

Table of Contents ¹

¹ Table of contents introduced for ease of navigation on the web.

Section 1: Budget Recommendation Summary

Section 2: Maintenance Level

Recommendation Summary

Decision Packages

- M1-93 Mandatory Caseload Adjustments
- M2-1R RSN Rate Update
- M2-39 Nursing Hours for Required Training
- M2-3C Hospital Revenue
- M2-3I Hospital Shortfall
- M2-3J Single Bed Certification Response
- M2-8M Mileage Rate Adjustments
- M2-8P Postage Rate Adjustments
- M2-8X Facility Maintenance Costs
- M2-9G Workers Comp Base Correction
- M2-9T Transfers
- M2-R1 Psychiatric Intensive Care Unit
- M2-R2 Psychiatric Emergency Response Team
- M2-R5 DSH Funding

Section 3: Policy Level

Recommendation Summary

Decision Packages

- PL-R4 State Psychiatrist Pay

BHSIA -
Mental Health
Division
Program 030

DSHS Budget Division

Recommendation Summary

DSHS Budget Division

Recommendation Summary

Budget Period: 2013-15

Version: C3 - 030 2013-15 Final 2015 Sup

Budget Level Criteria: ALL

Dollars in Thousands		Agency Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
M1 - Mandatory Caseload and Enrollment Changes						
93	Mandatory Caseload Adjustments	0	0.0	0	0	0
SubTotal M1			0.0	0	0	0
Cumulative Total Thru M1			0.0	0	0	0
M2 - Inflation and Other Rate Changes						
1R	RSN Rate Update	0	0.0	0	0	0
39	Nursing Hours for Required Training	0	1.1	145	0	145
3C	Hospital Revenue	0	0.0	661	(661)	0
3I	Hospital Shortfall	0	0.0	5,524	0	5,524
3J	Single Bed Certification Response	0	0.0	0	0	0
8M	Mileage Rate Adjustments	0	0.0	4	0	4
8P	Postage Rate Adjustments	0	0.0	8	0	8
8X	Facility Maintenance Costs	0	0.0	316	0	316
9G	Workers Comp Base Correction	0	0.0	1,207	89	1,296
9T	Transfers	0	0.0	468	39	507
R1	Psychiatric Intensive Care Unit	0	1.9	339	0	339
R2	Psychiatric Emergency Response Team	0	1.9	318	0	318
R5	DSH Funding	0	0.0	(1,061)	1,061	0
SubTotal M2			4.9	7,929	528	8,457
Cumulative Total Thru M2			4.9	7,929	528	8,457
Total Proposed Budget			4.9	7,929	528	8,457

**Recommendation
Summary
by Category**

DSHS Budget Division

Recommendation Summary

Version: C3 - 030 2013-15 Final 2015 Sup

Budget Period: 2013-15
 Budget Level Criteria: ALL

Dollars in Thousands	Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
Program 030 - Mental Health					
SubProgram 1000 - Community Services					
M2 - Inflation and Other Rate Changes					
1R RSN Rate Update	0	0.0	0	0	0
	SubTotal M2	0.0	0	0	0
	Cumulative Total Thru M2	0.0	0	0	0
Total Proposed Budget for SubProgram 1000 - Community Services		0.0	0	0	0

Recommendation Summary

Budget Period: 2013-15
 Budget Level Criteria: ALL

Version: C3 - 030 2013-15 Final 2015 Sup

Dollars in Thousands		Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
Program 030 - Mental Health						
SubProgram 2000 - State Facilities Services						
M2 - Inflation and Other Rate Changes						
39	Nursing Hours for Required Training	0	1.1	145	0	145
3C	Hospital Revenue	0	0.0	661	(661)	0
3I	Hospital Shortfall	0	0.0	5,524	0	5,524
8X	Facility Maintenance Costs	0	0.0	316	0	316
9G	Workers Comp Base Correction	0	0.0	1,168	86	1,254
9T	Transfers	0	0.0	445	37	482
R1	Psychiatric Intensive Care Unit	0	1.9	339	0	339
R2	Psychiatric Emergency Response Team	0	1.9	318	0	318
R5	DSH Funding	0	0.0	(1,061)	1,061	0
SubTotal M2			4.9	7,855	523	8,378
Cumulative Total Thru M2			4.9	7,855	523	8,378
Total Proposed Budget for SubProgram 2000 - State Facilities Services			4.9	7,855	523	8,378

Recommendation Summary

Budget Period: 2013-15

Version: C3 - 030 2013-15 Final 2015 Sup

Budget Level Criteria: ALL

Dollars in Thousands		Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
Program 030 - Mental Health						
SubProgram 8000 - Special Projects & Grants						
M2 - Inflation and Other Rate Changes						
31	Hospital Shortfall	0	0.0	0	0	0
9G	Workers Comp Base Correction	0	0.0	1	0	1
SubTotal M2			0.0	1	0	1
Cumulative Total Thru M2			0.0	1	0	1
Total Proposed Budget for SubProgram			0.0	1	0	1
8000 - Special Projects & Grants						

Recommendation Summary

Budget Period: 2013-15
 Budget Level Criteria: ALL

Version: C3 - 030 2013-15 Final 2015 Sup

Dollars in Thousands		Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
Program 030 - Mental Health						
SubProgram 9000 - Headquarters Prog Support						
M2 - Inflation and Other Rate Changes						
8M	Mileage Rate Adjustments	0	0.0	4	0	4
8P	Postage Rate Adjustments	0	0.0	8	0	8
9G	Workers Comp Base Correction	0	0.0	38	3	41
9T	Transfers	0	0.0	23	2	25
SubTotal M2			0.0	73	5	78
Cumulative Total Thru M2			0.0	73	5	78
Total Proposed Budget for SubProgram 9000 - Headquarters Prog Support			0.0	73	5	78

Maintenance Level

DSHS Budget Division

Recommendation Summary

Version: C3 - 030 2013-15 Final 2015 Sup

Budget Period:2013-15
 Budget Level Criteria: ALL

Dollars in Thousands		Agency Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
M1 - Mandatory Caseload and Enrollment Changes						
93	Mandatory Caseload Adjustments	0	0.0	0	0	0
SubTotal M1			0.0	0	0	0
Cumulative Total Thru M1			0.0	0	0	0
M2 - Inflation and Other Rate Changes						
1R	RSN Rate Update	0	0.0	0	0	0
39	Nursing Hours for Required Training	0	1.1	145	0	145
3C	Hospital Revenue	0	0.0	661	(661)	0
3I	Hospital Shortfall	0	0.0	5,524	0	5,524
3J	Single Bed Certification Response	0	0.0	0	0	0
8M	Mileage Rate Adjustments	0	0.0	4	0	4
8P	Postage Rate Adjustments	0	0.0	8	0	8
8X	Facility Maintenance Costs	0	0.0	316	0	316
9G	Workers Comp Base Correction	0	0.0	1,207	89	1,296
9T	Transfers	0	0.0	468	39	507
R1	Psychiatric Intensive Care Unit	0	1.9	339	0	339
R2	Psychiatric Emergency Response Team	0	1.9	318	0	318
R5	DSH Funding	0	0.0	(1,061)	1,061	0
SubTotal M2			4.9	7,929	528	8,457
Cumulative Total Thru M2			4.9	7,929	528	8,457
Total Proposed Budget			4.9	7,929	528	8,457

Department of Social and Health Services

DP Code/Title: M1-93 Mandatory Caseload Adjustments
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Recommendation Summary Text:

The Behavioral Health Service Integration Administration (BHSIA) requests funding for an adjustment to reflect the changes in the number of Medicaid eligible clients based on the June 2014 Caseload forecast.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
<i>Program Cost</i>			
Total Cost			

Staffing

Package Description:

Funding for the mental health community-based services is based on the number of Washington State Medicaid eligible clients. An annual funding adjustment is required to reflect changes in the number of Medicaid eligible clients based on the June 2014 Caseload Forecast.

Agency Contact: Martha Brenna (360) 902-8194
 Program Contact: Sara Corbin (360) 725-3749

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Performance Measure Detail

Agency Level

Activity: C017 Community Mental Health Prepaid Health Services

No measures linked to package

Incremental Changes

<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

The budget request supports the following goals identified in the DSHS 2013-15 Strategic Plan:

- Health - Each individual and each community will be healthy
- Safety - Each individual and each community will be safe
- Protection - Each individual who is vulnerable will be protected
- Quality of Life - Each individual in need will be supported to attain the highest possible quality of life

Does this decision package provide essential support to one of the Governor's priorities?

This decision package supports the Results Washington Goal:

Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians from a healthy start to a safe and supported future.

Department of Social and Health Services

DP Code/Title: M1-93 Mandatory Caseload Adjustments
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package supports the Results Washington goals to:

--Help keep people safe in their homes, on their jobs, and in their communities.

What are the other important connections or impacts related to this proposal?

Clients will continue to receive benefits and assistance.

What alternatives were explored by the agency, and why was this alternative chosen?

The June 2014 forecast necessitates a change in the funding provided for the forecasted programs.

What are the consequences of not funding this package?

If this request is not funded, persons eligible for services will not receive them.

What is the relationship, if any, to the state's capital budget?

This request has no impact on the capital budget.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

Contracts will need to be amended to incorporate revised funding levels.

Expenditure and revenue calculations and assumptions

The cost will be determined after the Regional Support Network (RSN) rate and forecast model is updated for the changes in the forecasting methodology that resulted from implementation of Health Care Reform.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All costs are ongoing and will be carried forward into future biennia based on future caseload forecasts.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
Program Totals			

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund ,			
<u>Sources Title</u>			

Total for Fund

Total Overall Funding

Totals for all funds

Department of Social and Health Services

DP Code/Title: M2-1R RSN Rate Update
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Recommendation Summary Text:

The Behavioral Health Integration Services Administration (BHSIA) requests a funding placeholder for Regional Support Networks (RSN) rate adjustment in order to carry rates developed after the 2014 Supplemental budget into the Fiscal Year 2015.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			

Program Cost

Total Cost

Staffing

Package Description:

Problem Statement:

The Regional Support Network funding is based on the Medical Forecast Council Forecast and actuarially developed rates. The rates were updated after the completion of the 2014 Supplemental Budget and need to be carried into Fiscal Year 2015. The placeholder is a result of the RSN rate and forecast model being updated for the changes in the forecasting methodology which changed with the implementation of Health Care Reform.

Proposed Solution:

Once the model is completed, the funding for this budget request will be calculated.

Agency Contact: Martha Brenna (360) 902-8194
 Program Contact: Sara Corbin (360)725-3749

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The budget request supports DSHS Goal 1: Health - Each individual and each community will be healthy.

Performance Measure Detail

Agency Level

Activity: C017 Community Mental Health Prepaid Health Services

No measures linked to package

Incremental Changes

FY 1

FY 2

0.00

0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

The decision package is essential to implementing the BHSIA Strategic Objectives 1.2: Increase the number of adults(18 and older) receiving outpatient mental health services and 1.3: Increase the number of youth (underage 18) receiving outpatient mental health services while maintaining or decreasing current inpatient utilization levels.

Department of Social and Health Services

DP Code/Title: M2-1R RSN Rate Update
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Does this decision package provide essential support to one of the Governor's priorities?

This decision package supports the Results Washington Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians from a healthy start to a safe and supported future.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package supports the Results Washington goals to:

Provide access to good medical care to improve people's lives.

What are the other important connections or impacts related to this proposal?

Regional Support Networks will support this rate adjustment.

What alternatives were explored by the agency, and why was this alternative chosen?

The request cannot be absorbed within existing resources for the following reason: funding is not available.

What are the consequences of not funding this package?

RSNs will be able to serve the eligible population.

What is the relationship, if any, to the state's capital budget?

This request has no impact on the capital budget.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

Contracts will need to be amended to incorporate the rate adjustment.

Expenditure and revenue calculations and assumptions

The funding will be allocated to the Regional Support Networks based on the actuarially developed rate range. The cost will be calculated after the RSN rate and forecast model is updated and completed. The model is being adjusted for the changes in the forecasting methodology that resulted from implementation of Health Care Reform.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

These costs are ongoing and will carry forward into future biennia.

Object Detail

Overall Funding

FY 1

FY 2

Total

Program Totals

Department of Social and Health Services

DP Code/Title: M2-1R RSN Rate Update
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

DSHS Source Code Detail

Overall Funding	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund ,			
<u>Sources Title</u>			

Total for Fund

Total Overall Funding

Totals for all funds

Department of Social and Health Services

**DP Code/Title: M2-39 Nursing Hours for Required Training
 Program Level - 030 Mental Health**

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Recommendation Summary Text:

The Behavioral Health and Service Integration Administration (BHSIA) requests funding in order to pay for additional staff to back fill for nursing staff during Continuing Medical Education (CME) related absence as required by the Collective Bargaining Agreement (CBA). By funding this request, BHSIA is expected to fulfill the requirements of the Service Employees International Union (SEIU) Healthcare 1199NW Collective Bargaining Agreement, which is expected to continue into the 2015-17 CBA.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	145,000	145,000
Total Cost	0	145,000	145,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	0.0	2.1	1.1

Package Description:

Problem Statement:

Per Article 7.2 of the SEIU Healthcare 1199NW collective bargaining agreement, upon request, nurses will be granted up to six paid days off to pursue CME opportunities. Funding for the staffing hours needed to cover the absences created by this bargained benefit for continuing education was never factored into the budget for the state hospitals, thus leaving a shortage of coverage and resulting in overtime paid for these absences. Planning for these hours will allow for payment at the standard wage rate instead of the overtime wage. This is a necessary step in the continued efforts to reduce the overtime expenditures at the state hospitals.

If this request is not funded, recent collaborative efforts by the Department of Social and Health Services (DSHS) and labor organizations to address the back-fill, overtime and patient safety issues will be compromised and a key mitigation strategy for reducing overtime expenditures will not be implemented.

Proposed Solution:

Funding will provide for nursing hours with on-call staff at a level that allows for coverage at the standard pay rate rather than the overtime pay rate. The plan will be implemented immediately as a way to reduce the current overtime expenditures.

Agency Contact: Martha Brenna (360) 902-8194
 Program Contact: Victoria Roberts (360) 725-3715

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services
 No measures linked to package

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Department of Social and Health Services

**DP Code/Title: M2-39 Nursing Hours for Required Training
Program Level - 030 Mental Health**

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

The budget request supports DSHS Goal 1: Health - Each individual and each community will be healthy.

The decision package is essential to implementing the BHSIA Strategic Objective 1.7: Decrease the rate of patient-to-staff assault claims filed at Eastern State Hospital and Western State Hospital.

It is expected that patient care will be improved with the ongoing training given to nurses ensuring they have the support and time off necessary to excel. The Ad Hoc Safety Committee, an advisory group made up of labor and leadership teams from Washington Federation of State Employees (WFSE), SEIU 1199NW paired with BHSIA leadership, reviewed the violence reduction recommendations from independent evaluators since 2001. From this review and discussion the group identified steps that could be taken to significantly reduce the level of violence at the state hospitals and this funding was identified as a key element.

Ongoing training gives nurses the greatest resources for maintaining the health, safety, and comfort of their patients. All are key elements in the prevention of violence in this vulnerable population.

Other desired and expected results are improved nursing morale and retention at the state hospitals and improved labor relations.

Does this decision package provide essential support to one of the Governor's priorities?

This decision package supports the Results Washington goals to:

Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians from a healthy start to a safe and supported future.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package supports the Results Washington goals to: Provide access to good medical care to improve people's lives.

What are the other important connections or impacts related to this proposal?

SEIU Healthcare 1199NW will actively support this request as it will provide the funding necessary to meet the CBA requirement for nursing staff to utilize their training benefit.

What alternatives were explored by the agency, and why was this alternative chosen?

The department has evaluated the following alternative: reducing patient care to pay for the staff back-fill costs. This alternative was chosen because funding will be more cost effective by providing for nursing hours with on-call staff at a level that allows for coverage at the standard pay rate rather than the overtime pay rate.

What are the consequences of not funding this package?

SEIU Healthcare 1199NW will actively support this request as it will provide the funding necessary to meet the CBA requirement for nursing staff to utilize their training benefit.

What is the relationship, if any, to the state's capital budget?

This request has no impact on the capital budget.

Department of Social and Health Services

**DP Code/Title: M2-39 Nursing Hours for Required Training
 Program Level - 030 Mental Health**

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment: 030 BHSIA M2-39 Nursing Hours for Required Training.xlsb

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

These costs are ongoing and will carry forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	0	114,000	114,000
E Goods\Other Services	0	15,000	15,000
J Capital Outlays	0	13,000	13,000
T Intra-Agency Reimbursements	0	3,000	3,000
Total Objects	0	145,000	145,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	0	145,000	145,000
Total for Fund 001-1	0	145,000	145,000
Total Overall Funding	0	145,000	145,000

2015 Supplemental Budget
030 BHSIA M2-39 Nursing Hours for Required Training

State Hospital Total

48 Hours Additional Training

	FTE's	FY 15 FTEs	FY 2015	FY 2016	FY 2017
Annual Training and Backfill					
WSH Annual Training Costs	7.8	1.3	\$ 71,000	\$ 424,000	\$ 424,000
CSTC Annual Training Costs	0.5	0.1	\$ 5,000	\$ 32,000	\$ 32,000
ESH Annual Training Costs	4.2	0.7	\$ 38,000	\$ 230,000	\$ 230,000
Total Annual Training Costs	12.4	2.1	\$ 114,000	\$ 686,000	\$ 686,000
Associated Staff Costs					
WSH Annual Training Costs			\$ 20,000	\$ 117,000	\$ 70,000
CSTC Annual Training Costs			\$ 1,000	\$ 7,000	\$ 4,000
ESH Annual Training Costs			\$ 10,000	\$ 62,000	\$ 37,000
Total Associated Costs			\$ 31,000	\$ 186,000	\$ 111,000
Total Cost					
WSH Annual Training Costs			\$ 91,000	\$ 541,000	\$ 494,000
CSTC Annual Training Costs			\$ 6,000	\$ 39,000	\$ 36,000
ESH Annual Training Costs			\$ 48,000	\$ 292,000	\$ 267,000
Total Training, Backfil and Associated Costs			\$ 145,000	\$ 872,000	\$ 797,000
Total Biennial Cost			\$ 145,000	\$ 1,669,000	

Department of Social and Health Services

DP Code/Title: M2-3C Hospital Revenue
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Recommendation Summary Text:

The Behavioral Health Service and Integration Administration (BHSIA) requests an annual funding adjustment in order to maintain funding levels based on twelve month average annual revenue projection of inpatient contributions, and Medicaid earnings. By funding this request, the state hospitals are expected to maintain current hospital operations.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	661,000	661,000
001-7 General Fund - Basic Account-Private/Local	0	(1,063,000)	(1,063,000)
001-C General Fund - Basic Account-Medicaid Federal	0	402,000	402,000
Total Cost	0	0	0

Staffing

Package Description:

Problem Statement:

Revenue projections at Western State Hospital, Eastern State Hospital, and the Child Study Treatment Center are different than the earnings in the projected budget because of the current client mix.

Proposed Solution:

The sources of funding should be adjusted in order to earn all federal and local revenue to support current hospital operations based on the current client mix.

Agency Contact: Martha Brenna (360) 902-8194
 Program Contact: Melissa Clarey (360) 725-1675

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To maintain current patient services funded from the correct revenue sources.

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services
 No measures linked to package

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

The budget request supports DSHS Goal

1: Health - Each individual and each community will be healthy

Department of Social and Health Services

DP Code/Title: M2-3C Hospital Revenue
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Does this decision package provide essential support to one of the Governor's priorities?

This decision package supports the Results Washington goals to:

Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians from a healthy start to a safe and supported future.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package supports the Results Washington goals to: Provide access to good medical care to improve people's lives.

What are the other important connections or impacts related to this proposal?

None

What alternatives were explored by the agency, and why was this alternative chosen?

The request cannot be absorbed within existing resources for the following reason: maintaining current operation funding requires readjustment of funding authority.

What are the consequences of not funding this package?

Patient care will be adjusted based on revenue earnings.

What is the relationship, if any, to the state's capital budget?

This request has no impact on the capital budget.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

Revenue is projected based on the twelve month average earnings by fund source. The total appropriation levels are maintained but sources of funding are adjusted.

See attachment: 030 BHSIA M2-3C Hospital Revenue.xlsx

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

These costs are ongoing and will carry forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
	Program Totals		

Department of Social and Health Services

DP Code/Title: M2-3C Hospital Revenue
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u> <u>Title</u>				
0011	General Fund State	0	661,000	661,000
<i>Total for Fund 001-1</i>		0	661,000	661,000
Fund 001-7, General Fund - Basic Account-Private/Local				
<u>Sources</u> <u>Title</u>				
5417	Contributions & Grants	0	(1,063,000)	(1,063,000)
<i>Total for Fund 001-7</i>		0	(1,063,000)	(1,063,000)
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u> <u>Title</u>				
19TA	Title XIX Assistance (FMAP)	0	402,000	402,000
<i>Total for Fund 001-C</i>		0	402,000	402,000
Total Overall Funding		0	0	0

2015 Supplemental Budget

030 BHSIA M2-3C Hospital Revenue

Eastern - Western - CSTC FY 2015 AUTHORITY:	State 118,361,000	Federal 79,782,000	Local 29,482,000	Total 227,625,000
--	-----------------------------	------------------------------	----------------------------	-----------------------------

Projected Earnings

Fed -Medicaid	-	15,094,465	-	
Fed - DSH	-	65,088,590	-	
Local - Medicare	-	-	21,254,916	
Local - Private Pay	-	-	2,319,515	
Local - Insurance	-	-	2,713,416	
Local - Part D Plans	-	-	2,132,004	
Total Projected Earnings:		80,183,055	28,419,851	

Earnings - Actuals Plus Projected	118,361,000	80,183,055	28,419,851	
--	--------------------	-------------------	-------------------	--

	State	Federal	Local	
Authority Request	661,000	402,000	(1,063,000)	-

Department of Social and Health Services

DP Code/Title: M2-3I Hospital Shortfall
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Recommendation Summary Text:

The Behavioral Health and Service Integration Administration (BHSIA) requests funding in order to cover the shortfall of current expenditures versus budgeted levels at Eastern and Western state hospitals. By funding this request, the state hospitals will be able to effectively manage the state hospital system within current staffing levels.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	5,524,000	5,524,000
Total Cost	0	5,524,000	5,524,000

Staffing

Package Description:

Problem Statement:

The legislature provided one-time funding in FY2014 to cover over-expenditures at Eastern and Western State hospitals, primarily driven by increased overtime. The legislature directed the Department of Social and Health Services (DSHS) to reduce the use of overtime. DSHS responded to that direction by increasing float pools, on-call staff, and nursing care positions. In addition, DSHS management has proposed changes to compensatory time, exchange time, overtime distribution, and other attendance policies.

Proposed Solution:

BHSIA requests ongoing funding to maintain the current level of staff coverage at Eastern and Western State hospitals. This request is based on detailed analysis of current expenses compared to future allotments. If this request is not funded, recent collaborative efforts by DSHS and labor organizations to address the problem will be compromised.

Agency Contact: Martha Brenna (360) 902-8194
 Program Contact: Melissa Clarey (360) 725-1675

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The budget request supports DSHS Goal 2: Safety - Each individual and each community will be safe.

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

The budget request supports DSHS Goal 2: Safety - Each individual and each community will be safe.

The decision package is essential to implementing the BHSIA Strategic Objectives: 1.8: Decrease the quarterly rates of

Department of Social and Health Services

DP Code/Title: M2-3I Hospital Shortfall

Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

patient seclusion hours at Eastern State Hospital and Western State Hospital; and 1.9: Maintain the quarterly rates of restraint use at Eastern State Hospital and decrease the quarterly rates of restraint use at Western State Hospital.

Does this decision package provide essential support to one of the Governor's priorities?

This decision package supports the Results Washington goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians from a healthy start to a safe and supported future.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package supports the Results Washington goals to: Provide access to good medical care to improve people's lives.

What are the other important connections or impacts related to this proposal?

This decision package will be supported by the State Hospital Ad Hoc Safety Committee.

What alternatives were explored by the agency, and why was this alternative chosen?

The request cannot be absorbed within existing resources because the current funding levels do not support hospital operations.

What are the consequences of not funding this package?

Funding this request is essential to good patient care.

What is the relationship, if any, to the state's capital budget?

This request has no impact on the capital budget.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment: 030 BHSIA M2-3I Hospital Shortfall Revised.xlsb

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

These costs are ongoing and will carry forward into future biennia.

Department of Social and Health Services

DP Code/Title: M2-3I Hospital Shortfall
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	0	1,146,000	1,146,000
B Employee Benefits	0	3,996,000	3,996,000
C Professional Svc Contracts	0	30,000	30,000
E Goods\Other Services	0	(1,419,000)	(1,419,000)
G Travel	0	30,000	30,000
J Capital Outlays	0	274,000	274,000
N Grants, Benefits & Client Services	0	(48,000)	(48,000)
P Debt Service	0	(96,000)	(96,000)
S Interagency Reimbursements	0	(176,000)	(176,000)
T Intra-Agency Reimbursements	0	1,787,000	1,787,000
Total Objects	0	5,524,000	5,524,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	0	5,524,000	5,524,000
<i>Total for Fund 001-1</i>	0	5,524,000	5,524,000
Total Overall Funding	0	5,524,000	5,524,000

030 BHSIA M2-3I Hospital Shortfall

Budget Unit	FY 15 FTEs	FY 15 Base + Allotments	FY14 Expenditures	FY15 Adjustments	FY 15 Projected Variance
Eastern State Hospital	699.6	58,269,000	61,804,787	(1,523,772)	(2,012,014)
Western State Hospital	1,743.1	159,717,000	166,391,504	(3,718,998)	(2,955,506)
CSTC	129.4	10,622,000	10,962,920	(195,685)	(145,235)
Hospital Revenue and Projects	6.5	7,340,000	1,946,264	5,393,737	-
Consolidated Services	0.0	4,484,000	4,942,139	(61,935)	(411,654)
Total	2,578.6	240,432,000	246,047,614	(106,653)	(5,524,409)

Department of Social and Health Services

DP Code/Title: M2-3J Single Bed Certification Response
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Recommendation Summary Text:

The Behavioral Health and Service Integration Administration (BHSIA) requests funding to purchase mental health services necessary to end the use of single bed certifications in settings in which individuals detained for involuntary treatment do not receive appropriate treatment. By funding this request, BHSIA is expected to comply with the State Supreme Court decision in the case of D.W etc. al vs The Department of Social and Health Services (DSHS) and Pierce County (<http://www.courts.wa.gov/opinions/pdf/901104.pdf>).

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
	<i>Program Cost</i>		
	Total Cost		

Staffing

Package Description:

Problem Statement:

RCW 71.05 provides for the involuntary detention of persons who, as a result of a mental disorder, are a danger to themselves or others or are gravely disabled. Detention must be to an Evaluation and Treatment (E&T) facility certified by the department. When there is no E&T bed available, the department provides temporary single bed certification in hospital emergency departments and acute care settings. This practice is commonly referred to as 'psychiatric boarding'. In 2013, ten involuntarily detained patients petitioned for release. They were joined by two community hospital systems and the case was heard by the Washington State Supreme Court. On August 7, 2014, the Court, in a 9-0 decision, found that when an individual is involuntarily detained for evaluation, stabilization and treatment, RCW 71.05 requires that they be held in a certified evaluation and treatment facility, which is defined in state law. The court further found that RCW 71.05 authorizes single bed certifications for specific reasons related to an individual's treatment needs, but that it does not allow single bed certifications to avoid overcrowding certified evaluation and treatment facilities.

Currently, Regional Support Networks (RSNs) administer the state's community mental health system and pay for community based evaluation and treatment services. However, there has been a long standing and well documented shortage of acute psychiatric beds for RSNs to use. In 2011, the Washington State Institute for Public Policy (WSIPP) provided a study for the Legislature that addressed inpatient capacity. The WSIPP study noted that a 2009 American Hospital Association survey ranked Washington 47th among all states in community psychiatric bed capacity. The Legislature has added crisis diversion and evaluation and treatment capacity over the last two years to address changes in RCW 71.05, but this increased capacity does not fully address the underlying shortage of beds and crisis diversion services. This funding is necessary for community mental health to begin paying for evaluation and treatment in community psychiatric facilities as well as to fund crisis diversion services and programs. Several facilities have agreed to develop additional bed capacity. If this proposal is not funded, the state would not be able to comply with the Supreme Court ruling.

Proposed Solution:

The request is for funding to support evaluation and treatment and crisis diversion services necessary to comply with the Supreme Court's decision. All services will be developed and operational by the end of 2015. Additionally, this request is for 5.5 FTEs to support capacity development, contract oversight, single bed certification timely processing, data compilation and analysis, financial

Department of Social and Health Services

DP Code/Title: M2-3J Single Bed Certification Response
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup
reporting, and reconciliation.

Agency Contact: Martha Brenna (360) 902-8194
Program Contact: Victoria Roberts (360) 725-3715

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

FY 1

FY 2

0.00

0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

The budget request supports DSHS Goal number 1: Health - Each individual and each community will be healthy. It also supports DSHS goal number 2 Safety - Each individual and each community will be safe.

Does this decision package provide essential support to one of the Governor's priorities?

This decision package supports the Results Washington Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians from a healthy start to a safe and supported future.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package supports the Results Washington goals to: Provide access to good medical care to improve people's lives.

What are the other important connections or impacts related to this proposal?

There are widespread concerns about shortages of inpatient psychiatric beds or crisis diversion services. We expect that the proposal will have support from the Association of Counties, Washington State Hospital Association, the National Alliance on Mental Illness and others.

What alternatives were explored by the agency, and why was this alternative chosen?

A long-term plan for the 2015-17 biennium is being developed. The alternatives being considered include increased evaluation and treatment capacity, use of state hospital beds, use of community hospital beds and other options.

What are the consequences of not funding this package?

The decision package is essential to the State's compliance with the Supreme Court mandate in D.W. v DSHS.

What is the relationship, if any, to the state's capital budget?

This request has no impact on the capital budget.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

Department of Social and Health Services

DP Code/Title: M2-3J Single Bed Certification Response
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

The long term plan being developed may include changes to statute, rules or contracts.

Expenditure and revenue calculations and assumptions

A cost estimate will be provided once the long-term plan is finalized. In addition, with the federal waiver granting funding of institutions for mental diseases (IMD facilities), allocation between funding sources is in development.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

These costs are ongoing and will carry forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
	Program Totals		

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund ,			
<u>Sources Title</u>			

Total for Fund

Total Overall Funding

Totals for all funds

Department of Social and Health Services

DP Code/Title: M2-8M Mileage Rate Adjustments
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests increased funding necessary to reimburse staff and volunteers for private automobile mileage. By funding this request, DSHS will be able to meet its base cost requirements. The number of total miles driven by agency employees and volunteers while conducting official state business has increased steadily since 2012.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	4,000	4,000
Total Cost	0	4,000	4,000

Staffing

Package Description:

Current state travel regulations allow a reimbursement rate for the use of privately owned vehicles when traveling on official state businesses (In-Take Referrals for Child Abuse Investigations, Foster Home Visits, Domestic Violence Prevention, and New Employee Trainings, etc). While the reimbursement rate of \$0.560 per mile remained relatively flat compared to previous biennia, the number of total miles driven by agency employees and volunteers while conducting official state business has increased steadily since 2012.

Agency Contact: Charles Wang (360) 902-8154

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Funding this request will strengthen the foundation for the current continuum of care and access to client services across the department.

Performance Measure Detail

Agency Level

Activity: C900 Program Support - Mental Health

No measures linked to package

Incremental Changes

<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

The budget request supports one of DSHS Goals:

Public Trust - Strong management practices will be used to ensure quality and efficiency

Does this decision package provide essential support to one of the Governor's priorities?

This package supports the Results Washington goals to:

Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians from a healthy start to a safe and supported future.

Department of Social and Health Services

DP Code/Title: M2-8M Mileage Rate Adjustments
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Goal 5: Effective, Efficient and Accountable Government - Fostering a Lean culture that drives accountability and results for the people of Washington.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package supports the Results Washington goals to:

Help the most vulnerable people become independent and self-sufficient.

What are the other important connections or impacts related to this proposal?

None

What alternatives were explored by the agency, and why was this alternative chosen?

The request cannot be absorbed within existing resources. Not funding this request will decrease the agency's ability to meet our clients' needs.

What are the consequences of not funding this package?

Funding will need to be diverted from other client services in order to support this expenditure.

What is the relationship, if any, to the state's capital budget?

This request has no impact on the capital budget.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment: AW M2-8M Mileage Rate Adjustments.xlxb

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

These costs are ongoing and will carry forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
G Travel	0	3,000	3,000
T Intra-Agency Reimbursements	0	1,000	1,000
Total Objects	0	4,000	4,000

Department of Social and Health Services

DP Code/Title: M2-8M Mileage Rate Adjustments
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	0	4,000	4,000
Total for Fund 001-1		0	4,000	4,000
Total Overall Funding		0	4,000	4,000

2015 Supplemental Budget

AW M2-8M Mileage Rate Adjustments

Department of Social & Health Services

Program	Year		ISSD - TZ		Total
	2015		2015		2015
010	255,000		2,000		257,000
020	4,000		1,000		5,000
030	3,000		1,000		4,000
040	42,000		1,000		43,000
050	34,000		1,000		35,000
060	42,000		5,000		47,000
150	11,000		(11,000)		0
Total	391,000		0		391,000

State/Other Split

Program	State		Federal		Total
	2015		2015		2015
010	233,000		24,000		257,000
020	5,000		0		5,000
030	4,000		0		4,000
040	26,000		17,000		43,000
050	19,000		16,000		35,000
060	31,000		16,000		47,000
150	0		0		0
Total	318,000		73,000		391,000

Department of Social and Health Services

DP Code/Title: M2-8P Postage Rate Adjustments
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Recommendation Summary Text:

The Department of Social Health and Services (DSHS) requests funding for the 6.52 percent postage rate increase which went into effect January 27, 2014. By funding this request, DSHS is expected to meet its postal obligations to customers, clients, and constituents.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	8,000	8,000
Total Cost	0	8,000	8,000

Staffing

Package Description:

Problem Statement

The United States Postal Services (USPS) increased its postal rate for first-class mail from \$0.46 to \$0.49 (6.52 percent increase) on January 27, 2014. The USPS increase impacts all DSHS programs.

Communication between clients and programs are a routine and essential part of doing business. Clients expect written responses to their inquiries and concerns. Other areas impacted by this postage rate increase are payments to clients and notices to clients required by law.

The USPS mail services are considered accessible to all clients and it is an efficient means of communication. Other forms of communication or remittance of payments such as electronic banking and e-mail are not accessible to the majority of the department's clients or may require revisions to state laws.

Proposed Solution

DSHS requests \$553,000 (\$372,000 GF-State) for a postal rate adjustment so that all the DSHS programs can meet its current postal obligations.

Agency Contact: Don Petrich (360) 902-7831

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

By funding this decision package, DSHS will continue meeting its obligations and statutory requirements to ensure all clients receive their proper information in a timely manner without negative impacts to other client services.

Performance Measure Detail

Agency Level

Activity: C900 Program Support - Mental Health

Incremental Changes

FY 1

FY 2

Department of Social and Health Services

DP Code/Title: M2-8P Postage Rate Adjustments
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

No measures linked to package

0.00

0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

The budget request supports DSHS Goal 5: Public Trust - Strong management practices will be used to ensure quality and efficiency.

Does this decision package provide essential support to one of the Governor's priorities?

This decision package supports the Results Washington Goal 5: Effective, Efficient and Accountable Government - Fostering a Lean culture that drives accountability and results for the people of Washington.

Ensure efficiency and performance to the public by providing transparency and accountability in state agency operations and:

- Increase Washington State government's transparency.
- Increase customer satisfaction.
- Increase on-time delivery for state services.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package supports the Results Washington goals to:

Ensure efficiency, performance, and accountability to the public by providing transparency and accountability in state agency operations and:

- Increase Washington State government's transparency.
- Increase the number of Results Washington outcome measures and leading indicators.
- Increase customer satisfaction.
- Increase Washington State as an employer of choice.
- Increase on-time delivery for state services.

What are the other important connections or impacts related to this proposal?

None

What alternatives were explored by the agency, and why was this alternative chosen?

The request cannot be absorbed within existing resources. Funds supporting other client services would need to be diverted if funding for this USPS rate increase is not provided.

What are the consequences of not funding this package?

Not funding this request will have a negative impact to the agency's ability to communicate with clients and hamper its ability to remain responsive to constituent needs. If not approved, funds will have to be diverted from other program activities and/or services to cover the cost increase.

What is the relationship, if any, to the state's capital budget?

This request has no impact on the capital budget.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

This request has no impact to existing statutes, rules or contracts.

Department of Social and Health Services

DP Code/Title: M2-8P Postage Rate Adjustments

Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Expenditure and revenue calculations and assumptions

See attachment: AW M2-8P Postage Rate Adjustments.xlsx

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

These costs are ongoing and will carry forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods\Other Services	0	5,000	5,000
T Intra-Agency Reimbursements	0	3,000	3,000
Total Objects	0	8,000	8,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	0	8,000	8,000
<i>Total for Fund 001-1</i>	0	8,000	8,000
Total Overall Funding	0	8,000	8,000

**2015 Supplemental Budget
AW M2-8P Postage Rate Adjustment**

Department of Social and Health Services

Rounded =Round(link,-3)

Program	Year	ISSD - TZ	Total
	2015		
010	19,000	6,000	25,000
020	2,000	1,000	3,000
030	5,000	3,000	8,000
040	9,000	4,000	13,000
050	13,000	4,000	17,000
060	445,000	15,000	460,000
100	4,000	1,000	5,000
110	10,000	10,000	20,000
135	1,000	1,000	2,000
150	45,000	(45,000)	0
Total	553,000	0	553,000

State/Other Split

Program	State	Other	Total
	2015		
010	23,000	2,000	25,000
020	3,000	0	3,000
030	8,000	0	8,000
040	9,000	4,000	13,000
050	11,000	6,000	17,000
060	293,000	167,000	460,000
100	5,000	0	5,000
110	18,000	2,000	20,000
135	2,000	0	2,000
150	0	0	0
Total	372,000	181,000	553,000

Department of Social and Health Services

DP Code/Title: M2-8X Facility Maintenance Costs
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) Consolidated Maintenance and Operations (CMO), in support of department institutions, requests funding for equipment and goods and services in order to resolve building component, steam plant, wastewater treatment, and grounds deficiencies that are smaller in scope than capital projects, but beyond the scope of ordinary maintenance. By funding this request, the safety, security, and environmental conditions for residents and staff will be improved to meet minimum facility standards.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	316,000	316,000
Total Cost	0	316,000	316,000

Staffing

Package Description:

Problem Statement:

Current maintenance funding does not allow CMO to keep pace with increasing corrective work request demands due primarily to the advanced age of institution facilities and a shortage of staffing and funding to complete ongoing preventive maintenance. Inability to adequately maintain the facilities or replace components has resulted in decreased safety and security levels and created potential regulatory concerns. This continued deterioration of buildings and grounds results in premature system failure and the need for larger scale capital replacement.

The request includes the following types of work:

1. Replacement and extended repair of failed ventilation components serving staff and client areas.
2. Significant interior and exterior painting to slow facility degradation.
3. Sidewalk repairs and grounds maintenance to improve pedestrian safety.
4. Roofing repairs to reduce water intrusion and the chance of mold infestations in buildings.
5. Interior and exterior door replacement/repair and associated security hardware to lower the risk of breaches in security.
6. Ceiling, flooring, and restroom repairs in staff and client areas to preserve the current infrastructure and prevent premature rotting and mold in ceiling and subfloor systems.

Failure to maintain DSHS facilities will result in further deterioration of building and grounds assets and result in even greater cost to the state in the form of larger capital budget requests. With current funding levels, CMO activities are focused on reactive repair activities to emergent problems. Failing components are only repaired to maintain fundamental operation. Some components that cannot be repaired are left in a failed state. The state and facility occupants then accept the increased risk of a safety or security incident.

Proposed Solution:

Request funding to allow CMO to properly support the maintenance of department institutions west of the Cascades and keep pace with increasing corrective work request demands. Labor will be performed using the existing CMO staffing allotment. All of these projects are expected to be completed in Fiscal Year 2015. Individual project costs were estimated by DSHS Capital Programs and Maintenance staff.

Agency Contact: Ken Brown (360) 902-7583

Department of Social and Health Services

DP Code/Title: M2-8X Facility Maintenance Costs
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Program Contact: Thomas Blume (360) 664-6028

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Funding this request will strengthen the foundation for the current continuum of care and access to client services at the department's institutions. Appropriate safe, up to date, and functional facilities provide for healthy, safe, and secure campuses.

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

FY 1

FY 2

0.00

0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

This request supports the following goals identified in the DSHS 2013-15 Strategic Plan:

Safety - Each individual and each community will be safe.

Protection - Each individual who is vulnerable will be protected.

Quality of Life - Each individual in need will be supported to attain the highest possible quality of life.

Public Trust - Strong management practices will be used to ensure quality and efficiency.

Does this decision package provide essential support to one of the Governor's priorities?

This package supports Results Washington Goal 4:

Healthy and Safe Communities - Fostering the health of Washingtonians from a healthy start to safe and supported future.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package supports the Results Washington goals to:

Ensure that funding is used responsibly and:

--Reduce statewide energy use.

--Decrease passenger vehicle lifetime cost.

What are the other important connections or impacts related to this proposal?

No stakeholder concerns are expected. It is expected all stakeholders would support improved facilities to conduct rehabilitation efforts.

What alternatives were explored by the agency, and why was this alternative chosen?

The request cannot be absorbed within existing resources for the following reasons: maintenance funding has not kept pace with the institution needs due to a shortage of staffing and funding. This request funds projects smaller in scope than capital

Department of Social and Health Services

DP Code/Title: M2-8X Facility Maintenance Costs
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

projects but beyond the capability and capacity of institution maintenance departments. This alternative was chosen because it provides funding for immediate repairs to facilities which will provide improved safety and security for clients and staff and prevent higher downstream costs.

What are the consequences of not funding this package?

Failure to provide funding for maintenance repairs presents a risk to program operations and client safety.

What is the relationship, if any, to the state's capital budget?

This request has no impact on the capital budget. If not funded, the failure of key facility components could increase capital budget requests in ensuing fiscal years.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment: AW M2-8X Facility Maintenance Costs.xlsx

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

These costs are one -time and will not carry forward.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods\Other Services	0	316,000	316,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	0	316,000	316,000
<i>Total for Fund 001-1</i>	<u>0</u>	<u>316,000</u>	<u>316,000</u>
Total Overall Funding	0	316,000	316,000

**2015 Supplemental Budget
AW M2-8X Facility Maintenance Costs**

Department of Social & Health Services

Program	Year		ISSD - TZ		Total
	2015		2015		2015
020	275,000		0		275,000
030	316,000		0		316,000
040	78,000		0		78,000
135	20,000		0		20,000
Total	689,000		0		689,000

State/Other Split

Program	State		Federal		Total
	2015		2015		2015
020	275,000		0		275,000
030	316,000		0		316,000
040	46,000		32,000		78,000
135	20,000		0		20,000
Total	657,000		32,000		689,000

Department of Social and Health Services

DP Code/Title: M2-9G Workers Comp Base Correction
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests funding to correct the base funding level of premiums paid to Labor and Industries (L&I) for worker's compensation. By funding this request, DSHS will not have to divert funding from services to clients in order to cover the cost of this mandatory premium.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	1,207,000	1,207,000
001-C General Fund - Basic Account-Medicaid Federal	0	89,000	89,000
Total Cost	0	1,296,000	1,296,000

Staffing

Package Description:

A review of the funding for worker's compensation found two steps in previous biennial budgets that resulted in an inadequate amount of funding being provided for the premiums that are paid to L&I.

The first adjustment that needs to be made is in the calculation of the Worker's Compensation Changes for the 2011-13 Biennial Budget. The information provided for the calculation showed an Estimated Premium Paid of \$25.2 million for the first year and \$28.5 million for the second year. Using these amounts against the proposed estimated premium of \$31.9 million per fiscal year resulted in an increase in funding of \$6.7 million in the first year and \$3.4 million in the second. The actual cost for the second year for the department was \$24.7 million, instead of the \$28.5 million above, a difference of \$3.8 million for the increased cost in the second year.

The second adjustment is for the Carry Forward Level (CFL) adjustment in the 2013-15 Biennial Budget. The 2011-13 funding was placed into DSHS program Payments to Other Agencies (PTOA or Program 145). As part of the 2012 Supplemental Budget, the funding was transferred out of PTOA to the appropriate DSHS programs. When CFL was completed, Step G01 Transfers contained a reduction of \$3.4 million for the 2011-13 Worker's Compensation Step. This step brought the first year funding to the second year level for the workers compensation portion of the transfer step. There should not have been a CFL adjustment for the Worker's Compensation Step, because the original step was done to bring the funding up to \$31.9 million per Fiscal Year as estimated by L&I.

By funding this request the programs budgets will receive the funding necessary to cover the amounts that are being paid to L&I each quarter.

Agency contact: Bill Jordan (360) 902-8183.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

By funding this mandatory payment requirement, DSHS will not have to divert other funds that currently support client services.

Department of Social and Health Services

DP Code/Title: M2-9G Workers Comp Base Correction
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

FY 1 **FY 2**

0.00 0.00

Activity: C093 Special Projects - Mental Health

No measures linked to package

Incremental Changes

FY 1 **FY 2**

0.00 0.00

Activity: C900 Program Support - Mental Health

No measures linked to package

Incremental Changes

FY 1 **FY 2**

0.00 0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

This request supports the following goals identified in the DSHS 2013-2015 Strategic Plan:

Health - Each individual and each community will be healthy,

Public Trust - Strong management practices will be used to ensure quality and efficiency.

Does this decision package provide essential support to one of the Governor's priorities?

This package supports Results Washington Goal 5: Effective, Efficient and Accountable Government Fostering a Lean culture that drives accountability and results for the people of Washington.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package supports the Results Washington goals to:

Ensure that funding is used responsibly, and

Ensure efficiency, performance, and accountability to the public by providing transparency and accountability in state agency operations.

What are the other important connections or impacts related to this proposal?

None

What alternatives were explored by the agency, and why was this alternative chosen?

The request cannot be absorbed with existing resources without reducing the funding for services to clients.

What are the consequences of not funding this package?

Not funding this request would necessitate using funds for client services to cover the requirement premiums.

What is the relationship, if any, to the state's capital budget?

This request has no impact on the capital budget.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

Department of Social and Health Services

DP Code/Title: M2-9G Workers Comp Base Correction
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment: AW M2-9G Workers Comp Base Correction.xlsx.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

L&I's cost for worker's compensation is an ongoing cost to the department.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
B Employee Benefits	0	1,296,000	1,296,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	0	1,207,000	1,207,000
<i>Total for Fund 001-1</i>	0	1,207,000	1,207,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources Title</u>			
19TA Title XIX Assistance (FMAP)	0	86,000	86,000
19UL Title XIX Admin (50%)	0	3,000	3,000
<i>Total for Fund 001-C</i>	0	89,000	89,000
Total Overall Funding	0	1,296,000	1,296,000

**2015 Supplemental Budget
AW M2-9G Workers Comp Base Correction**

Department of Social and Health Services

	Program	FY 15	FY 15		Total
		OBJECT	FUNDING	FUNDING	
		B	State	Other	
010	Children's Administration	137,000	124,000	13,000	137,000
020	Juvenile Rehabilitation Admin	231,000	231,000	-	231,000
030	Mental Heath Division	1,296,000	1,207,000	89,000	1,296,000
040	Developmental Disabilites Admin	1,698,000	1,002,000	696,000	1,698,000
050	Aging & Long-Term Support	70,000	36,000	34,000	70,000
060	Economic Services Admin	231,000	144,000	87,000	231,000
070	Alcohol & Substance Abuse	4,000	3,000	1,000	4,000
100	Division of Vocational Rehab	16,000	16,000	-	16,000
110	Administration	25,000	21,000	4,000	25,000
135	Special Commitment Center	116,000	116,000	-	116,000
TOTAL		3,824,000	2,900,000	924,000	3,824,000

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests the shift of FTEs and funding among programs in the 2015 Supplemental Budget. This transfer will align FTEs and funds with the programs where the costs are incurred. The net impact is zero.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	468,000	468,000
001-C General Fund - Basic Account-Medicaid Federal	0	39,000	39,000
Total Cost	0	507,000	507,000

Staffing

Package Description:

DSHS requests internal transfers among several program budgets resulting in a net zero funding change for the department. This aligns program appropriations with planned expenditures. DSHS requests the following adjustments for the 2015 Supplemental Budget:

Information System Services Division (ISSD) Compensation Adjustment-
(Program 110 to Programs 010, 020, 030, 040, 050, 060, 100, 135):

Program 110 - Administration and Supporting Services (Administration) will transfer compensation adjustments for staff in the Information Systems Services Division (Program 150) to other DSHS programs. ISSD is a chargeback program where the funding resides in program's Sub-Object TZ budget. Administration will transfer (\$214,000) GF-State to the other programs. The transfer will realign the funding with the correct DSHS programs to be charged by ISSD.

Consolidated Field Services (CFS) Compensation Adjustment -
(Program 110 to Programs 010, 020, 030, 040, 050, 060, 135):

Program 110 - Administration and Supporting Services (Administration) will transfer compensation adjustments for staff in Consolidated Field Services (Program 160) to other DSHS programs. CFS is a chargeback program where the funding resides in program's budget. Administration will transfer (\$216,000) GF-State to the other programs. The transfer will realign the funding with the correct DSHS programs to be charged by CFS.

ISSD Chargeback Reallocation -
(Programs 010, 020, 030, 040, 050, 060, 070, 100, 110, 135):

The Financial Services Administration (FSA), in conjunction with program areas and ISSD, updated the chargeback methodology for services that are being provided. The methodology simplifies the categories of service, as well as the metrics used to fairly and efficiently distribute charges for services utilized. As a result of the methodology updates, the allocation of funding to the program area needs to be re-distributed to reflect the changes. This re-allocation will in essence hold harmless the program areas, so that all programs will be sufficiently funded for currently identified ISSD service needs.

Information Technology Savings (ITS) Adjustment-
(Program 145 to Programs 010, 020, 030, 040, 050, 060, 070, 100, 110):

Program 145 - Payments to Other Agencies (PTOA) will transfer the ITS reduction to other DSHS programs. The ITS step was placed into PTOA as part of the 2014 Supplemental budget. The PTOA will transfer (\$676,000) GF-State to the other programs. The transfer will realign the reduction with the DSHS programs that incur the charges.

Department of Social and Health Services

DP Code/Title: M2-9T Transfers

Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Office of Deaf and Hard of Hearing (ODHH) Compensation Adjustment-
(Program 100 to Program 050):

Program 100 - Division of Vocational Rehabilitation (DVR) will transfer compensation adjustments for ODHH staff to Program 050 - Aging and Long-Term Support Administration (ALTSA). ODHH was transferred from DVR to ALTSA in the 2014 Supplemental budget. This transfer is for the ODHH portion of the employee benefit steps that remains in program 050. DVR will transfer \$12,000 to ALTSA. The transfer will realign the funding for the ODHH staff into the correct program.

Economic Services Administration (ESA) to Administration and Supporting Services (ADMIN) Transfer-
(Program 060 to Program 110):

Transfer of \$45,000 in warehouse lease funding from ESA to ADMIN.

These transfers will realign the funding with the DSHS programs to be charged.

Agency contact: Bill Jordan 360-902-8183.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

DSHS accounts for the wise use of public dollars by maximizing federal funding sources.

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

FY 1 FY 2

0.00 0.00

Activity: C900 Program Support - Mental Health

No measures linked to package

Incremental Changes

FY 1 FY 2

0.00 0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

This request supports the following goals identified in the DSHS 2013-2015 Strategic Plan:

Health - Each individual and each community will be healthy,

Public Trust - Strong management practices will be used to ensure quality and efficiency.

Does this decision package provide essential support to one of the Governor's priorities?

This package supports Results Washington Goal 5: Effective, Efficient and Accountable Government Fostering a Lean culture that drives accountability and results for the people of Washington.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package supports the Results Washington goals to:

Ensure that funding is used responsibly, and

Ensure efficiency, performance, and accountability to the public by providing transparency and accountability in state agency operations.

State of Washington
Decision Package
Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

What are the other important connections or impacts related to this proposal?

None

What alternatives were explored by the agency, and why was this alternative chosen?

The request transfers funding between programs so that the needs can be met within existing resources.

What are the consequences of not funding this package?

Funding would not be aligned with the programs that are incurring the costs.

What is the relationship, if any, to the state's capital budget?

This request has no impact on the capital budget.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment: AW M2-9T Transfers.xlsx.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

The transfer is one-time then all costs associated with it will be ongoing and will carry-forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
B Employee Benefits	0	(34,000)	(34,000)
E Goods\Other Services	0	(16,000)	(16,000)
T Intra-Agency Reimbursements	0	557,000	557,000
Total Objects	0	507,000	507,000

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u> <u>Title</u>				
0011	General Fund State	0	468,000	468,000
<i>Total for Fund 001-1</i>		0	468,000	468,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u> <u>Title</u>				
19TA	Title XIX Assistance (FMAP)	0	2,000	2,000
19UL	Title XIX Admin (50%)	0	37,000	37,000
<i>Total for Fund 001-C</i>		0	39,000	39,000
Total Overall Funding		0	507,000	507,000

**2015 Supplemental Budget
AW M2-9T Transfers**

Program	FTEs			FY 2014			FY 2015			2013-15 Biennium		
	FY14	FY15	Total	001-1	Other	Total	001-1	Other	Total	001-1	Other	Total
010 Children's Administration												
1. ISSD Compensation Adjustments			0.0			0	(18,000)		(18,000)	(18,000)	0	(18,000)
2. CFS Compensation Adjustments			0.0			0	(6,000)		(6,000)	(6,000)	0	(6,000)
3. ISSD Chargeback Reallocation			0.0			0	(501,000)	(24,000)	(525,000)	(501,000)	(24,000)	(525,000)
4. ITS Adjustment			0.0			0	(73,000)		(73,000)	(73,000)	0	(73,000)
			0.0			0			0	0	0	0
010 Total	0.0	0.0	0.0	0	0	0	(598,000)	(24,000)	(622,000)	(598,000)	(24,000)	(622,000)
020 Juvenile Rehabilitation												
1. ISSD Compensation Adjustments			0.0			0	(3,000)		(3,000)	(3,000)	0	(3,000)
2. CFS Compensation Adjustments			0.0			0	(14,000)		(14,000)	(14,000)	0	(14,000)
3. ISSD Chargeback Reallocation			0.0			0	140,000		140,000	140,000	0	140,000
4. ITS Adjustment			0.0			0	(14,000)		(14,000)	(14,000)	0	(14,000)
			0.0			0			0	0	0	0
020 Total	0.0	0.0	0.0	0	0	0	109,000	0	109,000	109,000	0	109,000
030 Mental Health												
1. ISSD Compensation Adjustments			0.0			0	(10,000)		(10,000)	(10,000)	0	(10,000)
2. CFS Compensation Adjustments			0.0			0	(34,000)		(34,000)	(34,000)	0	(34,000)
3. ISSD Chargeback Reallocation			0.0			0	532,000	39,000	571,000	532,000	39,000	571,000
4. ITS Adjustment			0.0			0	(20,000)		(20,000)	(20,000)	0	(20,000)
			0.0			0			0	0	0	0
030 Total	0.0	0.0	0.0	0	0	0	468,000	39,000	507,000	468,000	39,000	507,000
040 Developmental Disabilities Administration												
1. ISSD Compensation Adjustments			0.0			0	(12,000)		(12,000)	(12,000)	0	(12,000)
2. CFS Compensation Adjustments			0.0			0	(35,000)		(35,000)	(35,000)	0	(35,000)
3. ISSD Chargeback Reallocation			0.0			0	511,000	355,000	866,000	511,000	355,000	866,000
4. ITS Adjustment			0.0			0	(40,000)		(40,000)	(40,000)	0	(40,000)
			0.0			0			0	0	0	0
040 Total	0.0	0.0	0.0	0	0	0	424,000	355,000	779,000	424,000	355,000	779,000
050 Aging & Long-Term Support Admin												
1. ISSD Compensation Adjustments			0.0			0	(13,000)		(13,000)	(13,000)	0	(13,000)
2. CFS Compensation Adjustments			0.0			0	(2,000)		(2,000)	(2,000)	0	(2,000)
3. ISSD Chargeback Reallocation			0.0			0	12,000	12,000	24,000	12,000	12,000	24,000
4. ITS Adjustment			0.0			0	(83,000)		(83,000)	(83,000)	0	(83,000)
5. ODHH Compensation Adjustment			0.0			0	(12,000)		(12,000)	(12,000)	0	(12,000)
			0.0			0			0	0	0	0
050 Total	0.0	0.0	0.0	0	0	0	(98,000)	12,000	(86,000)	(98,000)	12,000	(86,000)
060 Economic Services Administration												
1. ISSD Compensation Adjustments			0.0			0	(47,000)		(47,000)	(47,000)	0	(47,000)
2. CFS Compensation Adjustments			0.0			0	(7,000)		(7,000)	(7,000)	0	(7,000)
3. ISSD Chargeback Reallocation			0.0			0	(1,023,000)	(463,000)	(1,486,000)	(1,023,000)	(463,000)	(1,486,000)
4. ITS Adjustment			0.0			0	(411,000)		(411,000)	(411,000)	0	(411,000)
6. ESA to ADMIN Transfer			0.0			0	(29,000)	(16,000)	(45,000)	(29,000)	(16,000)	(45,000)
			0.0			0			0	0	0	0
060 Total	0.0	0.0	0.0	0	0	0	(1,517,000)	(479,000)	(1,996,000)	(1,517,000)	(479,000)	(1,996,000)
070 Alcohol and Substance Abuse												
3. ISSD Chargeback Reallocation			0.0			0	2,000	1,000	3,000	2,000	1,000	3,000
4. ITS Adjustment			0.0			0	(6,000)		(6,000)	(6,000)	0	(6,000)
			0.0			0			0	0	0	0
070 Total	0.0	0.0	0.0	0	0	0	(4,000)	1,000	(3,000)	(4,000)	1,000	(3,000)
100 Division of Voc. Rehabilitation												
1. ISSD Compensation Adjustments			0.0			0	(2,000)		(2,000)	(2,000)	0	(2,000)
2. CFS Compensation Adjustments			0.0			0			0	0	0	0
3. ISSD Chargeback Reallocation			0.0			0	(35,000)		(35,000)	(35,000)	0	(35,000)
4. ITS Adjustment			0.0			0	(15,000)		(15,000)	(15,000)	0	(15,000)
5. ODHH Compensation Adjustment			0.0			0	12,000		12,000	12,000	0	12,000
			0.0			0			0	0	0	0
100 Total	0.0	0.0	0.0	0	0	0	(40,000)	0	(40,000)	(40,000)	0	(40,000)
110 Administration & Supporting Services												
1. ISSD Compensation Adjustments			0.0			0	107,000		107,000	107,000	0	107,000
2. CFS Compensation Adjustments			0.0			0	108,000		108,000	108,000	0	108,000
3. ISSD Chargeback Reallocation			0.0			0	219,000	80,000	299,000	219,000	80,000	299,000
4. ITS Adjustment			0.0			0	(10,000)		(10,000)	(10,000)	0	(10,000)
6. ESA to ADMIN Transfer			0.0			0	29,000	16,000	45,000	29,000	16,000	45,000
			0.0			0			0	0	0	0
110 Total	0.0	0.0	0.0	0	0	0	453,000	96,000	549,000	453,000	96,000	549,000

**2015 Supplemental Budget
AW M2-9TTransfers**

	Program	FTEs			FY 2014			FY 2015			2013-15 Biennium		
		FY14	FY15	Total	001-1	Other	Total	001-1	Other	Total	001-1	Other	Total
135	Special Commitment Center												
	1. ISSD Compensation Adjustments			0.0			0	(2,000)		(2,000)	(2,000)	0	(2,000)
	2. CFS Compensation Adjustments			0.0			0	(10,000)		(10,000)	(10,000)	0	(10,000)
	3. ISSD Chargeback Reallocation			0.0			0	143,000		143,000	143,000	0	143,000
	4. ITS Adjustment			0.0			0	(4,000)		(4,000)	(4,000)	0	(4,000)
				0.0			0			0	0	0	0
	135 Total	0.0	0.0	0.0	0	0	0	127,000	0	127,000	127,000	0	127,000
145	Payments to Other Agencies												
	4. ITS Adjustment			0.0			0	676,000		676,000	676,000	0	676,000
				0.0			0			0	0	0	0
	145 Total	0.0	0.0	0.0	0	0	0	676,000	0	676,000	676,000	0	676,000
150	Information System Services Division												
	4. ITS Adjustment			0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	150 Total	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0
160	Consolidated Field Services												
				0.0			0			0	0	0	0
	160 Total	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0
Agency-Wide Total:		0	0	0.0	0	0	0	0	0	0	0	0	0

NOTES:

1. Information System Services Division (ISSD) compensation adjustments from Administration & Supporting Services (Admin). Item adjusts object TZ costs.
2. Consolidated Field Services (CFS) compensation adjustments from Administration & Supporting Services (Admin). Item adjusts object B.
3. Information System Services Division (ISSD) reallocation of chargeback funding. Item adjusts object TZ costs.
4. Information Technology Savings from Payments to Other Agencies. Item adjust object E and TZ.
5. Office of Deaf and Hard of Hearing compensation adjustment from Division of Vocational Rehabilitation. Item adjusts object B.
6. ESA to ADMIN Transfer - transfer of warehouse lease funding from ESA to ADMIN. This transfer is for FY 15 only.

Department of Social and Health Services

DP Code/Title: M2-R1 Psychiatric Intensive Care Unit
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Recommendation Summary Text:

The Behavioral Health and Service Integration Administration (BHSIA) is requesting funding for a Psychiatric Intensive Care Unit (PICU) at Western State Hospital to serve violent and assaultive patients located at both Western State Hospital (WSH) and Eastern State Hospital (ESH). The PICU will house high acuity patients for short term stays with a transition back to a standard ward after stabilization. PICU patients will be provided specialized patient care and treatment targeted at reduction of violence and assaults. By funding this request, the PICU is expected to increase patient safety.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	339,000	339,000
Total Cost	0	339,000	339,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	0.0	3.8	1.9

Package Description:

Problem Statement:

Patient violence at WSH and ESH results in poor staff morale, staff retention problems, increased overtime costs due to injury related absenteeism. Patient-to-staff assault claims contribute to the cost of the Department of Social and Health Services (DSHS) industrial insurance premiums through the Washington State Department of Labor and Industries.

If this request is not funded, recent efforts by DSHS to address the problem will be compromised and a key mitigation strategy for reducing patient violence will not be implemented. Other strategies have included staff training, use of personal protective equipment and specialized Psychiatric Emergency Response Teams to respond to patient behavioral problems.

Proposed Solution:

The proposed PICU at Western State Hospital will be designed and operated to house and treat violent and assaultive patients in order to reduce incidents of violence and assaults. Funding for this unit will cover the operating and staffing costs associated with this intensive service package. This unit will be 1-2 beds serving the highest acuity patients in the state psychiatric hospitals.

Agency Contact: Martha Brenna (360) 902-8194
 Program Contact: Victoria Roberts (360) 753-3715

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

By funding this request, BHSIA staff will be better able to support positive patient outcomes.

Performance Measure Detail
Agency Level

Department of Social and Health Services

DP Code/Title: M2-R1 Psychiatric Intensive Care Unit
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Activity: C063 Mental Health Facilities Services
No measures linked to package

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

The budget request supports DSHS Goal 1: Health - Each individual and each community will be healthy.

The decision package is essential to implementing the BHSIA Strategic Objective 1.7: Decrease the rate of patient-to-staff assault claims filed at Eastern State Hospital and Western State Hospital and Decrease state psychiatric hospital seclusion and restraint rates.

Patient care and treatment will be more efficient by separating out high-risk, violence prone patients from the general hospital population. This will be accomplished by having more specialized environments of care and provisions of treatment for the patient populations.

Other desired and expected results are improved staff morale and retention at the state hospitals and improved labor relations.

Does this decision package provide essential support to one of the Governor's priorities?

This decision package supports the Results Washington goals to:

Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians from a healthy start to a safe and supported future.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package supports the Results Washington goals to: Help keep people safe in their homes, on their jobs, and in their communities and provide access to good medical care to improve people's lives.

What are the other important connections or impacts related to this proposal?

This was a recommendation of the State Hospital Ad Hoc Safety Committee, comprised of representatives from all of the labor organizations and management at all three hospitals to identify long and short-term safety improvement initiatives.

What alternatives were explored by the agency, and why was this alternative chosen?

The request cannot be absorbed within existing resources for the following reason: redirecting funding from other patient care is not a viable option.

What are the consequences of not funding this package?

The desired outcome is better patient care and treatment that is more efficient by having more specialized environments of care and provisions of treatment for the patient populations.

What is the relationship, if any, to the state's capital budget?

This request has no impact on the capital budget.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

State of Washington
Decision Package
 Department of Social and Health Services

DP Code/Title: M2-R1 Psychiatric Intensive Care Unit
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment: 030 BHSIA M2-R1 PICU.xlsb

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

These costs are ongoing and will carry forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	0	194,000	194,000
B Employee Benefits	0	87,000	87,000
E Goods\Other Services	0	28,000	28,000
J Capital Outlays	0	23,000	23,000
P Debt Service	0	1,000	1,000
T Intra-Agency Reimbursements	0	6,000	6,000
Total Objects	0	339,000	339,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	0	339,000	339,000
Total for Fund 001-1	0	339,000	339,000
Total Overall Funding	0	339,000	339,000

**2015 Supplemental Budget
030 BHSIA M2-R1 PICU**

Estimated 12 Month Duration for Unit Utilization

Projected Ward Costs for A and B with Backfill

12 Month PRN-PICU Ward Total

WARD PICU Program Index	Program Staffing Level	Staffing Level w/Backfill	12 Month Total			
			Object A	Object B	Total	Average FTE Cost
PSYCH SEC ATTEND	8.40	11.4	\$472,461	\$255,522	\$727,983	\$63,957
REG NURSE 2	4.20	5.7	\$445,348	\$163,018	\$608,366	\$106,896
SECURITY GUARD 2 (24/7)	4.20	5.7	\$247,977	\$104,332	\$352,309	\$61,904
Grand Total	16.80	22.8	\$1,165,786	\$522,872	\$1,688,659	

FY 15 Total	\$282,000
Fiscal Year Total	\$1,689,000
Bien Total	\$3,378,000

Associated FTE Costs

FY 15	\$57,000
FY 16	\$341,000
FY 17	\$204,000

FY 15	\$339,000
FY 16	\$2,030,000
FY 17	\$1,893,000
Bien Total	\$3,923,000

53

Department of Social and Health Services

DP Code/Title: M2-R2 Psychiatric Emergency Response Team
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Recommendation Summary Text:

The Behavioral Health and Service Integration Administration (BHSIA) requests 23.0 FTEs in order to expand the Psychiatric Emergency Response Team (PERT), currently in action at the Center for Forensic Services (CFS) within Western State Hospital (WSH). By funding this request, BHSIA is expected to increase the safety of both staff and patients at the state hospitals, creating an additional team for day and evening shifts to support the civil wards of the hospital, and adding a single team for day and evening shifts at Eastern State Hospital (ESH).

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	318,000	318,000
Total Cost	0	318,000	318,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	0.0	3.8	1.9

Package Description:

Problem Statement:

The PERT team provides a mobile group of highly skilled staff who can be on any ward as needed to work with clients requiring additional support. This additional support to the client is focused on bringing a gentle resolution to potential crisis thus avoiding the need for physical intervention which maximizes safety for both clients and staff.

Currently, for wards outside of WSH CFS, de-escalation of patients is done by staff assigned to the general ward. As staff are drawn into crisis with one patient, their ability to serve the wider group is diminished. If a situation escalates to a level in which a patient needs to be physically contained to prevent harming themselves or others, a call is sent out over the intercom for assistance from nearby wards. The highest number of staff injury reports in the state hospitals are related to the events of physical containment of patients. The highly skilled PERT team works to reduce the incidents requiring physical containment and when necessary takes over the physical aspects, thus ensuring that the individuals participating in the containment are those most practiced and skilled in the recommended techniques.

If this request is not funded, recent collaborative efforts by the Department of Social and Health Services (DSHS) and labor organizations to address the problem will be compromised and a key mitigation strategy for reducing patient violence, patient-to-staff assaults and industrial insurance claims and premiums will not be implemented.

Proposed Solution:

The PERT team is a first line responder team trained in crisis intervention, analysis of the antecedents for violence and aggression, and de-escalation techniques. When containment is necessary, this team facilitates seclusion and restraint and works with floor staff to re-integrate the patient back to the population with appropriate evidence-based debriefing. Since the roll out of the PERT team in March 2013, the Center for Forensic Services has shown a dramatic decrease in the hours of seclusion and restraint.

Agency Contact: Martha Brenna (360) 902-8194
 Program Contact: Victoria Roberts (360) 725-3715

Department of Social and Health Services

DP Code/Title: M2-R2 Psychiatric Emergency Response Team
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

FY 1

FY 2

0.00

0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

The budget request supports DSHS Goal 1: Health - Each individual and each community will be healthy.

The decision package is essential to implementing the BHSIA Strategic Objectives: 1.8: Decrease the quarterly rates of patient seclusion hours at Eastern State Hospital and Western State Hospital; and 1.9: Maintain the quarterly rates of restraint use at Eastern State Hospital and decrease the quarterly rates of restraint use at Western State Hospital.

This request directly supports the goal of decreased patient-to-staff assault claims filed at ESH and WSH. Desired and expected results are a reduction in the rate of patient-to-staff violence and assaults. This will reduce patient assault related industrial insurance claims and contribute to a reduction in DSHS industrial insurance premiums.

This request directly supports the goal of decreased rates of patient seclusion and restraint at both hospitals. The expansion of the PERT team serves our clients and staff by creating a mobile and accessible source of expert intervention to quickly and efficiently keep behavioral situations from escalating to the level that requires physical containment of patients. Through the utilization of these specialized services, violence at the state hospitals will be reduced resulting in fewer staff injuries and increased safety for our clients.

Does this decision package provide essential support to one of the Governor's priorities?

This decision package supports the Results Washington goals to:

Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians from a healthy start to a safe and supported future.

Help keep people safe in their homes, on their jobs, and in their communities and:

--Decrease workplace injury rates.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package supports the Results Washington goals to: Provide access to good medical care to improve people's lives.

What are the other important connections or impacts related to this proposal?

This was a recommendation of the State Hospital Ad Hoc Safety Committee, comprised of representatives from all of the labor organizations and management at all three hospitals to identify long and short-term safety improvement initiatives.

What alternatives were explored by the agency, and why was this alternative chosen?

The request cannot be absorbed within existing resources for the following reason: redirecting resources from other patient

Department of Social and Health Services

DP Code/Title: M2-R2 Psychiatric Emergency Response Team
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

care is not a viable option.

What are the consequences of not funding this package?

This request directly supports the goal of decreased patient-to-staff assault claims filed at ESH and WSH. Desired and expected results are a reduction in the rate of patient-to-staff violence and assaults. This will reduce patient assault related industrial insurance claims and contribute to a reduction in DSHS industrial insurance premiums.

What is the relationship, if any, to the state's capital budget?

This request has no impact on the capital budget.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment: 030 BHSIA M2-R2 PERT.xlsb

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

These costs are ongoing and will carry forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	0	177,000	177,000
B Employee Benefits	0	83,000	83,000
E Goods\Other Services	0	27,000	27,000
J Capital Outlays	0	23,000	23,000
P Debt Service	0	2,000	2,000
T Intra-Agency Reimbursements	0	6,000	6,000
Total Objects	0	318,000	318,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
Sources Title			
0011 General Fund State	0	318,000	318,000
Total for Fund 001-1	0	318,000	318,000
Total Overall Funding	0	318,000	318,000

2015 Supplemental Budget
030 BHSIA M2-R2 Psychiatric Emergency Response Team

Western State Hospital

	FTE	FY 15 FTE	Dollars		
			FY 2015	FY 2016	FY 2017
PERT Team					
Mental Health Technician 2 - Central/South Hall	12	2	\$ 116,000	\$ 697,176	\$ 697,176
Registered Nurse 2	2	0.3	\$ 34,000	\$ 203,000	\$ 203,000
PERT Team Annual Cost	14	2.3	\$ 150,000	\$ 900,000	\$ 900,000
Associated Staff Costs			\$ 35,000	\$ 208,000	\$ 124,000
TOTAL			\$ 185,000	\$ 1,108,000	\$ 1,024,000

Eastern State Hospital

	FTE	FY 15 FTE	Dollars		
			FY 2015	FY 2016	FY 2017
PERT Team					
Psychiatric Security Attendant - PERT Team	6	1	\$ 60,000	\$ 362,000	\$ 362,000
Register Nurse 2 - PERT Team	2	0.3	\$ 34,000	\$ 203,000	\$ 203,000
Therapy Services Supervisor	1	0.2	\$ 16,000	\$ 94,656	\$ 94,656
PERT Team Annual Cost	9	1.5	\$ 110,000	\$ 660,000	\$ 660,000
Associated Staff Costs			\$ 23,000	\$ 135,000	\$ 81,000
TOTAL			\$ 133,000	\$ 795,000	\$ 741,000
GRAND TOTAL:		3.8	\$ 318,000	\$ 1,903,000	\$ 1,765,000

Department of Social and Health Services

DP Code/Title: M2-R5 DSH Funding
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Recommendation Summary Text:

The Behavioral Health and Service Integration Administration (BHSIA) requests an increase in federal appropriation authority because of the anticipated increase in federal Disproportionate Share Hospital Payments (DSH). A corresponding reduction to GF-State is also requested. Expected reductions to DSH that will impact the state hospitals as a result of the Affordable Care Act (ACA) are delayed until the 2015-17 Biennium.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	(1,061,000)	(1,061,000)
001-C General Fund - Basic Account-Medicaid Federal	0	1,061,000	1,061,000
Total Cost	0	0	0

Staffing

Package Description:

Problem Statement

In FY 2015 the DSH allocation is expected to increase. It is expected that reductions will begin in FY 2017 and continue through 2020.

Proposed Solution

In order to continue operating at the current level, BHSIA is requesting federal authority and a corresponding reduction to GF-State funds to spend the additional revenue from the DSH allocation.

Agency Contact: Martha Brenna (360) 902-8194
 Program Contact: Paul Bigelow (360) 725-2055

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Continued state hospital operations.

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

This request supports the following goal identified in the DSHS 2013-2015 Strategic Plan:

Health - Each individual and each community will be healthy

Department of Social and Health Services

DP Code/Title: M2-R5 DSH Funding
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Does this decision package provide essential support to one of the Governor's priorities?

This package supports Governor Inslee's Goal 5: Effective, Efficient and Accountable Government - Fostering a Lean culture that drives accountability and results for the people of Washington.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package supports the Results Washington goal to:

Ensure efficiency, performance, and accountability to the public by providing transparency and accountability in state agency operations and:

--Increase Washington State Government's transparency.

What are the other important connections or impacts related to this proposal?

None

What alternatives were explored by the agency, and why was this alternative chosen?

This request cannot be absorbed within existing resources for the following reason: the appropriation authority determines the level of spending .

What are the consequences of not funding this package?

An increase in federal and a corresponding reduction in GF-S funding for the state hospitals allows the hospitals to function at the current level.

What is the relationship, if any, to the state's capital budget?

This request has no impact on the capital budget.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

The DSH level and the corresponding adjustments assumed in the 2013-15 Biennial budget remain preliminary. Updated preliminary numbers are available from the Centers for Medicare and Medicaid Services (CMS) for fiscal year FY 2015. Revised DSH ceilings increase the federal funding to BHSIA. This request is to increase federal appropriation authority and reduce GF-State for the increase in DSH.

See attachment 030 BHSIA M2-R5 DSH Funding.xlsx

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

Requested federal authority and the corresponding decrease to GF-State due to the increased DSH payment will change in FY 2017 when it is expected that reductions due to ACA will begin.

Department of Social and Health Services

DP Code/Title: M2-R5 DSH Funding
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
Program Totals			

DSHS Source Code Detail

Overall Funding	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	0	(1,061,000)	(1,061,000)
<i>Total for Fund 001-1</i>	<u>0</u>	<u>(1,061,000)</u>	<u>(1,061,000)</u>
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources Title</u>			
19TA Title XIX Assistance (FMAP)	0	1,061,000	1,061,000
<i>Total for Fund 001-C</i>	<u>0</u>	<u>1,061,000</u>	<u>1,061,000</u>
Total Overall Funding	<u>0</u>	<u>0</u>	<u>0</u>

030 BHSIA M2-R5 DSH Funding

	ESH	WSH	Total
% split	34%	66%	
FY 2015 Supplemental	360,794	700,366	1,061,160
FY 2016	360,794	700,366	1,061,160
FY 2017 P1	(3,729,467)	(7,239,554)	(10,969,022)
FY 2017 P2	(7,253,461)	(14,080,247)	(21,333,707)

	FY 14	FY 15	FY 16	Possibility 1 (P1) FY 17	Possibility 2 (P2) FY 17
Actual Claim	65,292,652				
FY15 Approp Assumption		65,088,590			
FY15 Fed Preliminary		66,149,750			
Restored Base			66,149,750	66,149,750	66,149,750
FY 16 Scheduled Reduction times 2					
Total Reductions			-	(10,969,022)	(21,333,707)
Cap for 2015-17 Biennium			66,149,750	55,180,728	44,816,043
Supplemental		1,061,160			
FY 16 & FY 17 Step			1,061,160	(10,969,022)	(21,333,707)

Policy Level

DSHS Budget Division

Recommendation Summary

Budget Period: 2013-15

Version: C3 - 030 2013-15 Final 2015 Sup

Budget Level Criteria: PL Only

Dollars in Thousands	Agency Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
PL - Performance Level					
R4 State Psychiatrist Pay	0	0.0	1,164	0	1,164
	SubTotal PL	0.0	1,164	0	1,164
Total Proposed PL Only Budget		0.0	1,164	0	1,164

Department of Social and Health Services

DP Code/Title: PL-R4 State Psychiatrist Pay
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Recommendation Summary Text:

The Behavioral Health and Service Integration Administration (BHSIA) requests funding for state hospital psychiatrists to receive Assignment Pay, in order to address a significant and ongoing shortage of psychiatrists at the state hospitals. By funding this request, the Department of Social and Health Services (DSHS) is expected to improve the recruitment and retention of psychiatrists in order to fill current vacancies in funded psychiatrist positions. Additionally, DSHS will have psychiatrist staffing needed to expand bed capacity at the state hospitals.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	1,164,000	1,164,000
Total Cost	0	1,164,000	1,164,000

Staffing

Package Description:

Problem Statement:

Sufficient psychiatric physicians are required at the state hospitals to maintain accreditation by The Joint Commission, and thereby, the Centers for Medicare & Medicaid (CMS) certification. The state hospitals have experienced significant shortages of psychiatrists for a number of years and the problem is increasing due to recent Washington State Supreme Court actions and increased competition for the limited pool of psychiatrists in Washington State.

According to the Department of Health, only 649 physicians in the state of Washington identify themselves as a psychiatrist, which means DSHS competes for a very small pool of potential in-state candidates. The state hospitals' ability to effectively compete for available psychiatrists is hampered by the current salary structure, working conditions involving high risk patients, and mandatory call due to staff shortages. The state hospitals do not have a competitive advantage to offer individuals who have a range of other employment and compensation options.

In addition to the hospitals having had limited success attracting psychiatrists, retention of psychiatrists is difficult because the hospitals are located in geographic areas with other hospitals or medical centers that recruit state hospital psychiatrists, such as Madigan Medical Center, American Lake Veterans Administration, St. Joseph's in Tacoma, MultiCare in Pierce County, Veteran's Administration in Seattle, St. Peter's in Olympia, and the Veteran's Administration Medical Center in Spokane.

One of the department's leading competitors for licensed psychiatrists, the Veteran's Administration (VA), has significantly increased the Psychiatrist salary range from \$99,000 to \$250,000, as compared to the DSHS top psychiatrist salary of \$161,000. In the wake of recent negative publicity, the VA is actively recruiting psychiatrists and this is not expected to end any time soon. DSHS psychiatrists have already left employment to work for the VA and others are being called and recruited by the VA on a weekly basis.

The need to address the shortage of psychiatrists is urgent. The State Supreme Court issued a unanimous opinion on August 7, 2014, ruling that the Involuntary Treatment Act (ITA) and WAC 388-865-0526 do not authorize the detention of persons in hospital emergency rooms or acute care centers ("psychiatric boarding") based solely on the unavailability of beds in certified evaluation and treatment centers. The court later stayed the mandate for 120 days to allow for additional evaluation and treatment resources to be made available. An additional case was filed in Federal Court on August 4, 2014 regarding the long wait times due to lack of hospital capacity for forensic services. The trial date is March 16, 2015 and there is a risk that the federal court will order the state to open additional forensic beds at the state hospitals.

Department of Social and Health Services

DP Code/Title: PL-R4 State Psychiatrist Pay
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

In order to respond to both court cases, the state hospitals may need to open more beds. Eastern State Hospital has had 15 beds off line since February 2014, and Western State Hospital was forced to reduce its capacity by 15 beds in June 2014 due to the hospital's inability to recruit and retain psychiatrists. To operate the hospitals at full capacity would require filling all of the current vacancies and adding one more psychiatrist at Western State Hospital. An immediate increase in salary, in the form of Assignment Pay, may allow DSHS to retain the psychiatrists currently employed as well as assist in the recruitment of additional psychiatrists.

Both Western State and Eastern State Hospitals have made continuous and extensive efforts to recruit psychiatric physicians, utilizing both state and private recruitment resources. Eastern State Hospital contracts with a private physician recruitment firm which made an exception in their recruiting standards to accommodate the DSHS salary deficiencies. Even when the hospitals are successful in recruitment efforts, the psychiatrists often leave to take better paying jobs for other employers.

Proposed Solution:

State hospital psychiatrist recruitment and retention problems will be addressed under this request by increasing the state hospital psychiatrist salary through Assignment Pay, a premium added to the base salary to recognize specialized skills, assigned duties, and/or unique circumstances that exceed the ordinary. All Psychiatrist 4 classified staff will receive Group C Assignment Pay (jobs granted assignment pay for recruitment and retention purposes) in the amount of 10 percent for Western State Hospital Psychiatrists and 15 percent for Eastern State Hospital psychiatrists. Providing Assignment Pay is the smallest possible change that could solve the problem. Other recruitment and retention challenges are currently being addressed (e.g. collaborative efforts to improve workplace safety given the high-risk patient population).

The timeline for implementation of Assignment Pay for psychiatrists is as soon as possible due to the urgency of the problems associated with insufficient psychiatrists.

Agency Contact: Martha Brenna (360) 902-8194
Program Contact: Victoria Roberts (360) 725-3715

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

BHSIA is expecting to retain and recruit adequate numbers of psychiatrists to treat patients.

Performance Measure Detail

Agency Level

Activity: C063 Mental Health Facilities Services

No measures linked to package

Incremental Changes

FY 1	FY 2
0.00	0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

This request supports the following goals identified in the DSHS 2013-2015 Strategic Plan:

- Health - Each individual and each community will be healthy
- Safety - Each individual and each community will be safe
- Protection - Each individual who is vulnerable will be protected
- Quality of Life - Each individual in need will be supported to attain the highest possible quality of life
- Public Trust - Strong management practices will be used to ensure quality and efficiency

The state (DSHS) is responsible for the state hospitals and operating the hospitals requires sufficient psychiatrists.

Department of Social and Health Services

DP Code/Title: PL-R4 State Psychiatrist Pay
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

Psychiatric physicians function as patient treatment team leads under The Joint Commission accreditation standards and CMS regulations. Psychiatrists are essential to achieving the goals of patient health, safety, protection and quality of life. Sufficient psychiatrist staffing is essential to ensure public trust in the care and protection of vulnerable patients at the state hospitals.

The decision package is essential to implementing BHSIA Strategic Objectives for providing patients an effective amount of active treatment and decreasing the use of seclusion and restraint interventions:

--Strategic Objective 1.7: Decrease the number of patient-to-staff assault claims filed at Eastern State Hospital, Western State Hospital and the Child Study and Treatment Center.

--Strategic Objective 1.8: Decrease the quarterly rates of patient seclusion hours at Eastern State Hospital and Western State Hospital.

--Strategic Objective 1.9: Maintain the quarterly rates of restraint use at Eastern State Hospital and decrease the quarterly rates of restraint use at Western State Hospital.

--Strategic Objective 1.11: Increase the rates of active treatment hours delivered at Eastern State Hospital and Western State Hospital.

The decision package is essential to implementing the BHSIA Strategic Objective for implementation of an electronic health care record (EHR) system at both Western State Hospital and Eastern State Hospital. Psychiatrists are essential participants in the implementation and sufficient psychiatrists are required in order to allow for effective participation of psychiatrists in the implementation.

--Strategic Objective 1.16: Implement a functional and integrated electronic health care record (EHR) at both Western State Hospital and Eastern State Hospital in October 2015.

The decision package is essential to implementing the BHSIA Strategic Objective for decreasing the time adults wait in jails for inpatient competency evaluations at the state hospitals. The hospitals are unable to provide the necessary hospital capacity due to psychiatrist vacancies:

--Strategic Objective 2.1: Decrease the number of adults waiting in jail more than seven days for inpatient competency evaluations at Eastern State Hospital and Western State Hospital.

Does this decision package provide essential support to one of the Governor's priorities?

This package supports the Results Washington Goals:

Healthy and Safe Communities - Fostering the health of Washingtonians from a healthy start to a safe and supported future and;

Goal 5: Effective, Efficient and Accountable Government - Fostering a Lean culture that drives accountability and results for the people of Washington.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package supports the Results Washington goal to provide access to good medical care to improve people's lives.

Department of Social and Health Services

DP Code/Title: PL-R4 State Psychiatrist Pay
Program Level - 030 Mental Health

Budget Period: 2013-15 Version: C3 030 2013-15 Final 2015 Sup

What are the other important connections or impacts related to this proposal?

The Union of Physicians of Washington (Coalition) is expected to support the proposal. Disability Rights Washington and other advocacy groups are expected to support the proposal.

What alternatives were explored by the agency, and why was this alternative chosen?

The request cannot be absorbed within existing resources because sufficient funding is unavailable.

What are the consequences of not funding this package?

Patient care will be jeopardized due to insufficient numbers of psychiatrists. At a critical point, hospital beds would need to be left unfilled and wait lists would increase.

What is the relationship, if any, to the state's capital budget?

This request has no impact on the capital budget.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment: 030 BHSIA PL-R4 State Psychiatrist Pay.xlsb

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

These costs are ongoing and will carry forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	0	989,000	989,000
B Employee Benefits	0	175,000	175,000
Total Objects	0	1,164,000	1,164,000

DSHS Source Code Detail

<u>Overall Funding</u>		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	0	1,164,000	1,164,000
<i>Total for Fund 001-1</i>		0	1,164,000	1,164,000
Total Overall Funding		0	1,164,000	1,164,000

**2015 Supplemental Budget
030 BHSIA PL-R4 State Psychiatrist Pay**

ESH	Psychiatrist 4	Staff 17.2	% of Total 24%
WSH	Psychiatrist 4	Staff 53.2	76%

	Staff	Range	Step	Total Yearly Salary	Per Staff Monthly Salary	Total Yearly Benefit	Total Yearly Total A & B
Total Base ESH & WSH	70.4	95	M	\$ 11,653,171	\$ 13,794	\$ 3,352,925	\$ 15,006,096
ESH Psychiatrist Assignment Pay 15% Increase (Cost per Fiscal Year)	17.2			\$ 501,106	\$ 2,428	\$ 88,746	\$ 589,851
WSH Psychiatrist Assignment Pay 10% Increase (Cost per Fiscal Year)	53.2			\$ 982,710	\$ 1,539	\$ 174,038	\$ 1,156,748
Total Pay with Psychiatrist Assignment Pay Increase (Cost per Fiscal Year)	70.4			\$ 13,136,987	\$ 17,761	\$ 3,615,708	\$ 16,752,695

Funding By Budget Unit	Total Yearly Salary	Total Yearly Benefit	Total Yearly Total A & B
Incremental Increase Above Base			
ESH G91	FY 15 FY 16 & FY 17 \$ 334,000 \$ 501,000 \$ 835,000	FY 15 FY 16 & FY 17 \$ 59,000 \$ 89,000 \$ 148,000	FY 15 FY 16 & FY 17 \$ 393,000 \$ 590,000 \$ 983,000
ESH G92	FY 15 FY 16 & FY 17 \$ 655,000 \$ 983,000 \$ 1,638,000	FY 15 FY 16 & FY 17 \$ 116,000 \$ 174,000 \$ 290,000	FY 15 FY 16 & FY 17 \$ 771,000 \$ 1,157,000 \$ 1,928,000
Total	FY 15 FY 16 & FY 17 \$ 989,000 \$ 1,484,000 \$ 2,473,000	FY 15 FY 16 & FY 17 \$ 175,000 \$ 263,000 \$ 438,000	FY 15 FY 16 & FY 17 \$ 1,164,000 \$ 1,747,000 \$ 2,911,000