

Individual State Agency Fiscal Note

Bill Number: 2473 E S HB AMS HEA S5067.1	Title: Medication assist. endorsmnt	Agency: 303-Department of Health
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2012	FY 2013	2011-13	2013-15	2015-17
Health Professions Account-State 02G-1				108,000	117,000
Total \$				108,000	117,000

Estimated Expenditures from:

	FY 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years	0.0	0.2	0.1	2.0	0.4
Account					
Health Professions Account-State 02G-1	0	30,000	30,000	263,000	67,000
Total \$	0	30,000	30,000	263,000	67,000

Estimated Capital Budget Impact:

NONE

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). Therefore, this fiscal analysis includes a projection showing the ten-year cost to tax or fee payers of the proposed taxes or fees.

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 02/27/2012
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Agency Approval: Catherine Suter	Phone: 360-236-4544	Date: 03/01/2012
OFM Review: Ryan Black	Phone: 360-902-0417	Date: 03/01/2012

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Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Note: The amendment has no fiscal impact. Therefore, this note is the same as the previous fiscal note, the note for SHB 2473, FN12-106.

Section 3: Beginning July 1, 2013, the Department of Health (DOH) will issue a medication assistant endorsement to any nursing assistant-certified that meets specific requirements and passes an examination approved by the Nursing Care Quality Assurance Commission (NCQAC) by rule, as well as define continuing competency requirements defined in rule.

Section 4: After July 1, 2013, no person may practice or represent himself or herself as a medication assistant without a medication assistant endorsement issued under section 2 of this act.

Section 5: Allows the department to set initial endorsement and renewal fees. Requires DOH maintain official records for any person having a medication assistant endorsement.

Section 6: Allows the NCQAC to approve education and training programs, and examinations for medication assistants, as well as adopt rules to carry out the provisions of this chapter.

Section 7: Applications will be submitted on forms provided by DOH. Each applicant will comply with the fees determined by DOH.

Section 8: Medication assistant endorsement renewal fees will be determined by DOH.

Section 9: Places the medication assistant endorsement under the Uniform Disciplinary Act.

Section 10: Gives DOH disciplinary authority for the medication assistant endorsement.

Section 11: Requires DOH and NCQAC to adopt rules necessary to implement this act.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

Section 5: Current law requires that health professions be fully self-supporting and that sufficient revenue be collected through fee increases to fund expenditures in the Health Professions Account. Revenue will be collected, starting in fiscal year (FY) 2014. The NCQAC is currently estimating approximately 5,000 endorsements being issued in FY 2014 based on stakeholder input. The current certified nursing assistant growth rate is 4.1 percent. Applying this rate, total estimated endorsements by fiscal year are as follows:

FY 2014 – 5,000 new endorsements

FY 2015 – 5,205 (205 new endorsements, 5,000 renewals)

FY 2016 – 5,418 (213 new endorsements, 5,205 renewals)
FY 2017 – 5,640 (222 new endorsements, 5,418 renewals)
FY 2018 – 5,871 (231 new endorsements, 5,640 renewals)
FY 2019 – 6,112 (241 new endorsements, 5,871 renewals)
FY 2020 – 6,362 (250 new endorsements, 6,112 renewals)
FY 2021 – 6,623 (261 new endorsements, 6,362 renewals)

Fees for the endorsement will be established during the rulemaking process.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Assumptions

There are currently approximately 44,756 Nursing Assistants – Certified. The department is assuming approximately 11 percent (5,000) will seek endorsement in FY 2014. DOH is assuming there are companies already in the place that offer training and educational materials which are approved by the National Council of State Boards of Nursing to administer the training and testing once rules are adopted. Costs associated with training and administering the exams will be paid by the applicant directly to the respective companies and will not be factored in as part of the license fee.

Rulemaking

Sections 3, 6 & 11: Requires the NCQAC to develop and adopt rules defining the minimum number of hours of documented work experience, continuing competency requirements, and approval of an exam. The NCQAC will have to amend existing rules regarding registered nurse scope of practice to include delegation of medication assistant tasks. Rulemaking activities will take 12 months to implement and affects the NCQAC as well as DOH. This will include two stakeholder meetings and one formal rules hearing, all meetings will be held in free facilities for both the commission and the department. The NCQAC stakeholder meetings will take place during a regularly scheduled business meeting in an effort to minimize costs. This allows stakeholders the opportunity to participate and provide comments during the rulemaking process.

In addition, the department will be required to adopt fees for initial endorsement and renewal, as well as other rules defining continuing competency and procedures relating to applications and renewals. Rulemaking activity will take 12 months to implement. This will include two stakeholder meetings and one formal rules hearing. All meetings will be held in free facilities. Costs include staff and associated cost, printing and Office of Attorney General time.

One-time costs in FY 2013, for both rulemaking activities, will include staff and associated costs, printing, and Office of Attorney General time for a total of 0.2 FTE and \$21,000.

Information Technology (IT)

Sections 5 & 7: During FY 2013, IT staff will be required for implementing the new endorsement program. This will include conducting a business analysis, configuration, and testing. Tasks include establishing credentialing workflows,

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user defined fields, templates, fee table, renewals and modification or creation of reports in the department's Integrated Licensing and Regulatory System. One-time costs in FY 2013 will include IT staff and associated costs, for a total of \$6,000.

Credentialing

Sections 3, 6-8: The endorsement requirement includes a new application, In FY 2013, the department will create an application for endorsement, as well as amending two applications (initial and expired reactivation applications). These one-time costs will be \$3,000.

In FY 2014, costs will be for staff to review and process applications. Expenses are much higher only in FY 2014 to implement the high volume of initial endorsements, which will require staff to review the applicants experience, education and training, provide technical assistance, and issue endorsements for qualified applicants. Starting in FY 2015, the department anticipates this being part of the annual nursing assistant – certified renewal process. Costs in FY 2014 will be 2.8 FTE and \$217,000; 0.2 FTE and \$18,000 in FY 2015; 0.3 FTE and \$19,000 in FY 2016; and 0.3 FTE and \$20,000 in FY 2017.

Discipline

Sections 4, 9 & 10: Based on experience with the Nursing Assistant Program, the department is estimating a complaint rate of six percent of licensees per year, and of that twelve percent would apply to standard of care allegations which would be the type of allegations expected for medication assistants.

The complaint response process includes five steps: 1) intake, 2) assessment, 3) investigation, 4) case disposition, and 5) adjudication. Staff review the complaint, identify the history of the person complained about, and help assess whether an investigation is needed. In more than half the cases, investigation is needed. The investigator obtains information about the complaint and the respondent and prepares a report detailing the findings. After investigation, the disciplining authority decides whether to pursue legal action. Staff attorneys, paralegals, and other staff work to develop the legal documents and charge the violation. Most cases are settled, and the staff attorney manages that process. If the respondent asks for a hearing, staff must schedule the hearing, and the health law judge considers all legal motions, presides over the hearing, and drafts the final order.

Cost estimates for the complaint response process associated with this bill were calculated using the department's Disciplinary Workload Model. Estimated discipline costs include staff and associated costs, travel and Office of Attorney General time. Starting FY 2014 and ongoing total discipline costs are 0.1 FTE and \$12,000 each year.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years		0.2	0.1	2.0	0.4
A-Salaries and Wages		18,000	18,000	159,000	38,000
B-Employee Benefits		5,000	5,000	49,000	10,000
C-Personal Service Contracts					
E-Goods and Services		7,000	7,000	51,000	19,000
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements				4,000	
9-					
Total:	\$0	\$30,000	\$30,000	\$263,000	\$67,000

III. B - Detail: List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA

Job Classification	Salary	FY 2012	FY 2013	2011-13	2013-15	2015-17
ADMINISTRATIVE ASST 3	40,524				0.0	0.0
Commission Member	65,000		0.0	0.0		
CUSTOMER SVCS SPEC 2	36,756				1.4	0.2
CUSTOMER SVCS SPEC 3	40,524				0.0	0.0
CUSTOMER SVCS SPEC 4	44,712				0.0	0.0
Fiscal Analyst 2	45,828				0.2	
FORMS & RECORDS ANALYST 2	42,588		0.0	0.0		
HEALTH CARE INVESTIGATOR 3	60,120				0.0	0.0
Health Svcs Conslt 1	44,712				0.2	
HEALTH SVCS CONSLT 3	61,632		0.1	0.0	0.1	0.0
HEALTH SVCS CONSLT 4	68,016		0.1	0.0		
HEARINGS EXAMINER 3	78,900				0.0	0.0
INFORMATION TECH SPEC 3	64,740		0.0	0.0		
INFORMATION TECH SPEC 5	78,900		0.0	0.0		
LEGAL SECRETARY 2	42,588				0.0	0.0
WMS02	78,900		0.0	0.0	0.0	
WMS03	87,096		0.0	0.0		
Total FTE's	981,536		0.2	0.1	2.0	0.4

III. C - Expenditures By Program (optional)

Program	FY 2012	FY 2013	2011-13	2013-15	2015-17
Hlth Systems Quality Assurance (060)		27,000	27,000	236,000	61,000
Administration (090)		3,000	3,000	27,000	6,000
Total \$		30,000	30,000	263,000	67,000

Part IV: Capital Budget Impact

NONE

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

Section 3: Requires NCQAC to approve an examination and continuing competency requirements for this endorsement.

Section 6: Requires NCQAC adopt rules to carry out the provisions of this act.

Section 11: Requires DOH and NCQAC adopt any rules necessary implement this act.



Ten-Year Analysis

Bill Number 2473 E S HB AMS HEA S5067.1	Title Medication assist. endorsmnt	Agency 303 Department of Health
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts

Indeterminate Cash Receipts

Estimated Cash Receipts

Name of Tax or Fee	Acct Code	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	2012-21 TOTAL
Medication Assistant Endorsement	02G			53,000	55,000	57,000	60,000	63,000	66,000	69,000	73,000	496,000
Total				53,000	55,000	57,000	60,000	63,000	66,000	69,000	73,000	496,000
Biennial Totals				108,000		117,000		129,000		142,000		496,000

Narrative Explanation (Required for Indeterminate Cash Receipts)

Section 5: The Department of Health will set initial medication assistant endorsement and renewal fees for any nursing assistant the meets specific requirements and passes an examination approved by the Nursing Care Quality Assurance Commission. Current law requires that health professions be fully self-supporting and that sufficient revenue be collected through fee increases to fund expenditures in the Health Professions Account. Revenue will be collected, starting in fiscal year (FY) 2014. The NCQAC is currently estimating approximately 5,000 endorsements being issued in FY 2014 based on stakeholder input. The current certified nursing assistant growth rate is 4.1 percent. Applying this rate, total estimated endorsements by fiscal year are as follows:

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Ten-Year Analysis

Revised

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