

Department of Social & Health Services

Children and Family Services

The budget provides \$457,000 from the Public Safety and Education Account (PSEA) for various domestic violence prevention programs. This funding will be used: to design a curriculum for training domestic violence service providers; for increased monitoring of programs that provide treatment to perpetrators of domestic violence; to increase services to traditionally under-served victims of domestic violence; and to support the fatality review process for victims who died due to domestic violence. In addition, \$50,000 from the PSEA is provided in the Criminal Justice Training Commission's budget to provide domestic violence detection training courses to 911 operators.

A total of \$488,000 is provided to enable better selection and monitoring of care providers. Of this amount, \$348,000 General Fund-Federal will be used by the Department to conduct background checks on all people who receive state payment for providing care to children or vulnerable adults. An additional \$140,000 General Fund-State is for the Department to establish a statewide toll-free number and an electronic on-line system for access to information regarding child care providers.

The budget provides \$174,000 General Fund-State for a foster parent retention pilot program specifically to assist foster parents caring for children who act out sexually. The pilot program will cover: home-based assessments; education for foster parents; training for case workers, childcare providers, schools, and foster parents; emergency help if necessary; and an independent evaluation of the program. The Department will contract for these services.

The budget transfers all funding and program responsibility for the Becca Bill from the Children and Family Services Division to the Juvenile Rehabilitation Administration.

Juvenile Rehabilitation Administration

An additional \$10.7 million from PSEA is provided for distribution to local governments for costs associated with processing at-risk youth, child-in-need-of-services, and truancy petitions. The "Becca" processes allow families and the courts to work together to address the needs of children. In combination with the \$6.9 million provided in the original 1999-01 budget, the total appropriation for Becca legislation is increased to \$17.6 million. Of the \$10.7 million increase, \$6 million is provided to local governments due to reduced state revenue distributions resulting from Initiative 695. The remaining \$4.7 million in funding is provided for the settlement agreement reached between the state and 20 counties regarding Becca legislation funding.

An additional \$1.1 million in federal funding is made available to the state through the Juvenile Accountability Incentive Block Grant (JAIBG). Funds are used for 12 program areas with primary focus on improvement of court, probation, and treatment services for serious juvenile offenders. The majority of the funding is passed through to cities and counties for their use.

A total of \$867,000, primarily from federal funds, is provided to implement a pilot program of providing research-based, integrated, and individualized transitional services to juvenile offenders. To be selected for the program, the juvenile must have co-occurring substance abuse and mental health disorders and be at high risk of re-offending.

Based on recent studies of mental health services in Juvenile Rehabilitation Administration institutions, a need for additional mental health capacity at Echo Glen Children's Center has been identified. The budget provides \$187,000 for increased costs associated with converting an existing unit into a mental health maximum-security unit.

Mental Health Division

A total of \$1 million in state funds is provided to implement Chapter 217, Laws of 2000 (2SHB 2663), creating a pilot program for the distribution of atypical anti-psychotic medications to under-served populations. These funds will assure broader availability of atypical anti-psychotic medications for low-income people for whom they are not readily available through Medicaid or other state medical assistance programs.

The budget provides \$2.3 million in matching state and federal funds to assist local Regional Support Networks (RSNs) that do not have, or that are at risk of losing, adequate access to emergency psychiatric treatment facilities. The funds may be used for a broad array of locally-developed strategies, such as supplemental funding for community psychiatric facilities that do not currently receive disproportionate share payments; start-up funding for evaluation and treatment facilities; or increased payment rates for medically indigent patients. The state funds will match RSN funding for such strategies on a 3:1 basis.

In addition to the above increases, an additional \$1.7 million is provided for RSNs due to an increase in the number of persons eligible for Medicaid.

A total of \$4.6 million in state funding is provided to comply with a federal court injunction regarding treatment at the state's Special Commitment Center. An additional \$14.0 million in the supplemental capital budget is provided to begin construction of a new 258-bed facility on McNeil Island to house the center and begin citing of community pre-release facilities required by the court.

Developmental Disabilities Division

A total of \$18.6 million in state and federal funding is provided within the Developmental Disabilities and Mental Health Divisions' budgets to improve programs for people with developmental disabilities who are at risk of needing involuntary treatment at the state hospitals. Improvements include expansions to the community crisis response system, crisis prevention and stabilization, expanded community residential services, and improvements in the treatment program at the state hospitals.

A total of \$6.1 million in state funding is provided for enhancements to the Developmental Disabilities Program, including: family support services and related case management for over 100 families; increased training for boarding home staff; the development of rules regarding orientation, basic training, and continuing education for care givers in all long-term care settings; funding for the increased costs of care for dependent children in voluntary foster care placements; and enhanced funding for the administration of the Developmental Disabilities Endowment Fund.

Long-Term Care

Funding is provided for a number of new efforts to better protect people who are vulnerable to abuse because of their age or disability. A total of \$1.8 million is appropriated to cover the cost of the face-to-face review of all potentially high-risk, state-funded, in-home care situations that was conducted in fall 1998 in response to the Linda David case. An additional \$1.8 million is provided for an ongoing increase in efforts to quickly and thoroughly investigate allegations of adult abuse. A total of \$278,000 is provided for the implementation of Chapter 87, Laws of 2000, Partial Veto (SHB 2637), which requires homecare workers who have resided in the state for less than three years to be screened through an inter-state criminal history background check. Finally, \$120,000 is provided to improve the quality and timeliness of training for caregivers in adult family homes, assisted living facilities, and homecare programs.

A total of \$6.9 million in state and federal funds is provided so that the capital portion of the nursing home payment rate can grow by about 5 percent per year and so that all nursing homes will receive a 2 percent vendor rate increase in the second year of the biennium.

The budget also provides \$610,000 from General Fund-State to implement Chapter 207, Laws of 2000 (SHB 2454). To support implementation of the bill, funding is provided for support groups, information and assistance, and other services which will help unpaid caregivers support their disabled friends or family members at home.

Economic Services

The budget provides \$500,000 of federal Temporary Assistance for Needy Families (TANF) funding to the Office of Financial Management for three studies. The first study will review options for setting payment rates for subsidized child care. The second study will review the various means-tested programs throughout state government that are provided to low-income families with children. The third study will review the best method for coordinating and consolidating child care and early education programs funded by state government.

An increase of \$12.8 million General Fund-Federal is provided for subsidized child care. This funding will support an increasing number of low-income families who are working.

A total of \$44.4 million General Fund-State is saved by eliminating state funds reserved for TANF penalties and reducing the state's required maintenance of effort (MOE) level to 75 percent of historical levels rather than 80 percent. State MOE funds will be replaced by \$36 million General Fund-Federal. This savings is made possible by the WorkFirst program successfully fulfilling all federal welfare reform work participation requirements.

Alcohol and Substance Abuse

The budget provides \$442,000 from the state Public Safety and Education Account for drug courts in King, Pierce, and Spokane Counties. Research indicates that drug courts provide savings for state and local government because program participants are less likely to re-offend, resulting in reduced jail, court, and treatment costs. These three drug courts will receive state assistance equal to one half of their net federal funding loss from fiscal year 2000 to fiscal year 2001. The balance in drug court funding will come from savings at the local level.

Medical Assistance

Medical assistance expenditures are expected to total \$4.9 billion for the 1999-01 biennium, an increase of about 6.7 percent over the level originally budgeted for the biennium. Major components of the increase include: higher managed care rates; increased prescription drug expenditures; increased federal revenues for public hospital districts; and growth in the number of people served. An average of about 760,000 people per month is budgeted to receive medical care through Medicaid and other DSHS medical assistance programs.

The budget provides \$24 million in additional assistance to public hospitals. Payments to hospitals, which serve a disproportionate share of low-income and uninsured patients, are returned to the same level as in the 1997-99 biennium. Public hospital districts receive \$7 million of additional disproportionate share payments, with \$2 million of that total allocated to the Harborview and University of Washington Medical Centers. Rural hospital districts will receive over \$10 million more than originally budgeted for a total of \$30 million available for debt repayment, capital projects, and ongoing operating costs this biennium. Finally, payment increases for complex cases will no longer be capped at 175 percent of hospital inflation.

Administration and Supporting Services

A total of \$3.2 million (\$933,000 General Fund-State) is provided for a Medicaid fraud and abuse detection program. The program will be able to run various tests on the Department's billing systems to determine anomalies and aberrant billing practices. This program will result in increased identification of potential fraud and abuse cases and increased cost recoveries and cost avoidance in the Long-Term Care, Medical Assistance, and Developmental Disabilities programs. The estimated Department-wide savings from this new program for the remainder of the 1999-01 biennium are \$6.6 million.

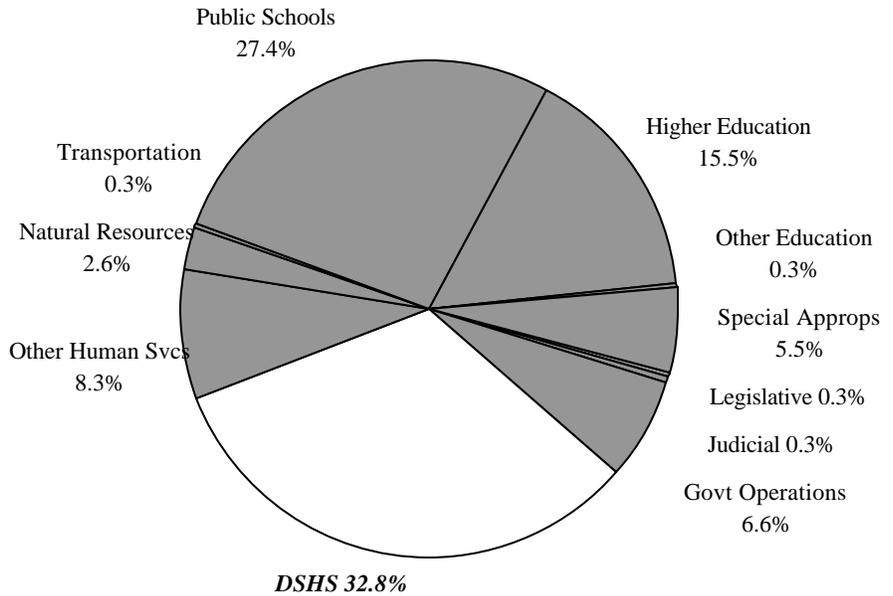
The budget reduces staffing across the agency by aligning core functions in each program area, resulting in a total savings of \$9 million (\$5.5 million General Fund-State). Savings are not intended to be taken from direct service staff unless justified by reduced workload or other efficiencies that will not impact licensing or certification standards. By September 1, 2000, the Department will report its plan to implement these staff reductions.

1999-01 Washington State Operating Budget

Total Budgeted Funds

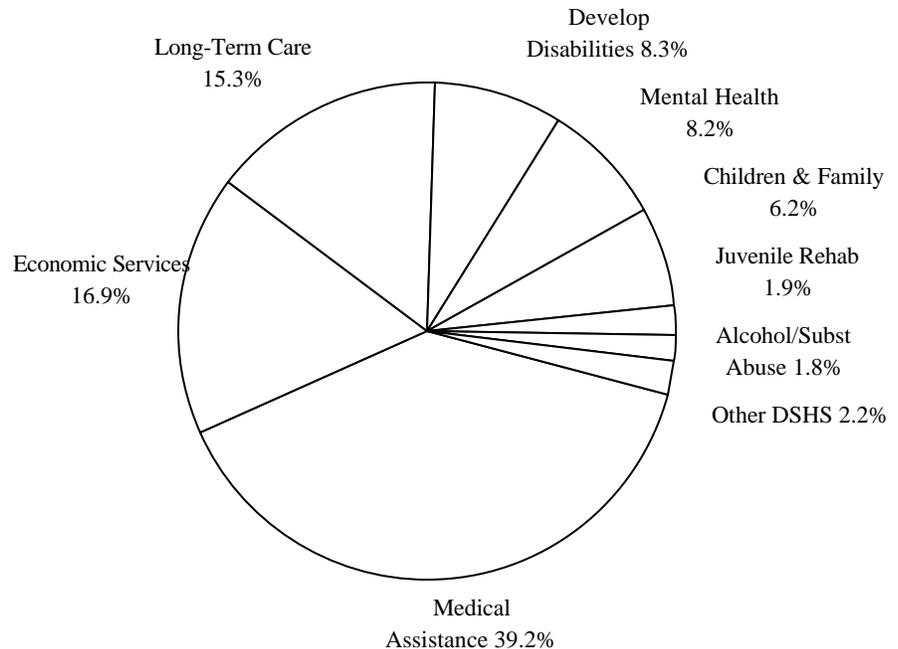
(Dollars in Thousands)

Legislative	124,815
Judicial	123,118
Governmental Operations	2,518,891
DSHS	12,430,563
Other Human Services	3,136,194
Natural Resources	997,655
Transportation	110,297
Public Schools	10,398,399
Higher Education	5,875,347
Other Education	101,506
Special Appropriations	2,100,858
Statewide Total	37,917,643



Washington State

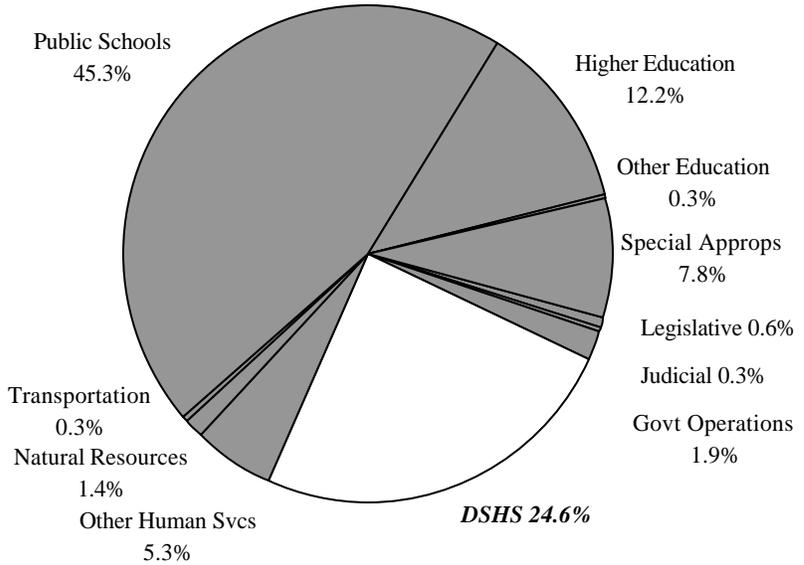
Medical Assistance	4,876,699
Economic Services	2,099,236
Long-Term Care Svcs	1,906,383
Developmental Disabilities	1,026,079
Mental Health	1,016,172
Children & Family Svcs	770,891
Juvenile Rehabilitation	240,242
Alcohol/Subst Abuse	219,268
Other DSHS	275,593
DSHS	12,430,563



DSHS

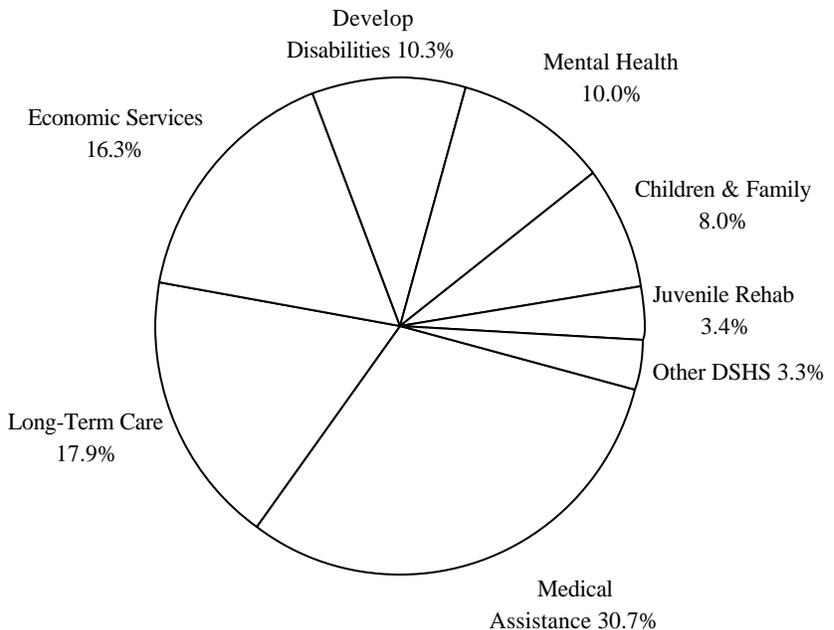
1999-01 Washington State Operating Budget
General Fund-State
(Dollars in Thousands)

Legislative	117,683
Judicial	66,527
Governmental Operations	398,761
DSHS	5,137,683
Other Human Services	1,097,774
Natural Resources	299,174
Transportation	52,823
Public Schools	9,442,945
Higher Education	2,547,801
Other Education	54,521
Special Appropriations	1,634,494
Statewide Total	20,850,186



Washington State

Medical Assistance	1,579,191
Long-Term Care Svcs	921,068
Economic Services	838,655
Developmental Disabilities	529,486
Mental Health	516,029
Children & Family Svcs	410,694
Juvenile Rehabilitation	173,178
Other DSHS	169,382
DSHS	5,137,683



Department of Social and Health Services Children & Family Services

(Dollars in Thousands)

	GF-S	Other	Total
1999-01 Original Appropriations	430,481	341,951	772,432
Total Maintenance Changes	6,023	-207	5,816
Policy Changes			
1. Background Checks	0	348	348
2. Staff Secure Group Homes	-911	0	-911
3. Continuing Child Care Support	100	0	100
4. Domestic Violence Initiative	0	457	457
5. Increase Home-Based Services	-415	0	-415
6. Child Care Information	140	0	140
7. Increase Federal Funds	-17,678	17,678	0
8. Medicaid Fraud & Abuse Detection	-30	-30	-60
9. Eliminate Spec Assessments in CRCs	-309	0	-309
10. Foster Parent Retention Program	174	0	174
11. Becca Transfer	-6,881	0	-6,881
Total Policy Changes	-25,810	18,453	-7,357
1999-01 Revised Appropriations	410,694	360,197	770,891
Fiscal Year 2000 Total	196,694	175,191	371,885
Fiscal Year 2001 Total	214,000	185,006	399,006

Comments:

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| <p>1. Background Checks - Funding is provided that will allow the Department to conduct background checks on all people who receive state payment for providing care to children or vulnerable adults. (General Fund-Federal)</p> <p>2. Staff Secure Group Homes - Funding is adjusted for FY 2000 for staff secure group homes to reflect the number of beds that are currently contracted. The program will continue to work toward contracting the remaining staff secure group home beds in FY 2001. (General Fund-State)</p> <p>3. Continuing Child Care Support - One-time funding is provided to maintain the current level of seasonal child care. (General Fund-State)</p> <p>4. Domestic Violence Initiative - Funding is provided to train service providers to serve and advocate for victims with disabilities; to contract for coordination of domestic violence fatality review panels; to monitor batterer treatment programs for compliance with certification standards; and to increase support for services to under-served populations. (Public Safety and Education Account)</p> <p>5. Increase Home-Based Services - Home-based services provide a range of services to families in the child protection system. This item allows the Department to use unused funds from the Intensive Family Preservation Services and Family Preservation Services programs for increased home-based services. This readjustment is not intended to reduce the current level of Intensive Family Preservation or Family Preservation services across the state. (General Fund-State)</p> | <p>6. Child Care Information - Funds are provided for the Department to establish a statewide toll-free number and an electronic on-line system for access to information regarding child care providers. (General Fund-State)</p> <p>7. Increase Federal Funds - Temporary Assistance for Needy Families funding is transferred to the Social Services Block Grant to maximize federal resources. These federal funds will be used for clients at or below 200 percent of the federal poverty level. (General Fund-State, General Fund-Federal)</p> <p>8. Medicaid Fraud & Abuse Detection - Funding is provided for a fraud and abuse detection program. The new program will result in increased identification of potential fraud and abuse cases and increased cost recoveries and cost avoidance. (General Fund-State, General Fund-Federal)</p> <p>9. Eliminate Spec Assessments in CRCs - Funding for specialized assessments is adjusted. Becca legislation allows runaways in crisis residential centers (CRCs) to receive a specialized assessment of substance abuse or behavioral problems. Currently, these assessments are underutilized by providers due to the difficulty of completing an in-depth assessment in five days, which is the maximum amount of time a child can remain in a CRC. In addition, the CRC providers are already completing a family assessment, which identifies possible areas where services may be needed as part of their contractual requirements. (General Fund-State)</p> <p>10. Foster Parent Retention Program - Funding is provided for a foster parent retention pilot program directed at foster parents caring for children who act out sexually. (General Fund-State)</p> |
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Department of Social and Health Services
Children & Family Services

11. **Becca Transfer** - The responsibility to monitor juvenile court petitions and total actual costs for Truancy, At-Risk-Youth, and Child-In-Need-of-Services petitions is transferred to the Juvenile Rehabilitation Administration. (General Fund-State)

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

**WORKLOAD HISTORY
By Fiscal Year**

	1992	1993	1994	1995	1996	1997	1998	1999	<u>Estimate</u>	
									2000	2001
Foster Care *										
Avg # Children Served Monthly	6,734	6,723	6,665	6,762	8,333	8,283	8,297	8,219	8,266	8,335
% Change from prior year		-0.2%	-0.9%	1.5%	23.2%	-0.6%	0.2%	-0.9%	0.6%	0.8%
Child Care **										
Avg # Children Served Monthly	6,402	7,152	7,809	7,099	7,237	6,998	6,870	6,746	7,090	7,264
% Change from prior year		11.7%	9.2%	-9.1%	1.9%	-3.3%	-1.8%	-1.8%	5.1%	2.5%
Child Protective Services										
Avg Cases Referred Monthly	5,819	5,699	5,750	6,108	6,241	6,319	6,477	6,214	6,209	6,209
% Change from prior year		-2.1%	0.9%	6.2%	2.2%	1.2%	2.5%	-4.1%	-0.1%	0.0%
Adoption Support										
Avg # Served Monthly	1,901	2,361	2,843	3,186	3,678	4,040	4,683	5,455	6,370	7,278
% Change from prior year		24.2%	20.4%	12.1%	15.4%	9.8%	15.9%	16.5%	16.8%	14.3%
Caseload Ratio										
Avg Cases Per Worker ***	31:1	33:1	36:1	36:1	36:1	36:1	33:1	29:1	29:1	29:1

* Includes Family Foster Care, Group Foster Care, and Receiving Care. (Note: Receiving Care is not included prior to 1996.)

** Includes the following services: Protective/Welfare, Therapeutic, Teen Parent, Seasonal, and Foster Parent Employment.

*** Combined average number of open cases per worker for Child Protective Services, Child Welfare Services, and Family Reconciliation Services.

Data Source:

Child Care, Child Protective Services and Caseload Ratio from DSHS Budget Division.

Foster Care and Adoption Support from the Caseload Forecast Council.

Department of Social and Health Services Juvenile Rehabilitation

(Dollars in Thousands)

	GF-S	Other	Total
1999-01 Original Appropriations	167,945	52,776	220,721
Total Maintenance Changes	-1,935	2,690	755
Policy Changes			
1. Team Child	100	0	100
2. Echo Glen Mental Health Unit	187	0	187
3. Becca Bill Funding	6,881	10,700	17,581
4. Co-Occurring Disorder Pilot Program	0	898	898
Total Policy Changes	7,168	11,598	18,766
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1999-01 Revised Appropriations	173,178	67,064	240,242
Fiscal Year 2000 Total	84,513	33,492	118,005
Fiscal Year 2001 Total	88,665	33,572	122,237

Comments:

1. **Team Child** - Funding is provided for the Team Child program. Team Child partners at-risk youth with attorneys who advocate for the child in a variety of settings.
2. **Echo Glen Mental Health Unit** - Currently, Echo Glen has a single mental health unit serving eight males and eight females. Funding is provided to convert an existing 16-bed maximum-security unit into a 16-bed mental health maximum-security unit. The result will be 16 male and 16 female mental health maximum-security beds.
3. **Becca Bill Funding** - The amount of \$6.9 million from the state general fund for local government costs associated with the implementation of Becca legislation is transferred from the Children's Administration to the Juvenile Rehabilitation Administration. Additionally, \$10.7 million in funding is provided for costs associated with the implementation of Becca legislation.
4. **Co-Occurring Disorder Pilot Program** - Funding is provided to implement a pilot program of providing research-based, integrated, and individualized transitional services to juvenile offenders. To be selected for the program, the juvenile must have co-occurring substance abuse and mental health disorders and be at high risk of reoffending. Funding is also provided for an evaluation of the effectiveness of the pilot program. (Juvenile Accountability Incentive Account-Federal, Violence Reduction and Drug Enforcement Account)

Of the \$10.7 million in new funding, \$4.7 million is provided for the lawsuit settlement between the state and 20 counties regarding Becca legislation funding. The other \$6 million is added due to reduced revenue distributions through the County Criminal Justice Assistance Account as a result of the passage of Initiative 695. This brings the total 1999-2001 Becca legislation appropriation level to \$17.6 million. At this funding level and with the continued distributions from the County Criminal Justice Assistance Account, local governments are fully reimbursed for their costs in implementing the legislation. (General Fund-State, Public Safety and Education Account-State)

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

WORKLOAD HISTORY
By Fiscal Year

	1992	1993	1994	1995	1996	1997	1998	1999	<u>Estimate</u>	
									2000	2001
Community Residential *										
Avg Daily Population/Month	253	314	353	346	359	362	305	239	222	270
% Change from prior year		24.1%	12.4%	-2.0%	3.8%	0.8%	-15.7%	-21.6%	-7.1%	21.6%
Institutions										
Avg Daily Population/Month	683	720	753	915	1,007	1,028	1,048	996	1,000	1,043
% Change from prior year		5.4%	4.6%	21.5%	10.1%	2.1%	1.9%	-5.0%	0.4%	4.3%
Parole**										
Avg Daily Population/Month	496	537	595	765	917	949	1,002	768	1,052	1,157
% Change from prior year		8.3%	10.8%	28.6%	19.9%	3.5%	5.6%	-23.4%	37.0%	10.0%

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

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

Data Source :

FY 1992 through FY 1997 from DSHS Juvenile Rehabilitation Administration.

FY 1998 through FY 1999 from DSHS Juvenile Rehabilitation Administration Executive Management Information System (EMIS) Reports.

FY 2000 through FY 2001 data from legislative fiscal staff.

Department of Social and Health Services Mental Health

(Dollars in Thousands)

	GF-S	Other	Total
1999-01 Original Appropriations	505,084	483,164	988,248
Total Maintenance Changes	10,692	-2,682	8,010
Policy Changes			
1. Community Inpatient Emergency Pool	0	2,349	2,349
2. Convert Wards to Outpatient Status	-318	-70	-388
3. Atypical Antipsychotic Meds Pilot	1,000	0	1,000
4. Increased DSH Revenues	-3,029	3,029	0
5. Worker Safety	290	0	290
6. MH/DD Collaborative Workplan	2,310	353	2,663
7. New SCC Facility	0	14,000	14,000
Total Policy Changes	253	19,661	19,914
1999-01 Revised Appropriations	516,029	500,143	1,016,172
Fiscal Year 2000 Total	249,471	252,823	502,294
Fiscal Year 2001 Total	266,558	247,320	513,878

Comments:

1. **Community Inpatient Emergency Pool** - Funding is provided for implementation of strategies which the Department concludes, in consultation with affected Regional Support Networks (RSNs), will best assure continued availability of community inpatient psychiatric services in all areas of the state. Strategies may include emergency contracts for continued operation of inpatient facilities otherwise at risk of closure because of demonstrated, disproportionate, uncompensated care; start-up grants for development of evaluation and treatment facilities; increases in the rate paid for inpatient psychiatric services for medically indigent and/or for general assistance for the unemployed patients; or the development of a new disproportionate share payment program for hospitals with distinct part psychiatric facilities. State expenditures must be matched on a one-quarter basis by the RSNs in the area served by the inpatient facility. An additional \$2.2 million of disproportionate share hospital (DSH) capacity is allocated for support of qualifying strategies. (General Fund-State, General Fund-Federal)
4. **Increased DSH Revenues** - State general fund spending is reduced to account for additional federal DSH earnings. This adjustment anticipates \$111.8 million of mental health DSH expenditures in FY 2000 (of which \$110.4 million will be in the state hospitals), and \$114.4 million in FY 2001 (of which \$110.7 million will be in the state hospitals). (General Fund-State, General Fund-Federal)
2. **Convert Wards to Outpatient Status** - The Department is to convert at least two state hospital wards to a more supportive, less medically-oriented model of care for residents for whom such an alternative model of care is judged appropriate by their psychiatric treatment team. (General Fund-State, General Fund-Federal, General Fund-Local)
5. **Worker Safety** - Funding is provided for equipment, environmental modifications, and specialized training and consultation needed to implement the state hospital workplace safety plans developed in accordance with Chapter 22, Laws of 2000 (SHB 2899). (General Fund-State, General Fund-Federal, General Fund-Private/Local)
3. **Atypical Antipsychotic Meds Pilot** - Provides funds to implement the responsibilities under the provisions of Chapter 217, Laws of 2000 (2SHB 2663). A pilot program will be established to supply atypical antipsychotic medications to under-served populations. A portion of these funds are to be used for the project evaluation required by the legislation. (General Fund-State)
6. **MH/DD Collaborative Workplan** - Funds are provided to further enhance ongoing efforts to address the needs of individuals with developmental disabilities (DD) and mental illness. Enhancements are to include establishment of specialized treatment wards; staff training and consultation; a professional team specializing in the treatment of dual psychiatric and developmental disabilities; development of specialized vocational and other therapeutic activity programs; additional staffing to provide greater individualized attention and recreational opportunities; and improved discharge planning activities to assure that these patients do not remain in the hospital longer than is needed for treatment of their psychiatric illness. (General Fund-State, General Fund-Federal, General Fund-Local)
7. **New SCC Facility** - Funding is provided to complete design and site preparation, and to begin construction of a new 250 bed facility for the Special Commitment Center (SCC), to be located on McNeil Island. These state general funds are to be appropriated to the State Building and Construction Account. (Violence Reduction and Drug Enforcement Account)

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

**WORKLOAD HISTORY
By Fiscal Year**

	1992	1993	1994	1995	1996	1997	1998	1999	<u>Estimate</u>	
									2000	2001
State Hospitals *										
Avg Daily Population/Month	1,709	1,622	1,444	1,349	1,278	1,276	1,311	1,354	1,438	1,441
% Change from prior year		-5.1%	-11.0%	-6.6%	-5.3%	-0.2%	2.7%	3.3%	6.2%	0.2%
Avg Daily Census/Month				1,323	1,246	1,243	1,275	1,317	1,398	1,402
% Change from prior year					-5.8%	-0.2%	2.6%	3.3%	6.1%	0.3%
Community Outpatient Services										
	25,110	30,108	32,939	36,728	38,482	39,861	41,328	44,036	43,893	43,984
% Change from prior year		19.9%	9.4%	11.5%	4.8%	3.6%	3.7%	6.6%	-0.3%	0.2%
Avg Adults Served per Month	19,317	23,070	25,065	27,210	28,077	28,853	30,024	31,966	31,162	30,987
% Change from prior year		19.4%	8.6%	8.6%	3.2%	2.8%	4.1%	6.5%	-2.5%	-0.6%
Avg Children Served per Month	5,793	7,038	7,874	9,518	10,405	11,008	11,304	12,070	12,731	12,997
% Change from prior year		21.5%	11.9%	20.9%	9.3%	5.8%	2.7%	6.8%	5.5%	2.1%
Special Commitment Center **										
Avg Monthly Population	11	17	23	28	33	44	59	83	108	132
% Change from prior year		54.5%	35.3%	21.7%	17.9%	33.3%	34.1%	40.7%	30.1%	22.2%

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

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

Data Sources:

FY 1992 through FY 1999 actuals are from DSHS Division of Research and Data Analysis reports.

FY 2000 and FY 2001 estimates are from legislative fiscal committees.

Department of Social and Health Services Developmental Disabilities

(Dollars in Thousands)

	GF-S	Other	Total
1999-01 Original Appropriations	518,068	492,314	1,010,382
Total Maintenance Changes	7,207	1,851	9,058
Policy Changes			
1. MH/DD Collaborative Workplan	3,781	2,369	6,150
2. LTC Training Enhancements	75	53	128
3. Enhance Family Support	500	160	660
4. Medicaid Fraud & Abuse Detection	-145	-154	-299
Total Policy Changes	4,211	2,428	6,639
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1999-01 Revised Appropriations	529,486	496,593	1,026,079
Fiscal Year 2000 Total	253,980	238,662	492,642
Fiscal Year 2001 Total	275,506	257,931	533,437

Comments:

1. **MH/DD Collaborative Workplan** - Funding is provided to improve services for persons with developmental disabilities (DD) who would otherwise be at risk of needing involuntary commitment to, or prolonged treatment at, state psychiatric hospitals. These funds will enhance the community crisis response system managed by Regional Support Networks; improve crisis prevention and stabilization services through the developmental disabilities community services system; and expand community residential capacity for persons with developmental disabilities who are ready for discharge from state psychiatric hospitals. (General Fund-State, General Fund-Federal)
2. **LTC Training Enhancements** - Funding is provided to develop training modules for boarding home staff on dementia, mental illness, and developmental disabilities and to develop rules regarding orientation, basic training, and continuing education for caregivers in all long-term care (LTC) settings. (General Fund-State, General Fund-Federal)
3. **Enhance Family Support** - Funding is provided to expand family support services to an increased number of individuals. Case management support is also provided. (General Fund-State, General Fund-Federal)
4. **Medicaid Fraud & Abuse Detection** - Savings are achieved from a new fraud and abuse detection program implemented by the Department of Social and Health Services. The new program will help identify potential fraud and abuse cases and achieve increased cost recoveries in the Long Term Care, Medical Assistance, and Developmental Disabilities programs. (General Fund-State, General Fund-Federal)

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

**WORKLOAD HISTORY
By Fiscal Year**

	1992	1993	1994	1995	1996	1997	1998	1999	<u>Estimate</u>	
									2000	2001
Institutions										
Avg Monthly Population	1,534	1,477	1,412	1,322	1,295	1,262	1,228	1,189	1,231	1,231
% change from prior year		-3.7%	-4.4%	-6.4%	-2.0%	-2.5%	-2.7%	-3.2%	3.6%	0.0%
Community Residential Programs*										
Avg Month End Contracted Beds	3,188	3,474	3,585	3,683	3,740	3,819	3,742	3,747	4,008	4,093
% change from prior year		9.0%	3.2%	2.7%	1.5%	2.1%	-2.0%	0.1%	7.0%	2.1%
Employment & Day Programs										
Avg Monthly Number Served	6,133	6,531	6,789	7,049	7,571	7,954	8,455	8,567	8,760	9,076
% change from prior year		6.5%	4.0%	3.8%	7.4%	5.1%	6.3%	1.3%	2.2%	3.6%
Family Support**										
Number of Clients Served	1,486	1,674	2,071	2,207	2,659	3,637	3,985	4,658	5,284	5,747
% change from prior year		12.7%	23.7%	6.6%	20.5%	36.8%	9.6%	16.9%	13.4%	8.8%
Adult Personal Care***										
Number of Clients Served	2,154	2,443	2,844	3,244	3,525	3,951	4,199	4,730	5,028	5,504
% change from prior year		11.8%	14.1%	12.3%	8.0%	10.8%	5.9%	11.2%	5.9%	8.6%

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

** Family Support includes Children's Personal Care.

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

Data Sources:

FY 1992 through FY 1998 from LEAP workload database except FY 1993 through FY 1997 Community Residential is from DSHS Division of Developmental Disabilities due to a change in reporting methodology.

FY 2000 through FY 2001 are budget estimates from legislative fiscal staffs.

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

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1999-01 Original Appropriations	928,805	1,008,007	1,936,812
Total Maintenance Changes	-13,617	-28,281	-41,898
Policy Changes			
1. Improve Home Care Safety	139	139	278
2. APS Referral Increase	624	662	1,286
3. Targeted Adult Protective Services	897	897	1,794
4. Nursing Home Rate Setting	3,382	3,560	6,942
5. Family Caregiver	610	0	610
6. LTC Training Enhancements	60	60	120
7. Private Duty Nursing	345	358	703
8. Medicaid Fraud & Abuse Detection	-372	-389	-761
9. Federal Reporting Requirements	195	302	497
Total Policy Changes	5,880	5,589	11,469
1999-01 Revised Appropriations	921,068	985,315	1,906,383
Fiscal Year 2000 Total	446,025	485,712	931,737
Fiscal Year 2001 Total	475,043	499,603	974,646

Comments:

- 1. Improve Home Care Safety** - Funding is provided to implement Chapter 87, Laws of 2000, Partial Veto (2SHB 2637). The bill requires home care workers who have resided in the state for fewer than three years to be screened using both a state background check as well as an FBI interstate history background check. (General Fund-State, General Fund-Federal)
- 2. APS Referral Increase** - Funding is provided for additional Adult Protective Services (APS) staffing to investigate cases of suspected abuse and neglect of vulnerable adults. The number of such cases being reported for state investigation has grown steadily in recent years, and increased sharply during the summer and fall of 1999 following publicity of the Linda David case and implementation of new reporting requirements. The recommended funding level anticipates that APS caseloads will continue to grow from this new, higher base at the previous rate of approximately 13 percent per year. (General Fund-State, General Fund-Federal)
- 3. Targeted Adult Protective Services** - Funding is provided for the in-person review of potentially vulnerable in-home care cases, which was ordered by the Governor during the summer of 1999. Funding is also provided for two additional attorneys general to assist APS staff with financial exploitation cases, the filing of protection orders, and the coordination of cases with police and prosecutors. This triples the current level of assistance for such activities. (General Fund-State, General Fund-Federal)
- 4. Nursing Home Rate Setting** - Funding is provided so that the capital portion of the rate will not require a pro-rata reduction to avoid exceeding the limit set in the budget. Funding is also provided for an additional 1 percent increase in the direct care rate, effective July 1, 2000, for facilities not paid in accordance with case mix. In total, funding is increased by \$0.49 per patient day in FY 2000 and by \$1.17 per patient day in FY 2001. (General Fund-State, General Fund-Federal)
- 5. Family Caregiver** - In accordance with Chapter 207, Laws of 2000 (SHB 2454), funding is provided for support groups, information and assistance, and other services which will help unpaid caregivers support their disabled friends or family members at home. (General Fund-State)
- 6. LTC Training Enhancements** - Funding is provided for an additional full-time staff position to monitor and coordinate training delivery, and to assist a stakeholder advisory group in the development of new staff training requirements for all community long-term care (LTC) programs, as required by Chapter 121, Laws of 2000 (SSB 6502). Funds are also provided for other activities which will enhance the quality of the training currently available to community LTC staff, such as curriculum consultation, video production, or trainer development. (General Fund-State, General Fund-Federal)

Department of Social and Health Services Long-Term Care Services

7. **Private Duty Nursing** - The 1999 Legislature appropriated funding to the Medical Assistance Administration (MAA) for a 10 percent rate increase for home health agencies that provide private duty nursing services to children under the age of eighteen. Through the Aging and Adult Services program, the same agencies also provide private duty nursing for adults, many of whom transferred in from MAA when they became age eighteen. This item provides the same 10 percent increase for the Aging and Adult Services program as was provided for the MAA program, effective July 2000. (General Fund-State, General Fund-Federal)
8. **Medicaid Fraud & Abuse Detection** - The Department of Social and Health Services will implement a new fraud and abuse detection program. The new program will increase cost recoveries, cost avoidance, and the identification of potential fraud and abuse cases in the LTC, Medical Assistance, and Developmental Disabilities programs. (General Fund-State, General Fund-Federal)
9. **Federal Reporting Requirements** - Funding is provided to better meet federal Health Care Financing Administration mandates on compliance and reporting issues associated with nursing homes. The amount of staff time available to investigate complaints about nursing home care is increased by 38 percent. An additional inspector is added in order to assure timely completion of federally-required inspections in intermediate care facilities for the mentally retarded (ICF/MRs). (General Fund-State, General Fund-Federal)

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

WORKLOAD HISTORY
By Fiscal Year

	1992	1993	1994	1995	1996	1997	1998	1999	Estimate	
									2000	2001
Nursing Homes										
# FTE Clients	17,344	17,445	17,168	16,639	15,905	14,992	14,648	14,078	13,726	13,262
% Change from prior year		0.6%	-1.6%	-3.1%	-4.4%	-5.7%	-2.3%	-3.9%	-2.5%	-3.4%
Community Care *										
# Clients Served	19,087	19,587	19,411	19,576	20,876	23,119	25,675	27,567	29,254	31,171
% Change from prior year		2.6%	-0.9%	0.9%	6.6%	10.7%	11.1%	7.4%	6.1%	6.6%

* Includes Chore Services, Community Options Program Entry Services (COPES), Adult Residential, and Medicaid Personal Care.

Data Source:

Nursing Homes for FY 1992 through FY 1995 from LEAP workload database.

Community Care for FY 1992 through FY 1996 from Aging and Adult Services Administration.

All other data is from the Caseload Forecast Council.

Department of Social and Health Services Economic Services

(Dollars in Thousands)

	GF-S	Other	Total
1999-01 Original Appropriations	898,737	1,251,712	2,150,449
Total Maintenance Changes	6,122	-43,777	-37,655
Policy Changes			
1. OFM Studies	0	500	500
2. Increase Child Care Funding	0	12,888	12,888
3. Food Assistance Program Projection	-6,428	0	-6,428
4. Finance GA-H & Part of FAP w/TANF	-2,819	2,819	0
5. Unearned Child Support Incentives	31	-31	0
6. Increased Costs for Cnty Legal Svcs	554	1,077	1,631
7. Medicaid Eligibility (HB 2686)	-282	-282	-564
8. Child Support Technical Amendment	-7	-15	-22
9. Meet Federal Welfare Reform Rules	-44,400	36,000	-8,400
10. Administrative Efficiency Savings	-12,519	0	-12,519
11. Banking Fees	88	172	260
12. Eligibility Streamlining	-284	-207	-491
13. Reduce Supervisors in Child Support	-138	-275	-413
Total Policy Changes	-66,204	52,646	-13,558
<hr/>			
1999-01 Revised Appropriations	838,655	1,260,581	2,099,236
Fiscal Year 2000 Total	427,742	609,890	1,037,632
Fiscal Year 2001 Total	410,913	650,691	1,061,604

Comments:

1. **OFM Studies** - Temporary Assistance for Needy Families (TANF) funding is provided to support three studies to be conducted by the Office of Financial Management (OFM). The first study will review options for setting payment rates for subsidized child care. The second study will review the various means-tested programs throughout state government that are provided to low-income families with children. The third study will review the best method for coordinating and consolidating child care and early education programs funded by state government. (General Fund-Federal)
2. **Increase Child Care Funding** - Funding is enhanced for subsidized child care, which supports an increasing number of low-income working families. (General Fund-Federal)
3. **Food Assistance Program Projection** - Funding is reduced due to lower projected expenditures for the state food assistance program for legal immigrants who are not eligible for federal food stamps. (General Fund-State)
4. **Finance GA-H & Part of FAP w/TANF** - State funding is reduced by refinancing both the General Assistance program for children who live with court appointed guardians or custodians (GA-H) and a portion of the state food assistance program (FAP) with TANF block grant or TANF maintenance of effort dollars. (General Fund-State, General Fund-Federal)
5. **Unearned Child Support Incentives** - State funding is provided in FY 2000 to cover the projected shortfall in federal performance incentive dollars for the state child support system. (General Fund-State, General Fund-Local)
6. **Increased Costs for Cnty Legal Svcs** - Funding is provided for increased county legal services costs for child support enforcement. The Department shall ensure that these increased costs do not drop its cost effectiveness ratio for federal incentive payments below the \$5 threshold in the federal performance incentive formula. (General Fund-State, General Fund-Federal)
7. **Medicaid Eligibility (HB 2686)** - Chapter 218, Laws of 2000 (HB 2686 - Public Assistance Income and Resources), simplifies the process for determining continuing medicaid eligibility for families getting off TANF. This results in savings in the community service offices. (General Fund-State, General Fund-Federal)
8. **Child Support Technical Amendment** - Funding is provided for Chapter 86, Laws of 2000 (HB 2579 - Federal Welfare Reform Act), which changes the provisions of the Personal Responsibility and Work Opportunity Reconciliation Act that apply to the child support program. The savings are achieved by allowing child support orders to be issued by regular mail delivery instead of personal delivery. (General Fund-State, General Fund-Federal)

Department of Social and Health Services Economic Services

9. **Meet Federal Welfare Reform Rules** - State funds reserved for possible TANF penalties are eliminated and the state's required maintenance of effort level is reduced to 75 percent of historical levels rather than 80 percent. This is made possible by the WorkFirst program successfully fulfilling all federal welfare reform work participation requirements. (General Fund-State, General Fund-Federal)
10. **Administrative Efficiency Savings** - Funding is reduced for staff that were hired to reduce the food stamp error rate. The error rate has been reduced, therefore funding for these staff is no longer necessary. (General Fund-State)
11. **Banking Fees** - Funding is provided to cover the costs of banking fees for the Division of Child Support (DCS). DCS maintains a contractual relationship with a financial institution to provide banking services for the DSHS Child Support Services Account. Due to low interest rates, requirements to disburse funds within 48 hours, and an increase in the number of transactions, the costs associated with banking services are out-pacing earnings. (General Fund-State, General Fund-Federal)
12. **Eligibility Streamlining** - Ten staff are eliminated by July 2001 as a result of improvements in work practices and supporting technologies used by community service offices. (General Fund-State, General Fund-Federal)
13. **Reduce Supervisors in Child Support** - Six managers are eliminated by July 2000 as a result of consolidation, elimination, or redistribution of work in DCS. (General Fund-State, General Fund-Federal)

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

**WORKLOAD HISTORY
By Fiscal Year**

	1992	1993	1994	1995	1996	1997	1998	1999	Estimate	
									2000	2001
SSI State Supplement										
Avg Monthly Caseload	62,532	69,332	76,518	82,249	86,299	87,674	88,006	89,176	91,280	92,878
% Change from prior year		10.9%	10.4%	7.5%	4.9%	1.6%	0.4%	1.3%	2.4%	1.8%
General Assistance *										
Avg Monthly Caseload	16,326	16,683	17,617	18,371	18,074	18,155	17,657	17,129	16,395	16,187
% Change from prior year		2.2%	5.6%	4.3%	-1.6%	0.4%	-2.7%	-3.0%	-4.3%	-1.3%
TANF Cases **										
Avg Monthly Caseload	99,012	102,306	104,626	104,472	101,136	97,309	84,685	67,475	58,421	55,874
% Change from prior year		3.3%	2.3%	-0.1%	-3.2%	-3.8%	-13.0%	-20.3%	-13.4%	-4.4%
Child Care										
Avg # Children Served/Month	21,436	27,142	29,772	32,757	30,636	33,309	41,707	51,187	56,798	59,922
% Change from prior year		26.6%	9.7%	10.0%	-6.5%	8.7%	25.2%	22.7%	11.0%	5.5%

* FY 1992 through FY 2000 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 TANF funding and are moved out of the General Assistance estimate into the TANF Cases estimate. Data collection changed to the Caseload Analysis and Reporting Database (CARD) system in FY 1998. To provide comparable data, monthly caseload data from FY 1992-1997 have been adjusted to reflect the CARD system, which is 7.05 percent higher on average than the previous Average Grant method.

** Includes General Assistance-Pregnant Women (GA-S) cases, which will be integrated into the Temporary Assistance for Needy Families (TANF) caseload during the 1999-01 biennium. Also includes GA-H cases starting in FY 2001 (see note above). To provide comparable data, monthly caseload data from FY 1992-1997 have been adjusted to reflect the CARD system, which is 7.08 percent higher on average than the previous Average Grant method.

Data Source :

FY 1992 through FY 1999 SSI State Supplement and General Assistance actuals from the Caseload Forecast Council.

FY 1992 through FY 1999 TANF Cases and Child Care actuals from DSHS Budget Division.

FY 2000 and FY 2001 estimates represent legislative budget assumptions, based upon forecasts provided by the Caseload Forecast Council and the DSHS Budget Division.

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

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1999-01 Original Appropriations	43,309	175,814	219,123
Total Maintenance Changes	-43	-427	-470
Policy Changes			
1. Drug Courts	0	442	442
2. Transfer from DCTED	173	0	173
Total Policy Changes	173	442	615
1999-01 Revised Appropriations	43,439	175,829	219,268
Fiscal Year 2000 Total	21,338	87,275	108,613
Fiscal Year 2001 Total	22,101	88,554	110,655

Comments:

- Drug Courts** - Funding is provided for drug courts in King, Pierce, and Spokane Counties. Research indicates that drug courts provide savings for state and local governments, because program participants are less likely to re-offend, resulting in reduced jail, court, and treatment costs. These three drug courts will receive state assistance equal to one half of their net federal funding loss from FY 2000 to FY 2001. The balance in drug court funding will come from savings at the local level. (Public Safety and Education Account-State)
- Transfer from DCTED** - Funding is transferred from the Department of Community, Trade and Economic Development (DCTED) for services to women who give birth to infants exposed to non-prescription use of controlled substances and/or abuse of alcohol by the mother during pregnancy. This will consolidate funding for this program within the Division of Alcohol and Substance Abuse. (General Fund-State)

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

**WORKLOAD HISTORY
By Fiscal Year**

	1992	1993	1994	1995	1996	1997	1998	1999	<u>Estimate</u>	
									2000	2001
ADATSA - Assessment										
Avg Monthly Assessments	1,168	1,199	1,195	1,278	1,284	1,199	1,194	1,162	1,230	1,230
% Change from prior year		2.7%	-0.3%	6.9%	0.5%	-6.6%	-0.4%	-2.7%	5.9%	0.0%
ADATSA - Outpatient Treatment										
Avg Monthly Admissions	345	320	272	295	325	308	322	340	303	303
% Change from prior year		-7.2%	-15.0%	8.5%	10.2%	-5.2%	4.5%	5.6%	-10.9%	0.0%
ADATSA - Residential										
Avg Monthly Admissions	585	519	586	608	610	631	673	633	531	531
% Change from prior year		-11.3%	12.9%	3.8%	0.3%	3.4%	6.7%	-5.9%	-16.1%	0.0%

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

Data Source :

*FY 1992 through FY 1999 actuals provided by the DSHS Budget Division.
FY 2000 and FY 2001 estimates provided by the Division of Alcohol & Substance Abuse.*

Department of Social and Health Services Medical Assistance Payments

(Dollars in Thousands)

	GF-S	Other	Total
1999-01 Original Appropriations	1,506,938	3,064,120	4,571,058
Total Maintenance Changes	68,171	73,821	141,992
Policy Changes			
1. Pharmacy Lawsuit	5,606	5,394	11,000
2. Public Hospital Payments	0	30,117	30,117
3. Primary Care Study	49	49	98
4. TANF Assets Disregard	290	298	588
5. Medicaid Fraud & Abuse Detection	-2,626	-2,778	-5,404
6. Maximize ProShare Reimbursement	0	125,092	125,092
7. Restore Low-Income DSH	3,067	3,333	6,400
8. Prescription Drug Program Savings	-2,538	-2,462	-5,000
9. Pharmacy Benefit Management	113	113	226
10. Insurance Market Reform	121	411	532
Total Policy Changes	4,082	159,567	163,649
1999-01 Revised Appropriations	1,579,191	3,297,508	4,876,699
Fiscal Year 2000 Total	744,327	1,629,958	2,374,285
Fiscal Year 2001 Total	834,864	1,667,550	2,502,414

Comments:

1. **Pharmacy Lawsuit** - Funding is provided for implementation of the lawsuit settlement in the case of Allenmore Pharmacy, Inc. et al v. Department of Social and Health Services. The lawsuit was for recovery of damages allegedly incurred by pharmacies because the Department did not fully specify in the Washington Administrative Code its procedures for establishing prescription drug payment levels. (General Fund-State, General Fund-Federal)
2. **Public Hospital Payments** - Contingent on federal approval of a new methodology for reimbursing the state teaching hospitals, \$7 million of additional disproportionate share hospital (DSH) funding is to be distributed to the public hospital districts, of which \$2 million is to be provided to the state teaching hospitals. (Health Services Account, General Fund-Federal)
3. **Primary Care Study** - Funding is provided for the Department of Social and Health Services (DSHS) and the Health Care Authority to study how public payment rates for primary health care services compare with those paid by commercial insurers; the level of publicly-funded clients and at what level these clients constitute a disproportionate share of a primary care practice; and what impact such a level has on the practice's financial viability. (General Fund-State, General Fund-Federal)
4. **TANF Assets Disregard** - Chapter 218, Laws of 2000 (HB 2686), provides that assets are no longer to be considered when determining continued Medicaid eligibility for persons on Temporary Assistance for Needy Families (TANF). This change is expected to result in an additional 175 adults per month being covered by Medicaid during the second year of the biennium. (General Fund-State, General Fund-Federal)
5. **Medicaid Fraud & Abuse Detection** - Savings are achieved from a new fraud and abuse detection program implemented by DSHS. The new program will help identify potential fraud and abuse cases and achieve increased cost recoveries in the Long Term Care, Medical Assistance, and Developmental Disabilities programs. (General Fund-State, General Fund-Federal)
6. **Maximize ProShare Reimbursement** - On a one-time basis, the state will be able to claim three Pro-Share intergovernmental transfer payments in the 1999-2001 biennium, rather than two, as originally budgeted. In addition, the maximum amount available to claim is greater than budgeted. (General Fund-Federal, Health Services Account)
7. **Restore Low-Income DSH** - Funding is provided to restore the low-income DSH program to the same level as during the 1997-99 biennium. (General Fund-State, General Fund-Federal)
8. **Prescription Drug Program Savings** - The Department is to take a number of steps to control costs while maintaining or improving patient care in its prescription drug program. Actions which are expected to result in immediate savings, in FY 2001, include: (1) establishing the maximum allowable cost for certain drugs by conducting in-state average wholesale price surveys, rather than relying upon nationwide data; (2) working with pharmacists to steer patients with gastro-intestinal reflux disease away from non-steroidal anti-inflammatory drugs through prior authorization on certain prescriptions; and (3) no longer paying for certain drugs which the federal Medicare program will now purchase for certain recipients. Additional staffing is also provided for the Department to conduct the in-state maximum allowable cost surveys. (General

Department of Social and Health Services Medical Assistance Payments

Fund-State, General Fund-Federal)

9. **Pharmacy Benefit Management** - Funding is provided for the Department to research disease management programs, which have proven effective with similar populations in other states, and to work with concerned provider and consumer groups to adapt them to Washington's service delivery system. Second, resources are provided for the Drug Utilization and Education Council to develop a proposed therapeutic substitution program for at least two classes of drugs. Prior to implementing either strategy, the Department is to report to the appropriate committees of the Legislature on its proposed approach. (General Fund-State, General Fund-Federal)

10. **Insurance Market Reform** - Chapter 79, Laws of 2000 (E2SSB 6067), seeks to increase the availability of individual insurance coverage by providing for expanded enrollment in the Washington State High-Risk Insurance Pool (WSHIP). The amount by which WSHIP claims exceed the premiums paid by enrollees will be covered through assessments on insurance carriers, who are likely to pass the cost on in the premiums they charge other purchasers. Funding is provided to cover the projected impact of these assessments on calendar year 2001 Medicaid managed care rates. (General Fund-State, Health Services Account, General Fund-Federal)

Department of Social & Health Services
Medical Assistance Payments

WORKLOAD HISTORY
By Fiscal Year

	1992	1993	1994	1995	1996	1997	1998	1999	<u>Estimate</u>	
									2000	2001
Categorically Needy	473,222	520,569	559,686	613,968	653,083	697,456	705,378	690,373	718,857	727,262
AFDC/TANF	301,760	319,499	329,660	329,519	320,540	310,247	287,012	254,037	252,769	231,751
Elderly	34,397	35,365	35,823	36,892	38,716	42,050	45,081	47,115	49,838	51,528
Disabled	67,904	77,335	85,454	91,261	94,848	94,962	95,168	96,344	98,339	101,118
Non-AFDC Children	42,669	59,511	75,602	121,343	162,748	211,707	239,688	253,365	277,798	301,332
Non-AFDC Pregnant Women	14,201	15,734	17,845	18,299	19,043	20,853	21,624	21,877	20,992	21,619
Undocumented Children	11,127	10,911	12,361	12,786	13,000	13,468	13,047	13,299	15,098	16,303
Medicare Beneficiaries	1,164	2,214	2,941	3,868	4,188	4,169	3,758	4,336	4,023	3,611
Medically Needy	17,616	18,151	17,012	14,425	11,395	10,245	11,096	11,670	13,122	14,180
AFDC-Related	6,934	7,126	5,822	3,895	1,433	0	0	0	0	0
Elderly	5,169	5,163	5,208	4,837	4,295	4,341	4,663	4,908	5,804	6,504
Disabled	4,752	5,246	5,537	5,559	5,576	5,765	6,357	6,662	7,227	7,585
All Others	761	616	445	134	91	139	76	100	91	91
Children's Health Insurance Program*									3,074	7,800
General Assistance/ADATSA										
# Persons/Month	12,243	10,368	10,049	10,955	11,786	12,997	13,165	12,875	11,392	10,419
State Medically Indigent										
# Persons/Month	2,472	2,640	2,634	2,407	2,060	2,003	2,286	2,235	2,296	2,296
Refugees										
# Persons/Month	1,824	1,429	1,546	1,665	1,411	1,064	1,350	1,308	1,349	1,374
Total Eligibles per Month	507,377	553,157	590,927	643,420	679,735	723,765	733,275	718,460	750,090	763,331
% Change from prior year	15.0%	9.0%	6.8%	8.9%	5.6%	6.5%	1.3%	-2.0%	4.4%	1.8%

* The Children's Health Insurance Program (CHIP) begins in FY 2000. Enrollment is expected to reach the budgeted level of 10,000 children by April 2001.

Data Sources:

Fiscal Years 1992-1998: DSHS Budget Division, Office of Forecasting and Policy Analysis.

Fiscal Years 1999-2001: Caseload Forecast Council.

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

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1999-01 Original Appropriations	18,038	84,810	102,848
Total Maintenance Changes	-633	-1,039	-1,672
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1999-01 Revised Appropriations	17,405	83,771	101,176
Fiscal Year 2000 Total	8,770	41,320	50,090
Fiscal Year 2001 Total	8,635	42,451	51,086

Comments:

No policy changes were recommended.

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

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1999-01 Original Appropriations	50,895	47,321	98,216
Total Maintenance Changes	-177	-2,107	-2,284
Policy Changes			
1. Medicaid Fraud & Abuse Detection	933	2,251	3,184
2. Align Core Functions	<u>-5,528</u>	<u>-3,518</u>	<u>-9,046</u>
Total Policy Changes	-4,595	-1,267	-5,862
1999-01 Revised Appropriations	46,123	43,947	90,070
Fiscal Year 2000 Total	26,004	24,180	50,184
Fiscal Year 2001 Total	20,119	19,767	39,886

Comments:

- Medicaid Fraud & Abuse Detection** - Funding is provided for a fraud and abuse detection program. The new program will result in increased identification of potential fraud and abuse cases and increased cost recoveries and cost avoidance in the Long Term Care, Medical Assistance, and Developmental Disabilities programs. (General Fund-State, General Fund-Federal)
- Align Core Functions** - The Department of Social and Health Services will selectively reduce the number of staff across the agency, resulting in a total savings of \$9,046,000. Savings are not intended to be taken from direct service staff unless justified by reduced workload or other efficiencies that will not impact licensing or certification standards. By September 1, 2000, the Department will report its plan to implement these staff reductions. (General Fund-State, General Fund-Federal)

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

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1999-01 Original Appropriations	61,509	22,747	84,256
Total Maintenance Changes	906	-815	91
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1999-01 Revised Appropriations	62,415	21,932	84,347
Fiscal Year 2000 Total	31,190	10,895	42,085
Fiscal Year 2001 Total	31,225	11,037	42,262

Comments:

No policy changes were recommended.