepresented Additional Step** - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
- Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)
- WFSE Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining

Department of Social and Health Services Special Commitment Center

agreement negotiated with the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

10. **1199 Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Service Employees' International Union, Local 1199. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
11. **Coalition Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the state employee Coalition. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

**Department of Social & Health Services
Special Commitment Center**

WORKLOAD HISTORY
By Fiscal Year

	2000	2001	2002	2003	2004	2005	2006	Estimated		
								2007	2008	2009
Special Commitment Center - Main Facility										
Avg Monthly Population	105	130	151	167	189	211	232	250	266	282
% Change from prior year		24.0%	15.9%	10.9%	13.1%	11.6%	9.8%	7.8%	6.4%	6.0%
Special Commitment Center - Less Restrictive Alternatives ⁽¹⁾										
Avg Monthly Population	5	5	7	9	10	11	11	12	15	20
% Change from prior year		3.3%	29.0%	31.3%	15.2%	9.1%	0.0%	9.1%	25.0%	33.3%

⁽¹⁾ Includes persons in less restrictive alternative placements on McNeil Island and other locations.

Data Sources :

FY 2000 through FY 2006 actuals are from the Department of Social and Health Services Division of Research and Data Analysis reports.

FY 2007 through FY 2009 estimates are by legislative fiscal committee staff.

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

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2005-07 Expenditure Authority	76,080	63,201	139,281
2007 Supplemental *	4,365	-562	3,803
Total 2005-07 Biennium	80,445	62,639	143,084
2007-09 Maintenance Level	61,620	61,683	123,303
Policy Changes - Non-Comp			
1. Child Care Development Fund to DEL	0	-1,502	-1,502
2. Reinvesting in Youth Program	-997	0	-997
3. Individ Provider Home Care Worker	211	221	432
4. Decategorization Analysis - FPC	300	0	300
5. Incarcerated Parents	255	136	391
6. Juvenile Detention Alternatives	400	0	400
7. Improve Management of Agency Risk	427	241	668
8. Improve Human Resource Management	1,284	724	2,008
9. Enhanced Recovery Initiative	263	150	413
10. Washington Mentoring Partnership	500	0	500
11. Post-Partum Depression	170	0	170
12. Office Reloc One-time Cost	695	519	1,214
13. Data Driven Accountability	713	408	1,121
14. WCPKAN Home Visitation Program	3,500	0	3,500
Policy -- Non-Comp Total	7,721	897	8,618
Policy Changes - Comp			
15. Revise Pension Gain-Sharing	-133	-56	-189
16. Nonrepresented Staff Health Benefit	287	151	438
17. Nonrepresented Salary Increase	1,669	898	2,567
18. Nonrepresented Salary Survey	397	278	675
19. Nonrepresented Class Consolidation	103	55	158
20. Nonrepresented Additional Step	278	165	443
21. Nonrepresented Shift Differential	3	0	3
22. Retain FY 2007 Pay Increase (1.6%)	703	378	1,081
23. WFSE Collective Bargaining	4,993	1,091	6,084
Policy -- Comp Total	8,300	2,960	11,260
Total 2007-09 Biennium	77,641	65,540	143,181
Fiscal Year 2008 Total	38,281	32,594	70,875
Fiscal Year 2009 Total	39,360	32,946	72,306

Comments:

- 1. Child Care Development Fund to DEL** - Beginning in FY 2008, the Department of Early Learning (DEL) shall be the central recipient of the federal Child Care and Development Fund block grant. The Department of Social and Health Services (DSHS) is currently the central recipient of this grant. The federal block grant will continue to support functions in both DSHS and DEL, including the state's child care licensing function, contracted quality initiatives, and child care subsidies. (General Fund-Federal)
- 2. Reinvesting in Youth Program** - During the 2005-07 biennium, the Reinvesting in Youth pilot program awarded grants to three groups of counties for implementing research-based early intervention services that reduce crime and target youth involved in the juvenile justice system. Funding is transferred to the Juvenile Rehabilitation Administration (JRA), which administers the program.
- 3. Individ Provider Home Care Worker** - Funding is provided for the individual provider and home care worker collective bargaining agreement.
- 4. Decategorization Analysis - FPC** - Funding is provided for the family policy council (FPC) to make grants to community networks in county juvenile courts participating in decategorization of funding for evidence-based programs through JRA. A proviso requires the council to provide grants of up to \$50,000 per fiscal year to the Pierce County-Tacoma urban community network and two additional community networks supporting counties or groups of counties in

Department of Social and Health Services Administration & Supporting Services

- evaluating programs funded through a block grant by JRA. If counties or groups of counties do not request decategorized funding, the amounts proportionate to grants of \$50,000 per year per community network will lapse.
5. **Incarcerated Parents** - Funding is provided for Chapter 384, Laws of 2007 (E2SHB 1422). This bill requires several state agencies to adopt policies that assist children and families with incarcerated parents.
 6. **Juvenile Detention Alternatives** - Funding is provided to expand and enhance the Juvenile Detention Alternatives Initiative. Resources will be used to add three new program sites, support the addition of a data analyst, and provide resources for the state to participate in annual national conferences.
 7. **Improve Management of Agency Risk** - Additional staff are provided to establish an enterprise-wide approach to risk management. The Risk Management office will identify trends and develop strategies to reduce or mitigate DSHS tort, workers' compensation, and other risk costs. (General Fund-State, General Fund-Federal)
 8. **Improve Human Resource Management** - Human resource staff are added to meet the demands created by civil service reform, collective bargaining agreements, and increased accountability for the management of human resource employees. Ten FTE staff are funded in FY 2008 and 12 FTE staff in FY 2009. (General Fund-State, General Fund-Federal)
 9. **Enhanced Recovery Initiative** - Funding is provided to evaluate whether revenue generation efforts and a comprehensive review of cost allocation and grants management activities are effective in recovering their costs. (General Fund-State, General Fund-Federal)
 10. **Washington Mentoring Partnership** - Funding is provided for an expansion of the Washington State Mentors program that provides technical assistance and training to mentoring programs that serve at-risk youth. This additional funding will help to secure private matching funds.
 11. **Post-Partum Depression** - Funding is provided for the continuation of the Postpartum Depression campaign, including the design and production of brochures in various languages, a radio public service announcement, and other outreach and training efforts.
 12. **Office Reloc One-time Cost** - One-time funding is provided beginning July 1, 2007, for ten office moves across the state. (General Fund-State, General Fund-Federal)
 13. **Data Driven Accountability** - Research and data capacity are increased to improve outcomes through the development and use of data to enhance management attention on service delivery issues that demonstrate poor performance. This added capacity also will support the increased workload associated with the multiple accountability review processes recently initiated by the Governor, the Legislature, and citizens. (General Fund-State, General Fund-Federal)
 14. **WCPCAN Home Visitation Program** - The budget provides \$3.5 million for additional Washington Council for Prevention of Child Abuse and Neglect (WCPCAN) home visiting services to serve approximately 929 families a year. The additional funding is for investments in home visiting services, emphasize improved outcomes in early childhood development, school readiness, and early detection of developmental delays.
 15. **Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 16. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 17. **Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 18. **Nonrepresented Salary Survey** - Funding is provided for state employees who lag most severely behind market rates in the 2006 Department of Personnel salary survey. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 19. **Nonrepresented Class Consolidation** - Funding is provided for nonrepresented state employees' increases in specific job classes corresponding to those provided in collective bargaining agreements negotiated by the Governor. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 20. **Nonrepresented Additional Step** - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 21. **Nonrepresented Shift Differential** - Funding is provided for an increase of \$0.10 an hour in FY 2008 and an additional \$0.05 an hour in FY 2009, applicable only to those state employees not covered by a bargaining unit and working in eligible shifts.
 22. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)

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

23. **WFSE Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

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

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2005-07 Expenditure Authority	98,032	47,248	145,280
2007 Supplemental *	1,693	2,690	4,383
Total 2005-07 Biennium	99,725	49,938	149,663
2007-09 Maintenance Level	118,957	57,515	176,472
Policy Changes - Non-Comp			
1. Child Care Development Fund to DEL	0	-260	-260
Policy -- Non-Comp Total	0	-260	-260
Total 2007-09 Biennium	118,957	57,255	176,212
Fiscal Year 2008 Total	59,460	28,636	88,096
Fiscal Year 2009 Total	59,497	28,619	88,116

Comments:

- Child Care Development Fund to DEL** - Beginning in FY 2008, the Department of Early Learning (DEL) shall be the central recipient of the federal Child Care and Development Fund block grant. The Department of Social and Health Services (DSHS) is currently the central recipient of this grant. The federal block grant will continue to support functions in both DSHS and DEL, including the state's child care licensing function, contracted quality initiatives, and child care subsidies. (General Fund-Federal)

* Please see the 2007 Supplemental Operating Budget Section for additional information.

Other Human Services

Health Care Authority

An additional 3,000 low-income people will receive state-subsidized Basic Health Plan coverage by January 2009 at a cost of \$8.2 million.

In accordance with Chapter 259, Laws of 2007, Partial Veto (E2SSB 5930), \$3.1 million is provided to establish the Health Insurance Partnership and premium assistance program. The partnership will be available for small businesses with 2 to 50 employees, with a premium subsidy for employees with incomes below 200 percent of the federal poverty level.

Also in accordance with E2SSB 5930, \$1.3 million is provided to establish the Washington State Quality Forum. This board will collaborate with the Puget Sound Health Alliance to collect and disseminate research and data on quality health care and adopt evaluation measures to compare health care cost, quality, and provider performance.

Criminal Justice Training Commission

The budget provides \$2.2 million through the Public Safety and Education Account for the Washington Association of Sheriffs and Police Chiefs (WASPC) to continue the Jail Booking and Reporting System (JBRS) and the Statewide Automated Victim Information and Notification System (SAVIN). JBRS allows criminal justice users who are licensed for access to have a single query system that integrates county and city jail information systems throughout the state. SAVIN is based on JBRS and provides a tool for victims of crime to gain knowledge about the status of their offender or offenders.

The budget provides \$12.3 million from the Washington Auto Theft Prevention Authority Account for the implementation of Chapter 199, Laws of 2007 (E3SHB 1001), which establishes the Washington Auto Theft Prevention Authority under the umbrella of WASPC to review and analyze methods for combating auto theft. The funds will be used for the administration of the Authority (no more than 10 percent of the total) and for supplementing costs associated with increased prosecutions, court costs, law enforcement, offender confinement, auto theft related equipment and technologies, and education programs.

The budget provides \$3.3 million from the Public Safety and Education Account for the Commission to conduct an additional 14 Basic Law Enforcement Academies (BLEA). State law requires graduation from the BLEA for all local government law enforcement officers. Future funding for these academies is contingent upon the results of an Office of Financial Management forecast that will be used to inform future training needs.

Department of Health

In addition to funding for increased utilization of current recommended vaccines, the state's universal vaccine system is expanded to include vaccinations recently approved in the federal Vaccines for Children Program. The Centers for Disease Control (CDC) recommends vaccinating females ages 11 to 13 for the human papillomavirus, which was recently discovered to cause 70 percent of cervical cancer cases. Funding is also provided to vaccinate infants for rotavirus, a leading cause of childhood diarrhea. A total of \$23.0 million in state funding is provided for these enhancements.

A total of \$20.0 million in state funds is provided to support the five primary functions of the 35 local health jurisdictions (LHJs) statewide, including: controlling communicable disease, promoting health and preventing chronic disease, providing access to health services, assessing health status, and providing protection from environmental health threats. As a requirement for continued funding, LHJs must report on performance measures that will be submitted to the Department. The Department must report to the Governor and the Legislature on the distribution of funds and compliance with performance measures and health status indicators.

The sum of \$5.8 million in state funds is provided for family planning clinics to serve clients who are no longer eligible under the Medicaid Take Charge Family Planning Waiver and to increase the Department's efforts to prevent and treat sexually-transmitted diseases.

Department of Veterans' Affairs

State funds of \$1.7 million are provided to increase the hours of care at the state veterans' homes at Retsil, Orting, and Spokane. Funds cover 15 new full-time staff to meet the U.S. Department of Veterans' Affairs staffing requirement of 2.5 nursing care hours per resident per day.

State funds of \$1.0 million are provided to expand the Veterans' Conservation Corps (VCC) as described in Chapter 451, Laws of 2007 (2SSB 5164). The expanded program will provide training and certification for veterans who work as full-time volunteers, in coordination with the community and technical colleges. An additional \$0.3 million in funding is provided to continue the volunteer VCC program established during the 2005-07 biennium with one-time funding.

Department of Labor and Industries

Funding of \$8.0 million is provided for the Department to establish a program to demonstrate or validate new and improved techniques to safeguard the health and safety of employees. The projects funded must involve workplaces insured by the Medical Aid Fund and give priority to fostering accident prevention through cooperation between employers and employees or their representatives.

The budget provides \$3.1 million for Chapter 72, Laws of 2007 (ESSB 5920), to support legislative reform to the vocational rehabilitation system to improve outcomes for injured workers who receive vocational services. This includes the various staffing costs needed to implement the legislation.

Funding is provided to conduct utilization reviews of physical and occupational therapy after visit 24, as recommended by the profession, and to hire staff to enter data from the utilization review into the claimant's file. It is estimated that this earlier review will save the Medical Aid Account \$5.0 million per biennium in benefits by eliminating inappropriate therapy.

Funding of \$1.3 million is provided for implementation of Chapter 27, Laws of 2007 (ESHB 2171). The bill requires the Department to establish a construction crane certification program and a construction crane operator certification program.

Funding is provided to prevent fraud and abuse in the workers' compensation system through technology enhancements to meet the Department's goal of auditing 4.0 percent of employers each year. It is projected that an additional \$1.2 million in premiums will be collected in fiscal year 2008 and fiscal year 2009 and \$2.1 million will be collected each year thereafter.

A total of \$18.0 million is provided from the Family Leave Insurance Account pursuant to the appropriation in Chapter 357, Laws of 2007 (E2SSB 5659). A joint legislative task force on family medical leave insurance is created to provide recommendations to the Legislature on how best to finance and administer this type of insurance program. Beginning on October 1, 2009, benefits of \$250 per week for up to five weeks will be paid to individuals who are unable to perform regular work because of the birth or adoption of a child.

Department of Corrections

A total of \$1.6 billion is appropriated for the Department of Corrections to incarcerate an average of 19,208 inmates per month and to supervise an average of 28,635 offenders per month in the community. This represents a 10.1 percent (\$146.9 million) increase in corrections spending from the 2005-07 biennium.

In addition to funding provided for forecast and workload changes, the budget provides \$24.4 million in state funding and cost of supervision funds for the offender reentry initiative. The initiative expands and coordinates programs to target the primary causes of recidivism by emphasizing education, workforce skills, and treatment programs that address dependency and mental health issues. The initiative also provides support services and employment opportunities for offenders leaving prison. According to the Washington State Institute for Public Policy, these programs, with the juvenile offender treatment programs, will reduce demand for prison beds by 1,444 in 2017 and 3,289 in 2030.

The budget provides \$11.0 million in state funding for the Department to contract with local governments and tribes for an additional 225 rental beds to address overcrowding of existing bed space and to reflect a gubernatorial directive that does not allow the Department to release an offender who violates the terms of his/her community supervision solely due to bed capacity constraints.

Funding of \$3.9 million in state funds is provided to expand training capacity for additional corrections officers to meet existing demand and open nearly 2,000 new prison beds in the 2007-09 biennium.

The budget provides \$2.6 million in state funds for the implementation of provisions of Chapter 483, Laws of 2007 (ESSB 6157), which amends state statutes related to earned release of offenders and the sanctioning of persons who violate the terms of their community supervision.

The budget provides \$1.5 million from the Washington Auto Theft Prevention Authority Account for the implementation of Chapter 199, Laws of 2007 (E3SHB 1001), which increases auto theft-related penalties and triple scores prior offenses, counts prior vehicle prowling offenses, and creates a new crime for the making and possessing of motor vehicle theft tools.

Employment Security Department

A total of \$12.3 million in federal Reed Act funding is provided to administer state policy-driven unemployment insurance (UI) program costs. The federal funds for the UI program administration have declined as a result of the implementation of the Resource Justification Model. This funds specific programs that are in place as a result of state legislation.

A total of \$16.1 million from the Administrative Contingency Account and the Employment Services Administration Account is provided to the Department to continue ongoing services to employers and job seekers. This will replace federal funding that has declined over the past five years.

A total of \$12.1 million in federal Reed Act funding is provided for the Department of Information Services (DIS) to begin replacement of the Department's mainframe unemployment insurance tax information system and its ancillary subsystems. These systems were originally implemented in 1984. The Department has hired a consultant to develop a requirements and feasibility study for unemployment insurance tax computer systems. Funding is to be released upon approval by the Information Services Board. DIS will consult with the Department on replacement of the system.

Washington State Health Care Authority

(Dollars in Thousands)

	NGF-S	Other	Total
2005-07 Expenditure Authority	468,286	174,885	643,171
2007 Supplemental *	-4,039	-154	-4,193
Total 2005-07 Biennium	464,247	174,731	638,978
2007-09 Maintenance Level	552,161	180,156	732,317
Policy Changes - Non-Comp			
1. SE Washington Residency	1,000	0	1,000
2. Health Literacy	442	0	442
3. Benefits Admin & Insur Acctg System	2,460	23,020	25,480
4. Information Technology	566	508	1,074
5. Prescription Drug Consortium	871	0	871
6. Basic Health Plan Benefit Changes	1,600	159	1,759
7. Basic Health Plan Enrollment	8,299	1,558	9,857
8. Blue Ribbon Commission Reports	90	0	90
9. Community Collaboratives Grants	500	0	500
10. Dependent Coverage IT System Costs	350	0	350
11. Dental Residency Program	1,708	0	1,708
12. State Employee Health Pilot	0	600	600
13. New Self-Insured Co-Pay Plan	0	1,722	1,722
14. Health Insurance Partnership	3,137	0	3,137
15. Washington State Quality Forum	1,328	0	1,328
16. Governor Veto	-1,000	0	-1,000
Policy -- Non-Comp Total	21,351	27,567	48,918
Policy Changes - Comp			
17. Revise Pension Gain-Sharing	-27	-26	-53
18. Nonrepresented Staff Health Benefit	139	125	264
19. Nonrepresented Salary Increase	647	636	1,283
20. Nonrepresented Salary Survey	408	303	711
21. Nonrepresented Class Consolidation	10	8	18
22. Nonrepresented Additional Step	285	250	535
23. Retain FY 2007 Pay Increase (1.6%)	272	268	540
Policy -- Comp Total	1,734	1,564	3,298
Total 2007-09 Biennium	575,246	209,287	784,533
Fiscal Year 2008 Total	274,666	103,415	378,081
Fiscal Year 2009 Total	300,580	105,872	406,452

Comments:

- | | |
|---|---|
| <p>1. SE Washington Residency - Funding is provided solely for the establishment of a family practice residency program in southeastern (SE) Washington. The program will provide residency experience in rural communities and support at least five family practice medicine residents per year. See Governor Veto item below.</p> <p>2. Health Literacy - Funding is provided for grants to local community organizations through a public-private partnership with the UCLA health care institute to improve health care literacy, including programs to help families make informed decisions about their children's health, such as when to go to the emergency room and how to take care of common illnesses. (Health Services Account-State)</p> <p>3. Benefits Admin & Insur Acctg System - Funding is provided for the replacement of the benefit administration and insurance</p> | <p>accounting system, for the Public Employees' Benefits Board benefits administration and insurance accounting, and for the Basic Health insurance accounting system. (Health Services Account-State, General Fund-Federal, State Health Care Authority Administration Account-State)</p> <p>4. Information Technology - Funding is provided for investment in new telephone infrastructure that will align information technology infrastructure with performance requirements. (General Fund-Federal, Health Services Account-State, State Health Care Authority Administration Account-State)</p> <p>5. Prescription Drug Consortium - Funding is provided to continue the operation of the Prescription Drug Purchasing Consortium, which allows local governments, private entities, and individuals who are uninsured or underinsured to benefit</p> |
|---|---|

Washington State Health Care Authority

- from the consortium's purchasing power. (Health Services Account-State)
6. **Basic Health Plan Benefit Changes** - Funding is provided for the additional costs of benefits that were added to the Basic Health Plan beginning January 1, 2007, until December 31, 2007. No funding for the cost of benefit enhancements beyond the actuarial value of the package offered during the 2006 calendar year is provided for the 2008 or 2009 calendar years. (Basic Health Plan Trust Account-Non-Appropriated, Health Services Account-State)
 7. **Basic Health Plan Enrollment** - The Basic Health Plan enrollment is expanded by an additional 1,200 slots by January 2008 and increasing to 3,000 slots by January 2009 to allow health care coverage for a total of 109,500 adults and children below 200 percent of the federal poverty level. (Health Services Account-State, Basic Health Plan Trust-Non-Appropriated)
 8. **Blue Ribbon Commission Reports** - In accordance with Chapter 259, Laws of 2007, Partial Veto (E2SSB 5930), funding is provided for expert consulting and staffing to support two reports: (1) a five-year plan to change reimbursement within state purchased health care that rewards quality health outcomes due September 2007; and (2) a report on trends in unnecessary emergency room use and demonstration pilot design due December 2007. (Health Services Account-State)
 9. **Community Collaboratives Grants** - Funding is provided to continue the Community Collaborative Grant program established in Chapter 67, Laws of 2006 (E2SSB 6459), which provides two-year grants to community-based organizations that address access to medical treatment, efficient use of health care resources, and quality care for low income or uninsured persons. The applicant organizations must assure measurable improvements in health access within their service region, demonstrate active collaboration with key community partners, and provide \$2 in matching funds for each grant \$1 awarded. (Health Services Account-State)
 10. **Dependent Coverage IT System Costs** - In accordance with E2SSB 5930, funding is provided for the Health Care Authority (HCA) to update its benefit administration and insurance accounting system to accommodate the expansion of dependent coverage to age 25. (Health Services Account-State)
 11. **Dental Residency Program** - Funding is provided to continue the five current dental resident positions, add six additional resident positions in FY 2008, and five more in FY 2009. At least four of the additional dental resident positions established in FY 2008 will be in eastern Washington, and two will be in the Seattle area. (Health Services Account-State)
 12. **State Employee Health Pilot** - In accordance with E2SSB 5930, a state employee health pilot is established. Agencies chosen to participate by the HCA will apply best practices in health promotion and wellness. The project will measure specific reductions in health risk factors related to obesity, diabetes, and absenteeism. An evaluation report to the Legislature is required annually beginning December 2008. (Health Care Authority Administrative Account-State)
 13. **New Self-Insured Co-Pay Plan** - Funding is provided for the administrative costs associated with the creation and management of a new self-insured medical benefit plan for state and participating local government employees featuring cost sharing on a co-payment basis. (Health Care Authority Administrative Account-State)
 14. **Health Insurance Partnership** - Funding is provided for the establishment of the Health Insurance Partnership and the premium assistance program pursuant to Chapter 260, Laws of 2007, Partial Veto (E2SHB 1569), and related sections of E2SSB 5930. The Health Insurance Partnership is a modified version of the Small Employer Health Insurance Partnership Program that has been established in statute within the HCA. The program will be available for small businesses with 2 to 50 employees with a premium subsidy program for employees with incomes below 200 percent of the federal poverty level, with application processing starting September 2008 and coverage beginning January 2009. (Health Services Account-State)
 15. **Washington State Quality Forum** - In accordance with E2SSB 5930, the Washington State Quality Forum is established. The 11-member forum will collaborate with the Puget Sound Health Alliance to collect and disseminate research and data on quality health care, adopt evaluation measures to compare health care cost, quality, and provider performance, and produce an annual quality report. (Health Services Account-State)
 16. **Governor Veto** - The Governor vetoed Section 214(13) of Chapter 522, Laws of 2007, Partial Veto (SHB 1128). See the SE Washington Residency item above.
 17. **Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 18. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 19. **Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 20. **Nonrepresented Salary Survey** - Funding is provided for state employees who lag most severely behind market rates in the

Washington State Health Care Authority

2006 Department of Personnel salary survey. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

21. **Nonrepresented Class Consolidation** - Funding is provided for nonrepresented state employees' increases in specific job classes corresponding to those provided in collective bargaining agreements negotiated by the Governor. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
22. **Nonrepresented Additional Step** - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
23. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)

* Please see the 2007 Supplemental Operating Budget Section for additional information.

Washington State Health Care Authority

WORKLOAD HISTORY

By Fiscal Year

	2000	2001	2002	2003	2004	2005	2006	Estimated		
	2007	2008	2009							
Basic Health Plan										
Subsidized Enrollees	130,995	132,667	123,730	128,937	103,452	99,807	100,444	102,118	107,350	109,000
% Change from prior year		1.3%	-6.7%	4.2%	-19.8%	-3.5%	0.6%	1.7%	5.1%	1.5%

These numbers do not include home care workers receiving state-subsidized coverage through the Basic Health Plan as this group has dropped almost to zero nearing the end of the 2005-07 biennium. This drop is due to the availability of other coverage options. For historical purposes, the home care workers continue to be included in past fiscal year totals.

Data Sources :

FY 1998 through May of FY 2007 from the Health Care Authority.

June of FY 2007 through FY 2009 estimates from legislative fiscal staff.

Human Rights Commission

(Dollars in Thousands)

	NGF-S	Other	Total
2005-07 Expenditure Authority	5,824	1,321	7,145
2007 Supplemental *	35	0	35
Total 2005-07 Biennium	5,859	1,321	7,180
2007-09 Maintenance Level	5,637	1,766	7,403
Policy Changes - Non-Comp			
1. Improve Investigation Timeliness	260	0	260
2. Replace Reduced Federal Funding	219	-438	-219
3. Relocate Yakima Office to TriCities	22	0	22
4. Veterans' Discrimination Protection	80	0	80
Policy -- Non-Comp Total	581	-438	143
Policy Changes - Comp			
5. Revise Pension Gain-Sharing	-9	0	-9
6. Nonrepresented Staff Health Benefit	13	0	13
7. Nonrepresented Salary Increase	75	0	75
8. Nonrepresented Salary Survey	27	0	27
9. Nonrepresented Additional Step	16	0	16
10. Retain FY 2007 Pay Increase (1.6%)	32	0	32
11. WFSE Collective Bargaining	422	17	439
Policy -- Comp Total	576	17	593
Total 2007-09 Biennium	6,794	1,345	8,139
Fiscal Year 2008 Total	3,444	670	4,114
Fiscal Year 2009 Total	3,350	675	4,025

Comments:

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| <p>1. Improve Investigation Timeliness - The budget provides funding for the Commission to hire one civil rights specialist and one civil rights investigator to assist the Commission in shortening its case investigation time, which currently averages 210 days per case.</p> <p>2. Replace Reduced Federal Funding - The budget provides one-time funding for FY 2008 for the Commission to adjust to a shortfall in federal revenues.</p> <p>3. Relocate Yakima Office to TriCities - The budget provides one-time funding to relocate the Yakima office to the TriCities.</p> <p>4. Veterans' Discrimination Protection - Funding is provided for the Commission to implement Chapter 187, Laws of 2007 (SB 5123). The bill amends the Washington Law Against Discrimination to prohibit discrimination based on a person's status as a veteran or member of the military, as it relates to: employment; commerce; real estate transactions; places of public resort, accommodation, amusement; insurance transactions; and credit transactions.</p> <p>5. Revise Pension Gain-Sharing - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.</p> | <p>6. Nonrepresented Staff Health Benefit - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.</p> <p>7. Nonrepresented Salary Increase - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.</p> <p>8. Nonrepresented Salary Survey - Funding is provided for state employees who lag most severely behind market rates in the 2006 Department of Personnel salary survey. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.</p> <p>9. Nonrepresented Additional Step - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.</p> |
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Human Rights Commission

10. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)
11. **WFSE Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

Board of Industrial Insurance Appeals

(Dollars in Thousands)

	NGF-S	Other	Total
2005-07 Expenditure Authority	0	32,923	32,923
2007-09 Maintenance Level	0	33,595	33,595
Policy Changes - Comp			
1. Revise Pension Gain-Sharing	0	-38	-38
2. Nonrepresented Staff Health Benefit	0	20	20
3. Nonrepresented Salary Increase	0	154	154
4. Nonrepresented Class Consolidation	0	4	4
5. Nonrepresented Additional Step	0	8	8
6. Retain FY 2007 Pay Increase (1.6%)	0	64	64
7. WFSE Collective Bargaining	0	2,460	2,460
Policy -- Comp Total	0	2,672	2,672
Total 2007-09 Biennium	0	36,267	36,267
Fiscal Year 2008 Total	0	17,878	17,878
Fiscal Year 2009 Total	0	18,389	18,389

Comments:

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| <p>1. Revise Pension Gain-Sharing - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.</p> <p>2. Nonrepresented Staff Health Benefit - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.</p> <p>3. Nonrepresented Salary Increase - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.</p> <p>4. Nonrepresented Class Consolidation - Funding is provided for nonrepresented state employees' increases in specific job classes corresponding to those provided in collective bargaining agreements negotiated by the Governor. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.</p> <p>5. Nonrepresented Additional Step - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.</p> <p>6. Retain FY 2007 Pay Increase (1.6%) - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)</p> | <p>7. WFSE Collective Bargaining - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the highlights for Special Appropriations on page 359.</p> |
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Washington State Criminal Justice Training Commission

(Dollars in Thousands)

	NGF-S	Other	Total
2005-07 Expenditure Authority	22,231	608	22,839
2007 Supplemental *	15	0	15
Total 2005-07 Biennium	22,246	608	22,854
2007-09 Maintenance Level	23,259	608	23,867
Policy Changes - Non-Comp			
1. Additional Academies	3,346	0	3,346
2. Auto Theft	0	12,322	12,322
3. CSPA Major Crimes Task Force	100	0	100
4. Child Welfare Training	300	0	300
5. Forest Fire Property Access	20	0	20
6. JBRS and SAVIN Programs - WASPC	2,235	0	2,235
7. Missing Persons Training	28	0	28
8. Vendor Rate Increase	198	0	198
9. Gang-Related Offenses Workgroup	25	0	25
Policy -- Non-Comp Total	6,252	12,322	18,574
Policy Changes - Comp			
10. Revise Pension Gain-Sharing	-9	0	-9
11. Nonrepresented Staff Health Benefit	18	0	18
12. Nonrepresented Salary Increase	121	0	121
13. Retain FY 2007 Pay Increase (1.6%)	51	0	51
14. WFSE Collective Bargaining	185	0	185
Policy -- Comp Total	366	0	366
Total 2007-09 Biennium	29,877	12,930	42,807
Fiscal Year 2008 Total	15,537	5,704	21,241
Fiscal Year 2009 Total	14,340	7,226	21,566

Comments:

1. **Additional Academies** - Funding is provided to conduct an additional ten basic law enforcement academies in FY 2008 and four additional academies in FY 2009. Funding is based on 34 students per academy at a cost of \$239,000 per academy. Funds are also provided for increased costs associated with emergency vehicle operator course training conducted under contract with the Washington State Patrol Academy. Future funding for these academies is contingent upon the results of an Office of Financial Management forecast that will be used to inform future training needs. (Public Safety and Education Account-State)
2. **Auto Theft** - Funding is provided to implement Chapter 199, Laws of 2007 (E3SHB 1001), which creates the Washington Auto Theft Prevention Authority (Authority) within the Washington Association of Sheriffs and Police Chiefs (WASPC) under the direction of the executive director of WASPC. The purpose of the Authority is to review, collect data, and make recommendations to the Legislature and the Governor regarding motor vehicle theft in Washington. Funds from the newly created Washington Auto Theft Prevention Authority Account, will be used for the administrative costs of the Authority (no more than 10 percent) and for supplementing costs associated with increased prosecutions, court costs, law enforcement, offender confinement, equipment and technologies, and education programs. (Washington Auto Theft Prevention Authority Account-State)
3. **CSPA Major Crimes Task Force** - One-time funding is provided to support the Coalition of Small Police Agencies (CSPA) major crimes task force. The task force is a collaborative effort of 15 cities working to combat and investigate major violent crimes. (Public Safety and Education Account-State)
4. **Child Welfare Training** - Funding is provided to implement Chapter 410, Laws of 2007 (SHB 1333), which requires the Commission to develop curriculum related to child abuse and neglect to be included in the basic law enforcement training. The curriculum will be developed in consultation with the Department of Social and Health Services, WASPC, and the Washington Association of Prosecuting Attorneys. The Commission will also develop statewide guidelines for first responders to child fatalities. (Public Safety and Education Account-State)
5. **Forest Fire Property Access** - Funding is provided to implement Chapter 252, Laws of 2007 (SSB 5315), which requires WASPC to convene a model policy work group to develop a model policy for sheriffs regarding residents,

Washington State Criminal Justice Training Commission

landowners, and others in lawful possession and control of land in the state during a forest fire or wildfire. The model policy must include guidance on allowing access to lands, when safe and appropriate, during a forest fire or wildfire. (Public Safety and Education Account-State)

6. **JBRS and SAVIN Programs - WASPC** - Funding is provided for WASPC to continue the Jail Booking and Reporting System (JBRS) and the Statewide Automated Victim Information and Notification System (SAVIN). (Public Safety and Education Account-State)
7. **Missing Persons Training** - One-time funding is provided to implement Chapter 10, Laws of 2007 (SSB 5191), which requires the Commission to provide training on the implementation and use of missing persons protocols for law enforcement officers throughout the state. A contractor will be used to develop curriculum and course delivery for an on-line or DVD-based course. (Public Safety and Education Account-State)
8. **Vendor Rate Increase** - Funding is provided for a vendor rate increase of 2.0 percent in FY 2008 and 2.0 percent in FY 2009 for WASPC. Funding is provided for a vendor rate increase of 6.0 percent in FY 2008 and 2.0 percent in FY 2009 for the agency food service vendor, Lites and Bites. (Public Safety and Education Account-State)
9. **Gang-Related Offenses Workgroup** - Funding is provided to implement Chapter 389, Laws of 2007 (SSB 5987), which directs WASPC to convene a work group to evaluate the problem of gang-related crime in Washington State and make recommendations pertaining to: (1) legislative measures to combat gang-related crime; (2) the creation of a statewide gang information database; (3) possible reforms to the juvenile justice system; (4) best practices for the prevention and intervention of youth gang membership; and (5) the adoption of legislation authorizing a civil anti-gang injunction. The report is due to the Legislature on or before January 1, 2008. (Public Safety and Education Account-State)
10. **Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
11. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
12. **Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state

employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

13. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)
14. **WFSE Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

Department of Labor and Industries

(Dollars in Thousands)

	NGF-S	Other	Total
2005-07 Expenditure Authority	44,782	491,937	536,719
2007 Supplemental *	0	437	437
Total 2005-07 Biennium	44,782	492,374	537,156
2007-09 Maintenance Level	46,940	490,964	537,904
Policy Changes - Non-Comp			
1. Factory Assembled Structures	199	0	199
2. COHE Expansion Evaluation	0	382	382
3. Independent Medical Exam Schedulers	0	268	268
4. Pension Benefits Specialists	0	354	354
5. Consultation/Outreach Worker Safety	0	1,552	1,552
6. Med Provider Timely Reimbursement	0	1,261	1,261
7. Claim Suppression Investigations	0	362	362
8. Farm Labor Contractors	0	484	484
9. Crane Safety	0	1,281	1,281
10. Burlington Building Factory	584	0	584
11. Tacoma Rhodes Lease	0	86	86
12. Industrial Insurance Fund Audits	0	476	476
13. Medical Advisory Committees	0	558	558
14. Mobile/Manufactured Homes	0	292	292
15. Increasing Prevailing Wage Services	0	560	560
16. Perm Total Disability Study	0	605	605
17. Controlling PT/OT Therapy Costs	0	2,413	2,413
18. Minimum Monthly Benefits	208	722	930
19. Blue Ribbon Commission	0	730	730
20. Industrial Insurance Ombudsman	0	874	874
21. Notices to Employers	0	148	148
22. Safety & Health Investments	0	8,000	8,000
23. Retrospective Rating Plan Review	0	600	600
24. Voc Rehab Staffing Impact	0	822	822
25. Voc Rehab Legislation	0	2,247	2,247
26. Improve Vocational Services	0	333	333
27. Implementing Wage Payment	0	139	139
28. Family Leave Insurance Program	0	18,000	18,000
Policy -- Non-Comp Total	991	43,549	44,540
Policy Changes - Comp			
29. Revise Pension Gain-Sharing	-28	-487	-515
30. Nonrepresented Staff Health Benefit	4	146	150
31. Nonrepresented Salary Increase	36	1,089	1,125
32. Nonrepresented Salary Survey	4	163	167
33. Retain FY 2007 Pay Increase (1.6%)	14	461	475
34. WFSE Collective Bargaining	1,027	27,797	28,824
35. Coalition Collective Bargaining	595	2,610	3,205
Policy -- Comp Total	1,652	31,779	33,431
Total 2007-09 Biennium	49,583	566,292	615,875
Fiscal Year 2008 Total	24,097	277,272	301,369
Fiscal Year 2009 Total	25,486	289,020	314,506

Comments:

1. **Factory Assembled Structures** - The Department of Labor and Industries (L&I) is responsible for reviewing and approving factory-assembled structures, recreational vehicles, and recreational park trailer plans annually for businesses and homeowners. Recently, there has been an increase in the number and size of the structures. Additional resources are

provided to eliminate the review and appeal backlog and to provide a ten working day turn-around for reviewing plans.

2. **COHE Expansion Evaluation** - Funds are provided to evaluate the recent expansion of a program to improve treatment of injured workers and return them to their jobs

Department of Labor and Industries

- sooner. The Centers of Occupational Health and Education (COHEs) are located in Spokane and Renton. The 2005-07 biennial budget provided for an expansion of existing COHEs and the development of two new small COHEs. Funds are provided for the University of Washington to evaluate this expansion and the continuing effectiveness of the Spokane and Renton COHEs and to determine if COHE best practices and outcomes can also be achieved in rural counties. (Medical Aid Account-State)
3. **Independent Medical Exam Schedulers** - Because of the increased number and complexity of worker compensation claims cases, additional resources are needed to schedule timely independent medical exams. (Accident Account-State, Medical Aid Account-State)
 4. **Pension Benefits Specialists** - Additional resources are provided to increase the timeliness of payments to recipients on newly created pensions, to increase cost recovery by eliminating the backlog of Social Security offset adjustments, to conduct quality control recalculation of pension benefit amounts in response to a State Auditor finding, and to provide more timely responses to customer questions. (Accident Account-State, Medical Aid Account-State)
 5. **Consultation/Outreach Worker Safety** - Funding is provided to increase the quantity and quality of workplace safety education, consultation services, and training in consultation and compliance. Funds also will be used to foster recognition, cooperative programs, and partnerships and alliances aimed at small businesses and high hazard industries. (Accident Account-State, Medical Aid Account-State)
 6. **Med Provider Timely Reimbursement** - Fewer doctors are willing to treat injured workers in the workers' compensation system. Funding is provided to address the providers' concerns by making it easier to use the complex workers' compensation system, reduce the time needed to process bills, and speed up bill payments. Health care provider account representatives will work with providers to remove barriers and solve billing issues. (Medical Aid Account-State)
 7. **Claim Suppression Investigations** - Funding is provided to implement Chapter 77, Laws of 2007 (SSB 5443). The legislation provides for investigation of claim suppression allegations, gives the Department authority to subpoena claim records, and authorizes penalties. It also allows the Department to waive time limits for filing a claim when a worker has not filed within the statute of limitations due to claim suppression. (Accident Account-State, Medical Aid Account-State)
 8. **Farm Labor Contractors** - Additional resources are provided in response to a recent high-profile farm labor contractor (FLC) fraud and abuse case and ongoing concerns that seasonal labor shortages will increase demand for FLC services. New staff will review FLC applications for legal requirements, perform compliance checks, and conduct outreach to farmers and landowners to aid in compliance with FLC law. (Accident Account-State, Medical Aid Account-State)
 9. **Crane Safety** - Funding is provided for Chapter 27, Laws of 2007 (ESHB 2171). This bill requires the Department to establish by rule, a construction crane certification program and a construction crane operator certification program. (Accident Account-State, Medical Aid Account-State)
 10. **Burlington Building Factory** - Expenditure authority is granted to the Department to meet the additional demand in reviewing factory assembled structures created by the opening of a new modular home factory in Burlington. The Department is responsible under law to inspect the component pieces and the final building, as well as to review and approve building plans. The revenue collected will exceed the costs of expenditures.
 11. **Tacoma Rhodes Lease** - The Department of General Administration will increase lease rates for state agencies in the Tacoma Rhodes Center effective July 1, 2007. The new rates will mitigate an operating deficit associated with the state-owned building. Funding is provided for the lease increase. (Accident Account-State, Medical Aid Account-State)
 12. **Industrial Insurance Fund Audits** - Contract costs for implementation of legislation regarding industrial insurance fund audits have been higher than originally anticipated. In addition, the State Auditor's Office will contract out the Generally Accepted Accounting Principles (GAAP) and Statutory Accounting Principles (SAP) audits which will result in increased costs. (Accident Account-State, Medical Aid Account-State)
 13. **Medical Advisory Committees** - Funding is provided to implement Chapter 282, Laws of 2007 (ESSB 5290). Medical and chiropractic advisory committees will assist the Department in making evidence-based decisions to ensure safe and effective health care for workers and to reduce the financial risk of authorizing unproven therapies. Funding is provided to reimburse committee members, contract with a technical research specialist, and cover the committees' administrative costs. (Medical Aid Account-State)
 14. **Mobile/Manufactured Homes** - Funding is provided to implement Chapter 432, Laws of 2007, Partial Veto (SHB 2118). The bill transfers all regulatory and other responsibilities for mobile and manufactured home installation from the Department of Community, Trade, and Economic Development to L&I. (General Fund-Federal, Manufactured Home Installation Training Account-State)
 15. **Increasing Prevailing Wage Services** - Beginning in July 2007, the transfer of 30 percent of prevailing wage revenues from the Public Works Administration Account (PWAA) to the General Fund-State will cease. This revenue to the PWAA will supply the funding to enforce prevailing wage laws, conduct outreach and education, and create a pilot project for on-line

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prevailing wage surveys. (Public Works Administration Account-State)

16. **Perm Total Disability Study** - Funding is provided for an independent study of employer claims in which workers were granted permanent total disability pension benefits under the Workers' Compensation system. The number of workers who were awarded such benefits, pursuant to RCW 51.08.160, has increased over the past five years. The study will include analysis of the causes of the recent increase, including changes in injured worker demographics and policies that affect benefit decisions. A comparison of Washington's permanent disability claims experience and injured worker outcomes with other states and jurisdictions will also be provided, along with future anticipated permanent disability trends. (Accident Account-State)
17. **Controlling PT/OT Therapy Costs** - The Department currently reviews the effectiveness of physical therapy (PT) at the 40th visit. Occupational therapy (OT) is not reviewed at all. Much of the treatment beyond 24 visits does not appear to improve a worker's outcome, and in some cases, extends disability because a more effective treatment plan has not been implemented. Funding is provided to conduct utilization reviews at 24 visits, the number recommended by the profession, and to hire staff to enter data from the utilization review into the claimant's file. It is estimated that this earlier review would save the Medical Aid Account \$5.0 million per biennium in benefits by eliminating inappropriate therapy. (Medical Aid Account-State)
18. **Minimum Monthly Benefits** - Funding is provided to implement Chapter 284, Laws of 2007 (ESB 5675). The bill modifies the minimum monthly amounts for death benefits and temporary or permanent total disability benefits for Workers' Compensation and Crime Victims' Compensation Programs. (Public Safety and Education Account-State, Accident Account-State, Medical Aid Account-State).
19. **Blue Ribbon Commission** - Funding is provided to implement Chapter 259, Laws of 2007, Partial Veto (E2SSB 5930). The bill directs the Department and the Department of Health to develop a five-year plan by September 1, 2007, to integrate disease and accident prevention and health promotion into all state health programs. The Departments will implement demonstration projects. Evaluation reports of the demonstration projects are due to the Legislature in December of 2008, 2009, and 2010. (Medical Aid Account-State)
20. **Industrial Insurance Ombudsman** - Funding is provided to implement Chapter 281, Laws of 2007 (SSB 5053). The bill creates the Office of the Ombudsman for workers of industrial insurance self-insured employers.
21. **Notices to Employers** - Funding is provided to implement Chapter 287, Laws of 2007 (ESSB 5915). The bill directs the Department to send an employer any printed material required by law or rule to be posted when an employer registers to pay industrial insurance taxes. Additionally, the Department is required to develop forms to assist the worker in notifying his or her employer of a worker's compensation claim. Workers are then required to provide written notice of workers' compensation claims to employers within ten days of the date the worker receives medical treatment. (Medical Aid Account-State)
22. **Safety & Health Investments** - Funding is provided for the Department to establish a program of new projects designed to demonstrate or validate new and improved techniques to safeguard the health and safety of employees. The projects funded must involve workplaces insured by the Medical Aid Account, and with priority given to fostering accident prevention through cooperation between employers and employees or their representatives. (Medical Aid Account-State)
23. **Retrospective Rating Plan Review** - Funding is provided for the Department to contract with one or more independent experts to evaluate and recommend improvements to the retrospective rating plan. The evaluation should include how risks are pooled, the effects of including worker premium contributions in adjustment calculations, incentives for accident and illness prevention, return-to-work practices, and other sound risk-management strategies that are consistent with recognized insurance principles. (Medical Aid Account-State)
24. **Voc Rehab Staffing Impact** - Funding is provided for the professional staff salary adjustments necessary to recruit and retain positions required for anticipated changes in work duties as a result of implementing Chapter 72, Laws of 2007 (ESSB 5920). (Medical Aid Account-State)
25. **Voc Rehab Legislation** - Funding is provided for ESSB 5920 to support legislative reform to the vocational rehabilitation system to improve outcomes for injured workers who receive vocational services. (Medical Aid Account-State)
26. **Improve Vocational Services** - Additional resources are provided for the Early Return to Work Program. This program makes it possible for vocational assessment services to be handled in-house, reducing the processing time and getting workers back to work sooner (18 days compared to 75 days). This process is projected to save over \$2.0 million dollars annually. (Medical Aid Account-State)
27. **Implementing Wage Payment** - Funding is provided to implement the Wage Payment Act enacted by the 2006 Legislature. Funded activities will include: providing legal coordination for wage complaints; reviewing and approving citations, assessments, and determinations of compliance for wage claims; and offering education and outreach regarding the Wage Payment Act. Funding will enable the Department to process the 20 percent increase in complaints from workers regarding unpaid wages that has occurred since the bill was enacted. (Accident Account-State, Medical Aid Account-State)
28. **Family Leave Insurance Program** - Funding is provided for Chapter 357, Laws of 2007, (E2SSB 5659), pursuant to the appropriation in the bill. A joint legislative task force on family

Department of Labor and Industries

leave insurance is created, and its findings and recommendations on how such a program should be financed and administered are due to the Legislature by January 1, 2008. A new partial wage replacement program is established. Beginning on October 1, 2009, benefits of \$250 per week for up to five weeks will be paid to individuals who are unable to perform regular work because of the birth or adoption of a child. (Family Leave Insurance Account-State)

29. **Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
30. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
31. **Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
32. **Nonrepresented Salary Survey** - Funding is provided for state employees who lag most severely behind market rates in the 2006 Department of Personnel salary survey. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
33. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)
34. **WFSE Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
35. **Coalition Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the state employee Coalition. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

Indeterminate Sentence Review Board

(Dollars in Thousands)

	NGF-S	Other	Total
2005-07 Expenditure Authority	2,667	0	2,667
2007-09 Maintenance Level	3,164	0	3,164
Policy Changes - Non-Comp			
1. Increase in Board Members	434	0	434
Policy -- Non-Comp Total	434	0	434
Policy Changes - Comp			
2. Revise Pension Gain-Sharing	-3	0	-3
3. Nonrepresented Staff Health Benefit	13	0	13
4. Nonrepresented Salary Increase	72	0	72
5. Nonrepresented Salary Survey	47	0	47
6. Nonrepresented Additional Step	26	0	26
7. Retain FY 2007 Pay Increase (1.6%)	30	0	30
Policy -- Comp Total	185	0	185
Total 2007-09 Biennium	3,783	0	3,783
Fiscal Year 2008 Total	1,876	0	1,876
Fiscal Year 2009 Total	1,907	0	1,907

Comments:

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| <p>1. Increase in Board Members - Funding is provided to implement Chapter 362, Laws of 2007 (HB 1220), which increases the Board's membership by two additional members.</p> <p>2. Revise Pension Gain-Sharing - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.</p> <p>3. Nonrepresented Staff Health Benefit - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.</p> <p>4. Nonrepresented Salary Increase - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.</p> <p>5. Nonrepresented Salary Survey - Funding is provided for state employees who lag most severely behind market rates in the 2006 Department of Personnel salary survey. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.</p> <p>6. Nonrepresented Additional Step - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at</p> | <p>least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.</p> <p>7. Retain FY 2007 Pay Increase (1.6%) - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)</p> |
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Department of Veterans' Affairs

(Dollars in Thousands)

	NGF-S	Other	Total
2005-07 Expenditure Authority	21,464	69,315	90,779
2007 Supplemental *	662	961	1,623
Total 2005-07 Biennium	22,126	70,276	92,402
2007-09 Maintenance Level	19,465	77,357	96,822
Policy Changes - Non-Comp			
1. Veterans' Enhancement Project	1,346	0	1,346
2. Veterans' Conservation Corp 07-09	1,340	0	1,340
3. Eastern Washington Cemetery	0	206	206
4. Services to Veterans and Families	250	0	250
5. Nursing Home Health and Safety	1,704	0	1,704
6. Transitional Housing and Employment	612	711	1,323
7. Veteran-Owned Businesses	35	0	35
Policy -- Non-Comp Total	5,287	917	6,204
Policy Changes - Comp			
8. Revise Pension Gain-Sharing	-107	0	-107
9. Nonrepresented Staff Health Benefit	87	0	87
10. Nonrepresented Salary Increase	489	0	489
11. Nonrepresented Salary Survey	190	0	190
12. Nonrepresented Class Consolidation	28	0	28
13. Nonrepresented Additional Step	117	0	117
14. Retain FY 2007 Pay Increase (1.6%)	205	0	205
15. WFSE Collective Bargaining	3,504	0	3,504
16. Coalition Collective Bargaining	2,651	0	2,651
Policy -- Comp Total	7,164	0	7,164
Total 2007-09 Biennium	31,916	78,274	110,190
Fiscal Year 2008 Total	15,590	38,692	54,282
Fiscal Year 2009 Total	16,326	39,582	55,908

Comments:

1. **Veterans' Enhancement Project** - The Department of Veterans' Affairs (DVA) and the Department of Social and Health Services (DSHS) are collaborating to identify clients who are currently served by DSHS programs who could qualify for more robust veterans' benefits administered by the U.S. Department of Veterans' Affairs (VA). This collaborative effort will result in savings to DSHS programs as the clients are served by the VA. (General Fund-State, General Fund-Federal)
2. **Veterans' Conservation Corp 07-09** - Funds are provided to expand the Veterans' Conservation Corps (VCC) in accordance with Chapter 451, Laws of 2007 (2SSB 5164). The expanded program will provide training and certification for veterans as well as conservation work. Funding assumes participation of 30-40 veterans per year and covers the cost of educational stipends, contracts, and administration. Of the total \$1.3 million, \$340,000 in funding is to continue the VCC program begun in the 2005-07 biennium.
3. **Eastern Washington Cemetery** - Funding is provided for Chapter 43, Laws of 2007 (HB 1292). A cemetery director will lead the Eastern Washington State Veterans' Cemetery project during the design and construction phase in the 2007-09 biennium, and continue through the commencement of operations in the 2009-11 biennium. (Veterans' Stewardship Account-Non-Appropriated)
4. **Services to Veterans and Families** - The DVA Post Traumatic Stress Disorder Outreach and Counseling Program is continued to meet the demand for services for veterans returning from the Iraq and Afghanistan conflicts. Funding is also provided for the second year of outreach for the community-based network for returning Iraq and Afghanistan Reserve units and for the "Operation Military Kids" initiative for school-based outreach for children in military families.
5. **Nursing Home Health and Safety** - Funding allows staffing levels to meet federal hours of care requirements in Washington's three veterans' homes. The 15.4 new FTEs will help meet the VA staffing requirement of 2.5 nursing care hours per resident per day.
6. **Transitional Housing and Employment** - A transitional housing program for homeless veterans is established on the Retsil Veterans' Home campus to support veterans in their transition to independent living. Funding for the program will serve up to 40 veterans through assessment, treatment,

Department of Veterans' Affairs

vocational training and education, and re-integration into the community. This activity requires an increase of 4.5 FTEs. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

7. **Veteran-Owned Businesses** - One-time funding is provided to implement Chapter 11, Laws of 2007 (SB 5253). The Department will develop a list and website of veteran-owned businesses and create a decal for such businesses.
8. **Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
9. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
10. **Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
11. **Nonrepresented Salary Survey** - Funding is provided for state employees who lag most severely behind market rates in the 2006 Department of Personnel salary survey. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
12. **Nonrepresented Class Consolidation** - Funding is provided for nonrepresented state employees' increases in specific job classes corresponding to those provided in collective bargaining agreements negotiated by the Governor. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
13. **Nonrepresented Additional Step** - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
14. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)
15. **WFSE Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

16. **Coalition Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the state employee Coalition. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

Home Care Quality Authority

(Dollars in Thousands)

	NGF-S	Other	Total
2005-07 Expenditure Authority	2,127	1,167	3,294
2007-09 Maintenance Level	2,878	0	2,878
Policy Changes - Non-Comp			
1. Individ Provider Home Care Worker	185	0	185
2. Consumer Training	114	0	114
3. Referral Registry Operations	250	0	250
Policy -- Non-Comp Total	549	0	549
Policy Changes - Comp			
4. Revise Pension Gain-Sharing	-1	0	-1
5. Nonrepresented Staff Health Benefit	3	0	3
6. Nonrepresented Salary Increase	22	0	22
7. Retain FY 2007 Pay Increase (1.6%)	10	0	10
Policy -- Comp Total	34	0	34
Total 2007-09 Biennium	3,461	0	3,461
Fiscal Year 2008 Total	1,721	0	1,721
Fiscal Year 2009 Total	1,740	0	1,740

Comments:

1. **Individ Provider Home Care Worker** - Pursuant to the 2007 interest arbitration award to the approximately 23,000 individuals who contract with the state to provide publicly-funded home care services to persons with disabilities and the elderly, funding is provided to the Home Care Quality Authority for mentoring services. Funding will cover differential pay of \$1.00 per hour for individual providers serving as mentors, and expand the mentoring program to additional Referral and Worksource Resource Centers.
2. **Consumer Training** - Funding is provided to train persons with disabilities and elderly clients who receive publicly-funded home care services and who employ individual providers. This training will improve recruitment and retention of home care workers. Training in effective management and employer rights will be delivered by trained peer consumer/employers or advocacy groups in either a classroom or in-home environment.
3. **Referral Registry Operations** - State funding is provided to continue the operation of four Referral and Workforce Resource Centers (RWRCs) that were previously funded under a Centers for Medicare and Medicaid grant, which expires in FY 2007. The RWRCs assist in placement of individual providers on the referral registry, provide 24-hour support, translation, and consumer/employer training for persons with disabilities and the elderly.
4. **Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
5. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
6. **Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
7. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)

Department of Health

(Dollars in Thousands)

	NGF-S	Other	Total
2005-07 Expenditure Authority	179,555	734,544	914,099
2007 Supplemental *	1,752	-9,357	-7,605
Total 2005-07 Biennium	181,307	725,187	906,494
2007-09 Maintenance Level	193,003	733,940	926,943
Policy Changes - Non-Comp			
1. Improve Chronic Care	358	0	358
2. Lcl Hlth Assessment Fed Rev Loss	215	-487	-272
3. Molecular Lab Federal Rev Loss	166	-166	0
4. Childhood Vaccines	16,649	0	16,649
5. Eliminate Disciplinary Case Backlog	0	1,985	1,985
6. Farmer's Market Nutrition Program	100	0	100
7. Hospital Acquired Infections	1,029	0	1,029
8. Family Planning Services	5,000	0	5,000
9. Sex Education	75	0	75
10. Licensing of Ambulatory Surg Cntrs	182	6	188
11. Pesticide Drift	538	0	538
12. Lead Surveillance Program	0	244	244
13. Dental Professions	0	877	877
14. Nonambulatory Persons	103	0	103
15. Cardiac Care Services	222	0	222
16. Lead Poisoning Prevention	580	0	580
17. Specialty Hospitals	0	58	58
18. Health Care Facility Certifications	0	201	201
19. Massage Therapy	0	55	55
20. Newborn Screening Fees	500	-462	38
21. Puget Sound Partnership	78	224	302
22. Hepatitis C Strategic Plan	400	0	400
23. STD Screening & Treatment	824	0	824
24. Lifelong AIDS Alliance Funding	1,100	0	1,100
25. Medical Information	0	1,721	1,721
26. Medical Nutritional Therapy	500	0	500
27. Metabolic Treatment Program	260	-260	0
28. Midwifery Fees	175	0	175
29. Neurodevelopmental Centers	1,290	0	1,290
30. Pandemic Flu Preparedness	1,000	0	1,000
31. Local Public Health Funding	20,000	0	20,000
32. Registered Counselor Review	0	147	147
33. Continue Autism Task Force	100	0	100
34. Animal Massage Practitioners	0	142	142
35. Athletic Trainers	0	174	174
36. Health Profession Licensing Fees	15	35	50
37. Physical Therapist Assistants	0	75	75
38. Medical Use of Marijuana	94	0	94
39. Expand Reclaimed Water Uses	179	0	179
40. Wastewater Onsite/Shellfish Survey	2,390	600	2,990
41. Governor Veto	0	-224	-224
Policy -- Non-Comp Total	54,122	4,945	59,067
Policy Changes - Comp			
42. Revise Pension Gain-Sharing	-79	-234	-313
43. Nonrepresented Staff Health Benefit	69	221	290
44. Nonrepresented Salary Increase	499	1,455	1,954
45. Nonrepresented Salary Survey	193	674	867
46. Nonrepresented Class Consolidation	8	78	86
47. Nonrepresented Additional Step	88	375	463
48. Retain FY 2007 Pay Increase (1.6%)	209	612	821
49. WFSE Collective Bargaining	3,724	11,239	14,963
50. 1199 Collective Bargaining	257	999	1,256
Policy -- Comp Total	4,968	15,419	20,387

Department of Health

(Dollars in Thousands)

	NGF-S	Other	Total
Total 2007-09 Biennium	252,093	754,304	1,006,397
Fiscal Year 2008 Total	125,385	375,321	500,706
Fiscal Year 2009 Total	126,708	378,983	505,691

Comments:

1. **Improve Chronic Care** - Consistent with Chapter 259, Laws of 2007, Partial Veto (E2SSB 5930), funding is provided to the Department of Health (DOH) to work with the University of Washington to evaluate the costs and benefits of implementing the "Chronic Care Model" for primary care providers treating persons with diabetes or other chronic illnesses, who receive state-funded care through Medicaid, the Basic Health Plan, and the Uniform Medical Plan. The evaluation will provide a cost-benefit analysis of the model on the costs of hospitalizations, length of stay, emergency room use, and outpatient costs.
2. **Lcl Hlth Assessment Fed Rev Loss** - The Department provides support to local health jurisdictions for community health assessments, which entail the collection and analysis of public health data to better understand community needs, through a one-time federal grant that will be discontinued as of September 30, 2007. Funding is provided to offset the loss of federal funds. (General Fund-State, General Fund-Federal)
3. **Molecular Lab Federal Rev Loss** - A Centers for Disease Control (CDC) and Prevention grant provided funding for two advanced microbiologists in the Public Health Laboratories molecular lab who conduct sample testing for the detection of diseases. The CDC funding for this activity ended as of December 31, 2006. Funding is provided to replace the loss of the federal grant. (General Fund-State, General Fund-Federal)
4. **Childhood Vaccines** - The state's universal vaccine program is expanded to include vaccinations recently approved in the federal Vaccines for Children Program. Additional vaccines include rotavirus, a leading cause of childhood diarrhea, and human papilloma virus (HPV), recently discovered as a cause of cervical cancer, for females ages 11-13. (Health Services Account-State)
5. **Eliminate Disciplinary Case Backlog** - Funding is provided in FY 2008 for the DOH Division of Health Systems Quality Assurance to eliminate a backlog of 699 health profession disciplinary cases. (Health Professions Account-State)
6. **Farmer's Market Nutrition Program** - Funding is provided to maintain participation in the Women, Infants, and Children (WIC) Farmers' Market Nutrition Program. The program provides participants with vouchers for fresh fruits and vegetables.
7. **Hospital Acquired Infections** - Funding is provided to implement Chapter 261, Laws of 2007 (2SHB 1106), which requires hospitals to collect data on health care associated infections and release or grant access to this information to DOH. The Department will publish a report, at least annually, beginning December 1, 2009, that compares health-care associated infections at individual hospitals.
8. **Family Planning Services** - Funding is provided for family planning clinics to increase the capacity to provide family planning and reproductive health services to low-income men and women who are not otherwise eligible for services through the DSHS Medical Assistance Program. Additionally, funding will support other clinical or health services associated with sexually transmitted disease testing through the infertility prevention project.
9. **Sex Education** - Funding is provided to implement Chapter 265, Laws of 2007 (ESSB 5297), which requires that the Office of the Superintendent of Public Instruction, in consultation with DOH, develop a list of sexual health curricula that are consistent with the 2005 Guidelines for Sexual Health Information and Disease Prevention.
10. **Licensing of Ambulatory Surg Cntrs** - Funding is provided to implement Chapter 273, Laws of 2007 (ESHB 1414), which establishes licensing and reporting requirements for ambulatory surgical facilities. (General Fund-State, General Fund-Private/Local)
11. **Pesticide Drift** - Funding is provided for DOH to examine airborne pesticide concentration levels in agricultural areas of the state. The Department will contract with the University of Washington (UW) to study organophosphate pesticides and with Washington State University (WSU) to study methylisothiocyanate pesticides.
12. **Lead Surveillance Program** - Funding is provided for a lead surveillance program that will maintain a registry of all blood lead tests of children, provide environmental investigations of homes with lead poisoning, and assure that lead-poisoned children receive appropriate follow-up. The program will also provide data to interested parties, distribute informational brochures for public education, provide support for childhood lead testing of disadvantaged children, and provide technical assistance to local health staff and the public. (State Toxics Control Account-State)
13. **Dental Professions** - Funding is provided to implement Chapter 269, Laws of 2007 (SHB 1099), which establishes dental assistants and expanded function dental auxiliaries as new health professions to be regulated by the Dental Quality Assurance Commission. (Health Professions Account-State)
14. **Nonambulatory Persons** - Funding is provided to implement Chapter 305, Laws of 2007 (SHB 1837), which authorizes the use of non-ambulance vehicles to transport individuals in a

Department of Health

stretcher when their personal mobility aid cannot be adequately secured in the vehicle and directs DOH to develop guidelines relating to appropriate situations for a non-ambulance vehicle to transport individuals who rely upon personal mobility aids and methods for properly securing personal mobility aids and determining whether or not they are adequately secured.

15. **Cardiac Care Services** - Funding is provided for Chapter 440, Laws of 2007 (SHB 2304), which requires the Department to adopt certificate of need criteria relating to the performance of percutaneous coronary interventions at hospitals that do not provide on-site cardiac surgery.
16. **Lead Poisoning Prevention** - Funding is provided to DOH for public service announcements regarding childhood lead poisoning, information pamphlets, rule development, and for early identification of persons at risk of having elevated blood-lead levels, which includes systematically screening children under six years of age and other target populations identified by the Department.
17. **Specialty Hospitals** - Funding is provided to implement Chapter 102, Laws of 2007 (SB 5398), which establishes licensing requirements for specialty hospitals related to services for low-income patients, emergency services, and financial disclosure. (General Fund-Private/Local)
18. **Health Care Facility Certifications** - Funding is provided to implement Chapter 279, Laws of 2007 (SHB 2087), which authorizes DOH to assess fees for the certification and recertification of health care facilities when the federal government does not provide sufficient funding to cover all certifications and recertifications. (General Fund-Private/Local)
19. **Massage Therapy** - Funding is provided for Chapter 272, Laws of 2007 (SHB 1397), which defines "intraoral massage" and permits licensed massage therapists to obtain an endorsement to perform intraoral massage after completing required training. (Health Professions Account-State)
20. **Newborn Screening Fees** - State funding is transferred from the DSHS Medical Assistance Program to DOH to offset the expected loss of fee-revenues for specialty clinics that provide treatment services for children diagnosed with certain inheritable or metabolic disorders. Revenues from a portion of newborn screening fees are reduced from \$6.60 per infant to \$3.50 per infant in accordance with Chapter 259, Laws of 2007, Partial Veto (E2SSB 5930). The authority to collect the remaining \$3.10 fee was also set to expire June 30, 2007, under current law. (General Fund-State, General Fund-Private/Local)
21. **Puget Sound Partnership** - Funding is provided to implement Chapter 341, Laws of 2007 (ESSB 5372), which creates the Puget Sound Partnership and directs DOH to administer the Shellfish On-site Sewage Grant Program in Puget Sound and Pacific and Grays Harbor Counties. The Department will provide funds to local health jurisdictions to be used as grants or loans to individuals for improving their on-site sewage systems. The Governor vetoed the Oyster Reserve Land Account appropriation for the grant program. (See Governor Veto item below.) (General Fund-State, Oyster Reserve Land Account-State)
22. **Hepatitis C Strategic Plan** - Funding is provided for activities related to the Washington State Hepatitis C Strategic Plan, which includes testing and counseling individuals who test positive for hepatitis C, educating the public on ways to prevent transmission, and epidemiologic support.
23. **STD Screening & Treatment** - Funding is provided to increase the Department's efforts to detect and treat chlamydia and gonorrhea, with the goal of preventing the spread of these diseases and their complications. About one-third of evaluated cases of infertility are attributed to sexually-transmitted diseases (STDs). Chlamydia and gonorrhea can lead to infertility if left untreated. Funding is provided to test and treat up to 18,000 high-risk people for these diseases.
24. **Lifelong AIDS Alliance Funding** - One-time funding is provided to the Lifelong AIDS Alliance of King County to replace lost federal funding.
25. **Medical Information** - In accordance with E2SSB 5930, DOH will contract with UW so that licensed physicians, physician assistants, osteopathic physicians, osteopathic physicians' assistants, naturopaths, podiatrists, chiropractors, psychologists, registered nurses, optometrists, mental health counselors, massage therapists, clinical social workers, and acupuncturists in the state may have access to online journals, research databases, and other materials through the UW Health Sciences Library. Practitioners will pay an additional \$25 annual licensing fee for this benefit. (Health Professions Account-State)
26. **Medical Nutritional Therapy** - Funding is provided to the Lifelong AIDS Alliance of King County to expand the use of medical nutrition therapy, which coordinates the nutritional needs and medications of clients with HIV/AIDS and other low-income clients with chronic illnesses.
27. **Metabolic Treatment Program** - Funding is provided to replace the loss of federal reimbursements for metabolic treatment products. Metabolic treatment products are nutritional supplements that treat disease and prevent the adverse affects of disease for people with certain inherited conditions. These products are provided to the approximately 150 patients who are born with disabling or life threatening conditions in Washington each year. (General Fund-State, General Fund-Federal)
28. **Midwifery Fees** - Funding is provided to maintain the fees charged to midwives for initial and renewed licenses to \$450 per year for the period from July 1, 2007, through June 30, 2008.
29. **Neurodevelopmental Centers** - One-time funding is provided for the Neurodevelopmental Center System, which provides therapy and medical services for young, low-income children with developmental disabilities. Services provided at

Department of Health

neurodevelopmental centers include speech, occupational, and physical therapy.

30. **Pandemic Flu Preparedness** - Funding is provided to purchase and store antiviral medications to be used in accordance with the state pandemic influenza response plan. Antivirals will be purchased from the U.S. Department of Health and Human Services in order to take advantage of federal subsidies.
31. **Local Public Health Funding** - Public health services in Washington are provided by DOH and 35 local health jurisdictions. Increased funding in the amount of \$20 million is provided for local health jurisdictions to address core public health functions of statewide significance, including services related to communicable diseases, public health emergencies, the prevention of and management of chronic disease, promotion of healthy families and children, health assessment, and environmental health concerns. Each year local health jurisdictions will receive the greater of: (a) \$100,000; or (b) a base level of funding of \$75,000, plus a per capita amount, for a jurisdiction with a population of 400,000 persons or fewer or a base level of funding of \$25,000, plus a per capita amount, for a jurisdiction with a population greater than 400,000. (Health Services Account-State)
32. **Registered Counselor Review** - Funding is provided for DOH to convene a work group to develop recommendations regarding the need to regulate those individuals currently registered with the Department as counselors. The Department will submit the recommendations of the work group to the Legislature and Governor by November 15, 2007. Based on the recommendations of the work group, DOH will draft credentialing guidelines for all registered counselors by January 1, 2008. (Health Professions Account-State)
33. **Continue Autism Task Force** - Funding is provided to continue the Autism Task Force established by Chapter 259, Laws of 2005 (SB 5311), through June 30, 2008. The task force shall prioritize and estimate the costs of its December 2006 recommendations and report back to the Legislature and Governor by December 1, 2007. The task force will also compile information for and draft the "Washington Service Guidelines for Individuals with Autism - Birth Through Lifespan" book described in their recommendations. Funding to print and distribute the book will come from federal or private sources.
34. **Animal Massage Practitioners** - Funding is provided to implement Chapter 70, Laws of 2007 (ESSB 5403), which creates the profession of certified animal massage practitioner and prescribes the instructional and competency evaluation requirements for certification in large or small animal massage. The Secretary of Health is authorized to adopt rules, establish fees, approve education and training programs, and approve or deny certifications. (Health Professions Account-State)
35. **Athletic Trainers** - Funding is provided to implement Chapter 253, Laws of 2007 (SSB 5503), which establishes athletic trainers as a new health profession to be regulated by the Secretary of Health. "Athletic training" is defined to include: risk management and prevention of athletic injuries; recognition, evaluation, assessment, and immediate care of athletic injuries; treatment and rehabilitation of athletic injuries; and the referral of an athlete to appropriately licensed health care providers. (Health Professions Account-State)
36. **Health Profession Licensing Fees** - One-time funding is provided to the Department for an evaluation of the economic benefits of maintaining a midwifery licensure and regulatory program, including a review of existing research literature on whether these economic benefits exceed the state expenditures to subsidize the cost of the midwifery licensing and regulatory program. The evaluation will also include an assessment of the economic benefits to consumers who elect to have out-of-hospital births with midwives, including any reduced use of procedures that increase the costs of childbirth. The Department will submit the report to the appropriate policy and fiscal committees of the Legislature by January 1, 2008. (General Fund-State, Health Professions Account-State)
37. **Physical Therapist Assistants** - Funding is provided to implement Chapter 98, Laws of 2007 (ESSB 5292), which establishes physical therapist assistants as a health profession licensed by the Secretary of Health and establishes supervisory requirements for physical therapists. (Health Professions Account-State)
38. **Medical Use of Marijuana** - Funding is provided in accordance with Chapter 371, Laws of 2007 (E2SSB 6032), which directs the Department to develop rules defining what constitutes a 60-day supply of marijuana, and report to the Legislature on options for efficiently providing access to medical marijuana.
39. **Expand Reclaimed Water Uses** - Funding is provided for the implementation of Chapter 445, Laws of 2007, Partial Veto (E2SSB 6117), which revises the Reclaimed Water Act to expand the management, conservation, and use of reclaimed water. The Department will work with the Department of Ecology in submitting relevant information on measures taken to facilitate expanded use of reclaimed water, in addition to other activities identified in the legislation.
40. **Wastewater Onsite/Shellfish Survey** - Funding is provided for the implementation of Chapter 343, Laws of 2007 (ESSB 5894), which directs DOH to adopt rules for regulation of large on-site sewage systems, including siting, design, construction, and permitting of the systems. Funding is also provided for continued support to local health jurisdictions to finance the repair and replacement of on-site septic systems for hardship home owners and for the Department to administer the wastewater management and shellfish program, including shellfish monitoring and technical assistance. (General Fund-State, Aquatic Lands Enhancement Account-State)
41. **Governor Veto** - The Governor partially vetoed Section 222 (line 12) of Chapter 522, Laws of 2007, Partial Veto (SHB

Department of Health

1128), which included an appropriation from the Oyster Reserve Land Account for the purposes of implementing Chapter 341, Laws of 2007 (ESSB 5372), which resulted in the Puget Sound Partnership item described above. While the direct appropriation to DOH to distribute pass-through funding to local health jurisdictions for grants to individuals to improve on-site sewage systems was removed, the Governor directed the Department of Fish and Wildlife to enter into an interagency agreement with DOH for this purpose. (Oyster Reserve Land Account-State)

Employees (WFSE). More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

50. **1199 Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Service Employees' International Union, Local 1199. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

42. **Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
43. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
44. **Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
45. **Nonrepresented Salary Survey** - Funding is provided for state employees who lag most severely behind market rates in the 2006 Department of Personnel salary survey. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
46. **Nonrepresented Class Consolidation** - Funding is provided for nonrepresented state employees' increases in specific job classes corresponding to those provided in collective bargaining agreements negotiated by the Governor. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
47. **Nonrepresented Additional Step** - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
48. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)
49. **WFSE Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Washington Federation of State

Department of Corrections

(Dollars in Thousands)

	NGF-S	Other	Total
2005-07 Expenditure Authority	1,471,915	8,971	1,480,886
2007 Supplemental *	2,626	0	2,626
Total 2005-07 Biennium	1,474,541	8,971	1,483,512
2007-09 Maintenance Level	1,597,725	7,967	1,605,692
Policy Changes - Non-Comp			
1. Correction Worker Trng Expansion	3,873	0	3,873
2. Work Release Facilities	2,083	0	2,083
3. OMNI Adjustment	9,389	0	9,389
4. HRMS Staffing Resources	760	0	760
5. Data Analysis and Accountability	608	0	608
6. Targeted Vendor Rate Increase	3,130	0	3,130
7. Auto Theft	0	1,507	1,507
8. Incarcerated Parents	197	0	197
9. Offender Reentry Initiative	23,862	500	24,362
10. Additional Rental Bed Capacity	10,972	0	10,972
11. Sent Review Board Hearings	174	0	174
12. Stalking Protections	44	0	44
13. Vulnerable Adults	44	0	44
14. Offender Reentry	2,600	0	2,600
Policy -- Non-Comp Total	57,736	2,007	59,743
Policy Changes - Comp			
15. Revise Pension Gain-Sharing	-1,304	-2	-1,306
16. Nonrepresented Staff Health Benefit	1,254	6	1,260
17. Nonrepresented Salary Increase	6,921	34	6,955
18. Nonrepresented Salary Survey	3,504	12	3,516
19. Nonrepresented Agency Request	328	0	328
20. Nonrepresented Class Consolidation	312	0	312
21. Nonrepresented Additional Step	1,739	12	1,751
22. Nonrepresented Shift Differential	31	0	31
23. Retain FY 2007 Pay Increase (1.6%)	2,912	13	2,925
24. WFSE Collective Bargaining	17,677	0	17,677
25. Teamsters' Collective Bargaining	90,011	0	90,011
26. Coalition Collective Bargaining	303	0	303
Policy -- Comp Total	123,688	75	123,763
Total 2007-09 Biennium	1,779,149	10,049	1,789,198
Fiscal Year 2008 Total	861,615	4,788	866,403
Fiscal Year 2009 Total	917,534	5,261	922,795

Comments:

1. **Correction Worker Trng Expansion** - Funding is provided for dedicated training staff to ensure consistent and high-quality training. Training will be provided for an additional 340 corrections officers in FY 2008 and an additional 700 corrections officers in FY 2009 to meet existing demand and to open nearly 2,000 new beds in the 2007-09 biennium.
2. **Work Release Facilities** - Funding is provided for the Department of Corrections to locate and establish two work release centers. The Department will finance the work release centers via a Certificate of Participation (COP). Funding provides debt service on the COP.
3. **OMNI Adjustment** - The Department will not expend its full appropriation for the third and final phase of the Offender Management Network Information (OMNI) project in the 2005-07 biennium. The remaining funds are shifted from FY 2007 to FY 2008 for completion of the project.
4. **HRMS Staffing Resources** - Funding is provided to meet the Department's current level of service in payroll and human resources and to enable the Department to meet the demands of an increasingly complex human resources system.
5. **Data Analysis and Accountability** - Funding is provided for additional research and data analysis staff to collect and analyze data for programs funded through the Offender Reentry

Department of Corrections

- Initiative and to collect, analyze, and disseminate information required by the Government Management Accountability and Performance (GMAP) process, performance audits, data requests, and quality assessments and assurances.
6. **Targeted Vendor Rate Increase** - Funding is provided for a vendor rate increase of 3.2 percent in FY 2008 and 2.0 percent in FY 2009 for contractors providing chemical dependency, basic education, and community supervision programs. In addition, funding is provided for a vendor rate increase of 3.7 percent in FY 2008 and 2.8 percent in FY 2009 for community college staff providing educational services which reflects the Initiative 732 cost-of-living adjustments provided to all higher education staff.
 7. **Auto Theft** - Funding is provided to implement Chapter 199, Laws of 2007 (E3SHB 1001), which increases auto theft-related penalties and triple-scores prior offenses for adult offenders, leading to longer sentences. Prior vehicle prowling offenses are counted as prior convictions when calculating an offender's sentence. The bill creates a new crime for making and possessing motor vehicle theft tools. (Washington Auto Theft Prevention Authority Account-State)
 8. **Incarcerated Parents** - Funding is provided to implement Chapter 384, Laws of 2007 (E2SHB 1422), which requires the Department to collect data, develop programs and policies, determine recidivism impact, and participate in the Children of Incarcerated Parents oversight committee.
 9. **Offender Reentry Initiative** - Funding is provided to implement the Offender Reentry Initiative which expands and coordinates programs to target the primary causes of recidivism. The Initiative emphasizes education, workforce skills, and treatment programs that address dependency and mental health issues. The Initiative also provides support services and employment opportunities for offenders leaving prison. These programs are projected to eliminate the need for at least 1,000 prison beds by 2017. (General Fund-State, Cost of Supervision Account-Non-Appropriated)
 10. **Additional Rental Bed Capacity** - Funding is provided for the Department to contract with local governments and tribes for an additional 225 rental beds to address overcrowding of existing bed space and to reflect a gubernatorial directive that does not allow the Department to release an offender who violates the terms of his/her community supervision solely due to bed capacity constraints. It is expected that there will be 15 beds available in Enumclaw, 10 beds in Nisqually, 5 beds in Puyallup, 175 beds in Snohomish County, and 20 beds in Yakima during the 2007-09 biennium.
 11. **Sent Review Board Hearings** - Funding is provided to implement Chapter 363, Laws of 2007 (HB 1592), which increases the minimum term established by the Indeterminate Sentence Review Board (ISRB) for determinate plus offenders who are not released from a maximum of two years to a maximum of five years.
 12. **Stalking Protections** - Funding is provided to implement Chapter 201, Laws of 2007 (SHB 1319), which expands the class of people covered under the stalking statute, at the felony level, to include employees and volunteers of a state or locally operated correctional facility and the ISRB.
 13. **Vulnerable Adults** - Funding is provided to implement Chapter 20, Laws of 2007 (SHB 1097), which expands the crime of rape in the second degree and indecent liberties to include situations in which the perpetrator: (a) has sexual intercourse with a frail elder, a vulnerable adult, or a person with a developmental disability; and (b) was providing transportation, within the course of his or her employment, to the victim at the time of the offense.
 14. **Offender Reentry** - Funding is appropriated for Chapter 483, Laws of 2007 (ESSB 6157). The appropriations include: \$600,000 for the Department to confine offenders up to their remaining sentence following a third violation hearing while on community supervision or following a new felony arrest while on community supervision; \$1.8 million for limiting earned early release to those offenders who participate in programming or activities directed in an offender's individual reentry plan and has not committed a new felony while on community supervision, community placement, or community custody; and \$2100,000 for the Department to conduct an updated community corrections workload study.
 15. **Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 16. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 17. **Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 18. **Nonrepresented Salary Survey** - Funding is provided for state employees who lag most severely behind market rates in the 2006 Department of Personnel salary survey. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
 19. **Nonrepresented Agency Request** - Funding is provided for increases for nonrepresented state employees for specific job classes corresponding to those provided in collective bargaining agreements negotiated by the Governor. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

Department of Corrections

20. **Nonrepresented Class Consolidation** - Funding is provided for nonrepresented state employees' increases in specific job classes corresponding to those provided in collective bargaining agreements negotiated by the Governor. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
21. **Nonrepresented Additional Step** - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
22. **Nonrepresented Shift Differential** - Funding is provided for an increase of \$0.10 an hour in FY 2008 and an additional \$0.05 an hour in FY 2009, applicable only to those state employees not covered by a bargaining unit and working in eligible shifts.
23. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)
24. **WFSE Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
25. **Teamsters' Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Teamsters. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
26. **Coalition Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the state employee Coalition. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

Department of Corrections

WORKLOAD HISTORY

By Fiscal Year

	2000	2001	2002	2003	2004	2005	2006	Estimated			
	2007	2008	2009								
Community Supervision ^{(1) (2)}											
# Active (Non-Monetary) Offenders	30,871	30,365	33,831	36,765	32,685	29,190	26,466	27,002	27,967	29,302	
% Change from prior year		-1.6%	11.4%	8.7%	-11.1%	-10.7%	-9.3%	2.0%	3.6%	4.8%	
Work Release											
Avg Daily Pop/Month	642	656	654	642	675	657	684	674	734	794	
% Change from prior year		2.2%	-0.4%	-1.8%	5.1%	-2.7%	4.1%	-1.5%	8.9%	8.2%	
Institutions ⁽³⁾											
Avg Daily Pop/Month	13,910	14,386	14,808	15,702	16,061	16,732	17,144	17,387	18,336	19,172	
% Change from prior year		3.4%	2.9%	6.0%	2.3%	4.2%	2.5%	1.4%	5.5%	4.6%	
Average Cost Per Inmate ^{(4) (5)}											
Annual	23,775	24,685	25,447	25,924	26,736	27,193	29,055	30,030	32,409	33,148	
% Change from prior year		3.8%	3.1%	1.9%	3.1%	1.7%	6.8%	3.4%	7.9%	2.3%	

⁽¹⁾ Data reflect average monthly caseloads. These data are not comparable with caseloads published in prior editions of the Legislative Budget Notes, which measured end-of-year caseloads.

⁽²⁾ Accounting issues at the Department of Corrections may have overcounted active caseloads.

⁽³⁾ For FY 2004 through FY 2009, institutional counts include beds rented from other jurisdictions.

⁽⁴⁾ The FY 2005 average cost per inmate does not include funds paid toward the Stamey and Arrasmith lawsuit settlements.

⁽⁵⁾ FY 2005 through FY 2009 average cost per inmate does not include start-up costs for expansion at the Monroe Corrections Center, the Washington State Penitentiary, or the Coyote Ridge Correctional Center.

Data Sources :

Caseload Forecast Council, Department of Corrections, and legislative fiscal staff.

Department of Services for the Blind

(Dollars in Thousands)

	NGF-S	Other	Total
2005-07 Expenditure Authority	4,004	17,235	21,239
2007-09 Maintenance Level	4,050	16,395	20,445
Policy Changes - Non-Comp			
1. Voc Rehab & Employment Services	616	2,432	3,048
2. Children & Family Services	364	0	364
3. Tacoma Rhodes Lease	8	0	8
Policy -- Non-Comp Total	988	2,432	3,420
Policy Changes - Comp			
4. Revise Pension Gain-Sharing	-2	-12	-14
5. Nonrepresented Staff Health Benefit	3	7	10
6. Nonrepresented Salary Increase	19	41	60
7. Retain FY 2007 Pay Increase (1.6%)	8	17	25
8. WFSE Collective Bargaining	136	691	827
Policy -- Comp Total	164	744	908
Total 2007-09 Biennium	5,202	19,571	24,773
Fiscal Year 2008 Total	2,566	9,555	12,121
Fiscal Year 2009 Total	2,636	10,016	12,652

Comments:

1. **Voc Rehab & Employment Services** - Additional state funding is provided to insure that the maximum amount of federal matching funds are available for employment and rehabilitation services. The additional funding should serve another 500 people per year at an average cost of about \$5,700. (General Fund-State, General Fund-Federal)
2. **Children & Family Services** - Funding is provided for the Children and Family Services Program that serves children and their families from birth through age 13 who are blind or visually impaired. An additional 620 families will be served by the end of FY 2009, which will address 60 percent of the identified need.
3. **Tacoma Rhodes Lease** - The Department of General Administration will increase lease rates for state agencies in the Tacoma Rhodes Center effective July 1, 2007. The new rates will mitigate an operating deficit associated with the state-owned building. Funding is provided for the lease increase.
4. **Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
5. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
6. **Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
7. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)
8. **WFSE Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

Sentencing Guidelines Commission

(Dollars in Thousands)

	NGF-S	Other	Total
2005-07 Expenditure Authority	1,731	0	1,731
2007-09 Maintenance Level	1,814	0	1,814
Policy Changes - Comp			
1. Revise Pension Gain-Sharing	-2	0	-2
2. Nonrepresented Staff Health Benefit	9	0	9
3. Nonrepresented Salary Increase	37	0	37
4. Nonrepresented Salary Survey	14	0	14
5. Nonrepresented Additional Step	8	0	8
6. Retain FY 2007 Pay Increase (1.6%)	16	0	16
Policy -- Comp Total	82	0	82
Total 2007-09 Biennium	1,896	0	1,896
Fiscal Year 2008 Total	937	0	937
Fiscal Year 2009 Total	959	0	959

Comments:

1. **Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
2. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
3. **Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
4. **Nonrepresented Salary Survey** - Funding is provided for state employees who lag most severely behind market rates in the 2006 Department of Personnel salary survey. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
5. **Nonrepresented Additional Step** - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
6. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)

Department of Employment Security

(Dollars in Thousands)

	NGF-S	Other	Total
2005-07 Expenditure Authority	120	534,092	534,212
2007 Supplemental *	0	129	129
Total 2005-07 Biennium	120	534,221	534,341
2007-09 Maintenance Level	120	553,768	553,888
Policy Changes - Non-Comp			
1. UI Reemployment Services	0	16,092	16,092
2. High-Risk Server Replacement	0	430	430
3. Online Labor Market Analysis	0	160	160
4. State Choice UI Program	0	12,348	12,348
5. UI Tax Information System (TAXIS)	0	12,054	12,054
6. Tracking Computer Upgrades & Change	0	503	503
7. WorkSource Delivery System Study	0	183	183
8. Research and Data Analysis	0	346	346
9. Enhancing Labor Market Information	0	820	820
10. Self-Employment Program	0	372	372
Policy -- Non-Comp Total	0	43,308	43,308
Policy Changes - Comp			
11. Revise Pension Gain-Sharing	0	-381	-381
12. Nonrepresented Staff Health Benefit	0	170	170
13. Nonrepresented Salary Increase	0	1,203	1,203
14. Nonrepresented Salary Survey	0	210	210
15. Nonrepresented Class Consolidation	0	6	6
16. Nonrepresented Additional Step	0	107	107
17. Retain FY 2007 Pay Increase (1.6%)	0	508	508
18. WFSE Collective Bargaining	0	17,856	17,856
Policy -- Comp Total	0	19,679	19,679
Total 2007-09 Biennium	120	616,755	616,875
Fiscal Year 2008 Total	60	304,935	304,995
Fiscal Year 2009 Total	60	311,820	311,880

Comments:

- | | |
|--|--|
| <p>1. UI Reemployment Services - Increased funding is provided to the Department of Employment Security (ESD) to continue ongoing services to employers and job seekers. (Administrative Contingency Account-State, Employment Services Administrative Account-State)</p> | <p>program administration have declined as a result of the implementation of the Resource Justification Model. This step funds specific programs that are in place as a result of state legislation. (Unemployment Compensation Administration Account-Federal)</p> |
| <p>2. High-Risk Server Replacement - One-time Reed Act funding is provided to replace servers that have reached the end of their five year replacement cycle. (Unemployment Compensation Administration Account-Federal)</p> | <p>5. UI Tax Information System (TAXIS) - One-time Reed Act funding is provided to begin replacement of the mainframe TAXIS and its ancillary subsystems, which were originally implemented in 1984. ESD has hired a consultant to develop requirements and a feasibility study for UI-tax computer systems. (Unemployment Compensation Administration Account-Federal)</p> |
| <p>3. Online Labor Market Analysis - Funding is provided to support ongoing access to Workforce Explorer, the agency's web-based labor market information delivery system. Because the federal grant dedicated for this program is expected to end in the 2007-09 biennium, funding is provided from the Administrative Contingency Account. (Administrative Contingency Account-State)</p> | <p>6. Tracking Computer Upgrades & Change - One-time Reed Act funding is provided to help ESD manage numerous changes in software, hardware, and telecommunications technology. ESD will purchase a change management tool that provides control and coordination, decreases the technology failures, and increases the Department's productivity. (Unemployment Compensation Administration Account-Federal)</p> |
| <p>4. State Choice UI Program - One-time Reed Act funding is provided to administer state policy-driven unemployment insurance (UI) program costs. The federal funds for the UI</p> | |

Department of Employment Security

7. **WorkSource Delivery System Study** - One-time Reed Act funding is provided to conduct a feasibility study that comprehensively assesses all of the business systems that support the WorkSource delivery system. (Unemployment Compensation Administration Account-Federal)
8. **Research and Data Analysis** - The budget provides funding for additional statistical analysis of agency programs and processes to support management decision-making capacity. (Administrative Contingency Account-State)
9. **Enhancing Labor Market Information** - The budget provides \$608,000 in funding to increase the number of regional labor economists conducting labor market analysis. Additional funding of \$212,000 is provided on a one-time basis to improve the Department's distribution of labor market and other economic data. Information is currently organized by topic. An on-line tool will automatically update area-specific data to provide decision makers with more reliable, timely, and useful regional workforce and economic information. The Department of Information Services will consult with ESD regarding the on-line tool's development. (Administrative Contingency Account-State)
10. **Self-Employment Program** - Funding is provided to implement Chapter 248, Laws of 2007 (SSB 5653). The bill directs the Department to implement a Self-Employment Assistance Program. The Department must report on the performance of the Self-Employment Assistance Program by December 1, 2011. (Administrative Contingency Account-State)
11. **Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
12. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
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14. **Nonrepresented Salary Survey** - Funding is provided for state employees who lag most severely behind market rates in the 2006 Department of Personnel salary survey. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
15. **Nonrepresented Class Consolidation** - Funding is provided for nonrepresented state employees' increases in specific job classes corresponding to those provided in collective bargaining agreements negotiated by the Governor. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
16. **Nonrepresented Additional Step** - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
17. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)
18. **WFSE Collective Bargaining** - Funding is provided to implement the economic provisions of the collective bargaining agreement negotiated with the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

