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#### Recommendation Summary

#### Decision Packages

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**Special  
Commitment  
Center**

**Program 135**

***DSHS Budget Division***



# **Recommendation Summary**

***DSHS Budget Division***

# Recommendation Summary

Budget Period:2013-15  
 Budget Level Criteria: ALL

Version: M3 - 135 2013-15 Final 2015 Sup

Dollars in Thousands		Agency Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
<b>M1 - Mandatory Caseload and Enrollment Changes</b>						
93	Mandatory Caseload Adjustments	0	0.0	190	0	190
<b>SubTotal M1</b>			<b>0.0</b>	<b>190</b>	<b>0</b>	<b>190</b>
<b>Cumulative Total Thru M1</b>			<b>0.0</b>	<b>190</b>	<b>0</b>	<b>190</b>
<b>M2 - Inflation and Other Rate Changes</b>						
7E	Hepatitis C Costs	0	0.0	835	0	835
8P	Postage Rate Adjustments	0	0.0	2	0	2
8X	Facility Maintenance Costs	0	0.0	20	0	20
9G	Workers Comp Base Correction	0	0.0	116	0	116
9T	Transfers	0	0.0	127	0	127
<b>SubTotal M2</b>			<b>0.0</b>	<b>1,100</b>	<b>0</b>	<b>1,100</b>
<b>Cumulative Total Thru M2</b>			<b>0.0</b>	<b>1,290</b>	<b>0</b>	<b>1,290</b>
<b>PL - Performance Level</b>						
PF	Electronic Health Records	0	0.0	0	0	0
<b>SubTotal PL</b>			<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Cumulative Total Thru PL</b>			<b>0.0</b>	<b>1,290</b>	<b>0</b>	<b>1,290</b>
<b>Total Proposed Budget</b>			<b>0.0</b>	<b>1,290</b>	<b>0</b>	<b>1,290</b>





# **Maintenance Level**

***DSHS Budget Division***

# Recommendation Summary

Budget Period:2013-15

Version: M3 - 135 2013-15 Final 2015 Sup

Budget Level Criteria: M1+M2

Dollars in Thousands	Agency Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
<b>M1 - Mandatory Caseload and Enrollment Changes</b>					
93	Mandatory Caseload Adjustments	0	190	0	190
	<b>SubTotal M1</b>	<b>0.0</b>	<b>190</b>	<b>0</b>	<b>190</b>
<b>M2 - Inflation and Other Rate Changes</b>					
7E	Hepatitis C Costs	0	835	0	835
8P	Postage Rate Adjustments	0	2	0	2
8X	Facility Maintenance Costs	0	20	0	20
9G	Workers Comp Base Correction	0	116	0	116
9T	Transfers	0	127	0	127
	<b>SubTotal M2</b>	<b>0.0</b>	<b>1,100</b>	<b>0</b>	<b>1,100</b>
<b>Total Proposed M1+M2 Budget</b>		<b>0.0</b>	<b>1,290</b>	<b>0</b>	<b>1,290</b>

Department of Social and Health Services

**DP Code/Title: M1-93 Mandatory Caseload Adjustments**  
**Program Level - 135 Special Commitment Program**

Budget Period: 2013-15 Version: M3 135 2013-15 Final 2015 Sup

**Recommendation Summary Text:**

The Juvenile Justice and Rehabilitation Administration (JJRA) requests funding in order to pay increased costs projected in the June 2014 caseload forecast for the Special Commitment Center (SCC) facilities. By funding this request, JJRA is expected to be properly funded for caseload growth and increases in per resident costs, such as costs for resident food, housing, and medical and dental services.

**Fiscal Detail:**

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
001-1 General Fund - Basic Account-State	0	190,000	190,000
<b>Total Cost</b>	<b>0</b>	<b>190,000</b>	<b>190,000</b>

Staffing

**Package Description:**

The June 2014 forecast of SCC caseloads projects:

- No change in the average monthly caseload for the Total Confinement facility.
- A small increase (\$24) in the cost per month, per resident in the Total Confinement facility resulting in an average increase in costs of \$77,000 per year.
- An increase in the average monthly caseload in the Secure Community Transition (SCTF) and Less Restrictive Alternative (LRA) community facilities of 2.1 resulting in an increase in costs of \$114,000 per year.
- A small decrease (\$3) in the cost per month, per resident in the Secure Community Transition and Less Restrictive Alternative community facilities resulting in a decrease in costs of \$1,000 per year.

The total forecasted cost increase is \$190,000 for Fiscal Year 2015. This projection captures such costs as sex offender treatment and evaluation, food costs, housing costs for SCTF and LRA populations, and most medical and dental care and medications. These forecasts do not capture changes in caseload that would result in a need for increased/decreased facilities or staffing. Any change in the need for facilities or staffing is requested in a separate budget step. Additionally, a request for funding for significant medical costs related to the resident treatment for Hepatitis C is included in a separate budget step.

Agency Contact: Mickie Coates (360)902-8077

Program Contact: Mark Strong (253)583-5929

**Narrative Justification and Impact Statement**

*What specific performance outcomes does the agency expect?*

To keep the civilly committed residents in SCC's care in a healthy, safe and secure environment and to provide treatment for a successful release back into the community.

**Performance Measure Detail**

**Agency Level**

Activity: **M00 SCC Health Services Clinic**  
 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: M1-93 Mandatory Caseload Adjustments**  
**Program Level - 135 Special Commitment Program**

Budget Period: 2013-15    Version: M3 135 2013-15 Final 2015 Sup

**Activity: M02 Civil Commitment Less Restrictive Alternatives**

Incremental Changes

FY 1

FY 2

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 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.

*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

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

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

This request provides for continued confinement, care, and treatment of persons who have been convicted of or charged with a crime of sexual violence. These individuals suffer from a mental abnormality or personality disorder which makes it likely that they will engage in predatory acts of violence if they are not confined. All SCC stakeholders will continue to support the treatment of confined residents.

*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:

Request is for funding for increased costs expected due to larger forecasted caseloads and increased resident costs in SCC facilities. The current appropriation is insufficient to provide for the confinement, care, and treatment of the larger number of residents forecasted for the SCC program.

*What are the consequences of not funding this package?*

Without needed funding, SCC cannot provide adequate and appropriate services to residents. The program could be placed in jeopardy of non-compliance with federal standards by not providing residents with constitutionally adequate mental health treatment.

*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: M1-93 Mandatory Caseload Adjustments**  
**Program Level - 135 Special Commitment Program**

Budget Period: 2013-15 Version: M3 135 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: SCC M1-93 Mandatory Caseload Adjustments.xlsx

*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>
<b>Overall Funding</b>			
E Goods\Other Services	0	49,000	49,000
N Grants, Benefits & Client Services	0	141,000	141,000
<b>Total Objects</b>	<b>0</b>	<b>190,000</b>	<b>190,000</b>

**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			
<b><u>Sources Title</u></b>			
0011 General Fund State	0	190,000	190,000
<i>Total for Fund 001-1</i>	<b>0</b>	<b>190,000</b>	<b>190,000</b>
<b>Total Overall Funding</b>	<b>0</b>	<b>190,000</b>	<b>190,000</b>

**2015 Supplemental Budget  
 SCC M1-93 Mandatory Caseload Adjustments**

	<b>SCTF/LRA</b>	<b>Main Facility</b>	<b>Total SCC</b>
	<b>2015</b>	<b>2015</b>	<b>2015</b>
February 2014 Forecast	1,395,000	3,721,000	5,116,000
June 2014 Forecast	1,509,000	3,797,000	5,306,000
2015 Supplemental Budget Request	114,000	76,000	190,000

Department of Social and Health Services

**DP Code/Title: M2-7E Hepatitis C Costs**  
**Program Level - 135 Special Commitment Program**

Budget Period: 2013-15 Version: M3 135 2013-15 Final 2015 Sup

**Recommendation Summary Text:**

The Juvenile Justice and Rehabilitation Administration (JJRA) requests funding to provide medical treatment for residents at the Special Commitment Center (SCC) who have Hepatitis C (Hep C). By funding this request, the SCC will be able to provide the on-going medical treatment necessary for individuals identified as having Hep C.

**Fiscal Detail:**

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
001-1 General Fund - Basic Account-State	0	835,000	835,000
<b>Total Cost</b>	<b>0</b>	<b>835,000</b>	<b>835,000</b>

**Staffing**

**Package Description:**

**Problem Statement:**

In the 2014 Supplemental Budget, SCC received funding to provide treatment for 18 residents diagnosed with Hep C. Approximately \$99,000 was appropriated for the treatment protocols in place at the time for each of the 18 residents. Since that time, a new treatment protocol is recommended at an estimated cost of \$170,000 per resident.

Of the 18 residents for whom treatment funding was appropriated in the 2014 Supplemental Budget, ten are expected to begin and complete treatment under the new protocol in Fiscal Year 2015.

**Proposed Solution:**

By providing the medically recognized treatment for these patients, we can expect to see a sustained viral response from the residents. The current medication regime is Sovaldi which costs \$120,000 to \$160,000 per resident. This does not include the additional \$10,000 per resident for the pre-screening treatment. This medication is easier for the patient to tolerate and is the recommended treatment.

Agency Contact: Mickie Coates (360)902-8077  
 Program Contact: Leslie Sziebert (253)588-5281

**Narrative Justification and Impact Statement**

*What specific performance outcomes does the agency expect?*

By funding this request, the SCC will be able to provide the on-going medical treatment necessary for residents identified as having Hep C. Providing this treatment supports residents in fully reaching their potential through the rehabilitation process.

***Performance Measure Detail***

**Agency Level**

**Activity: M00 SCC Health Services Clinic**

No measures linked to package

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

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

Department of Social and Health Services

**DP Code/Title: M2-7E Hepatitis C Costs**  
**Program Level - 135 Special Commitment Program**

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Budget Period: 2013-15 Version: M3 135 2013-15 Final 2015 Sup

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The budget request supports DSHS Goals:

- 1: Health - Each individual and community will be healthy
- 4: Quality of Life - Each individual in need will be supported to attain the highest possible quality of life

This decision package is essential to implementing the JJRA Strategic Objectives:

- 2.4 - Increase public safety through provision of coordinated rehabilitative services to residents at SCC
- 5.1 - Maintain a productive, effective organization and maximize service delivery capacity within available resources.

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

This decision package supports the Results Washington goal 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 goal to:

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

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

Stakeholders in support of this allocation of funds will be the residents and their families.

***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:

The current appropriation is insufficient to fund the significant costs of HEP C treatment for SCC residents.

***What are the consequences of not funding this package?***

Residents who are detained as sexually violent predators are done so under the civil commitment laws. Their care is entrusted to the state of Washington. To provide medically necessary treatment to this group of individuals is necessary to ensure that they are able to function at the highest quality of life available to them. Failure to provide this treatment does not offer them the opportunity to fully reach their potential through the rehabilitation process.

***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***

Costs for the 10 residents needing treatment are estimated at \$1,700,000 (\$170,000 \* 10 residents) for Fiscal Year 2015.

Department of Social and Health Services

**DP Code/Title: M2-7E Hepatitis C Costs**  
**Program Level - 135 Special Commitment Program**

Budget Period: 2013-15 Version: M3 135 2013-15 Final 2015 Sup

Additionally, Fiscal Year 2015 costs for the one resident to complete treatment under the previous protocol are estimated at \$37,000. Total estimated Fiscal Year 2015 treatment costs are estimated at \$1,737,000. The 2014 Supplemental Budget appropriated \$902,000 in Fiscal Year 2015 for Hep C treatment. The requested amount in this decision package is \$835,000 (\$1,737,000 - \$902,000).

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

Costs for Hep C treatment in Fiscal Year 2015 for current residents identified as needing treatment are one-time costs. The 2015-17 Biennial Budget request includes a decision package requesting ongoing funding for residents identified as needing treatment in future years.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
N Grants, Benefits & Client Services	0	835,000	835,000

**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	835,000	835,000
<i>Total for Fund 001-1</i>	<u>0</u>	<u>835,000</u>	<u>835,000</u>
<b>Total Overall Funding</b>	<b>0</b>	<b>835,000</b>	<b>835,000</b>

Department of Social and Health Services

**DP Code/Title: M2-8P Postage Rate Adjustments**  
**Program Level - 135 Special Commitment Program**

Budget Period: 2013-15    Version: M3 135 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>
<b>Overall Funding</b>			
001-1 General Fund - Basic Account-State	0	2,000	2,000
<b>Total Cost</b>	<b>0</b>	<b>2,000</b>	<b>2,000</b>

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: **M00    SCC Administrative Services**

Incremental Changes

FY 1

FY 2

**DP Code/Title: M2-8P Postage Rate Adjustments**  
**Program Level - 135 Special Commitment Program**

Budget Period: 2013-15 Version: M3 135 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 - 135 Special Commitment Program**

Budget Period: 2013-15 Version: M3 135 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>
<b>Overall Funding</b>			
E Goods\Other Services	0	1,000	1,000
T Intra-Agency Reimbursements	0	1,000	1,000
<b>Total Objects</b>	<b>0</b>	<b>2,000</b>	<b>2,000</b>

**DSHS Source Code Detail**

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

**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		2015		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
<b>Total</b>	<b>553,000</b>		<b>0</b>		<b>553,000</b>

**State/Other Split**

Program	State		Other		Total
	2015		2015		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
<b>Total</b>	<b>372,000</b>		<b>181,000</b>		<b>553,000</b>

Department of Social and Health Services

**DP Code/Title: M2-8X Facility Maintenance Costs**  
**Program Level - 135 Special Commitment Program**

Budget Period: 2013-15 Version: M3 135 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:**

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
001-1 General Fund - Basic Account-State	0	20,000	20,000
<b>Total Cost</b>	<b>0</b>	<b>20,000</b>	<b>20,000</b>

**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 - 135 Special Commitment Program**

Budget Period: 2013-15 Version: M3 135 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: M00 Facility and Island Operation**

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 - 135 Special Commitment Program**

Budget Period: 2013-15 Version: M3 135 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>
<b>Overall Funding</b>			
E Goods\Other Services	0	20,000	20,000

**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	20,000	20,000
<i>Total for Fund 001-1</i>	<u>0</u>	<u>20,000</u>	<u>20,000</u>
<b>Total Overall Funding</b>	<b>0</b>	<b>20,000</b>	<b>20,000</b>

**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
<b>Total</b>	<b>689,000</b>		<b>0</b>		<b>689,000</b>

**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
<b>Total</b>	<b>657,000</b>		<b>32,000</b>		<b>689,000</b>

Department of Social and Health Services

**DP Code/Title: M2-9G Workers Comp Base Correction**  
**Program Level - 135 Special Commitment Program**

Budget Period: 2013-15 Version: M3 135 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>
<b>Overall Funding</b>			
001-1 General Fund - Basic Account-State	0	116,000	116,000
<b>Total Cost</b>	<b>0</b>	<b>116,000</b>	<b>116,000</b>

**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.

***Performance Measure Detail***

**Agency Level**

Department of Social and Health Services

**DP Code/Title: M2-9G Workers Comp Base Correction**  
**Program Level - 135 Special Commitment Program**

Budget Period: 2013-15 Version: M3 135 2013-15 Final 2015 Sup

<b>Activity: M00 SCC Administrative Services</b>	<b>Incremental Changes</b>
No measures linked to package	<b><u>FY 1</u></b> <b><u>FY 2</u></b>
	0.00      0.00
<b>Activity: M00 SCC Health Services Clinic</b>	<b>Incremental Changes</b>
No measures linked to package	<b><u>FY 1</u></b> <b><u>FY 2</u></b>
	0.00      0.00
<b>Activity: M00 SCC Forensic Services</b>	<b>Incremental Changes</b>
No measures linked to package	<b><u>FY 1</u></b> <b><u>FY 2</u></b>
	0.00      0.00
<b>Activity: M00 Residential and Security Operations</b>	<b>Incremental Changes</b>
No measures linked to package	<b><u>FY 1</u></b> <b><u>FY 2</u></b>
	0.00      0.00
<b>Activity: M00 Facility and Island Operation</b>	<b>Incremental Changes</b>
No measures linked to package	<b><u>FY 1</u></b> <b><u>FY 2</u></b>
	0.00      0.00
<b>Activity: M00 Sex Offender Treatment Services</b>	<b>Incremental Changes</b>
No measures linked to package	<b><u>FY 1</u></b> <b><u>FY 2</u></b>
	0.00      0.00
<b>Activity: M02 Civil Commitment Less Restrictive Alternatives</b>	<b>Incremental Changes</b>
No measures linked to package	<b><u>FY 1</u></b> <b><u>FY 2</u></b>
	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.

Department of Social and Health Services

**DP Code/Title: M2-9G Workers Comp Base Correction**  
**Program Level - 135 Special Commitment Program**

Budget Period: 2013-15 Version: M3 135 2013-15 Final 2015 Sup

*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?*

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>
<b>Overall Funding</b>			
B Employee Benefits	0	116,000	116,000

**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	116,000	116,000
<i>Total for Fund 001-1</i>	0	116,000	116,000
<b>Total Overall Funding</b>	0	116,000	116,000

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

**Department of Social and Health Services**

	<b>Program</b>	<b>FY 15</b>	<b>FY 15</b>		<b>Total</b>
		<b>OBJECT</b>	<b>State</b>	<b>FUNDING</b>	
		<b>B</b>		<b>Other</b>	
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
<b>TOTAL</b>		<b>3,824,000</b>	<b>2,900,000</b>	<b>924,000</b>	<b>3,824,000</b>

Department of Social and Health Services

**DP Code/Title: M2-9T Transfers**  
**Program Level - 135 Special Commitment Program**

Budget Period: 2013-15 Version: M3 135 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>
<b>Overall Funding</b>			
001-1 General Fund - Basic Account-State	0	127,000	127,000
<b>Total Cost</b>	<b>0</b>	<b>127,000</b>	<b>127,000</b>

**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.

Office of Deaf and Hard of Hearing (ODHH) Compensation Adjustment-

Department of Social and Health Services

**DP Code/Title: M2-9T Transfers**  
**Program Level - 135 Special Commitment Program**

Budget Period: 2013-15 Version: M3 135 2013-15 Final 2015 Sup

(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 (AL TSA). ODHH was transferred from DVR to AL TSA 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 AL TSA. 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: M00 SCC Administrative Services**

No measures linked to package

**Incremental Changes**

**FY 1**

**FY 2**

0.00

0.00

**Activity: M00 Facility and Island Operation**

No measures linked to package

**Incremental Changes**

**FY 1**

**FY 2**

0.00

0.00

**Activity: M02 Civil Commitment Less Restrictive Alternatives**

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

**Department of Social and Health Services**

**DP Code/Title: M2-9T Transfers**  
**Program Level - 135 Special Commitment Program**

Budget Period: 2013-15    Version: M3 135 2013-15 Final 2015 Sup

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 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>
<b>Overall Funding</b>			
B Employee Benefits	0	(10,000)	(10,000)
E Goods\Other Services	0	(3,000)	(3,000)
T Intra-Agency Reimbursements	0	140,000	140,000
<b>Total Objects</b>	<b>0</b>	<b>127,000</b>	<b>127,000</b>

**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			
<b>Sources Title</b>			
0011 General Fund State	0	127,000	127,000
<i>Total for Fund 001-1</i>	<b>0</b>	<b>127,000</b>	<b>127,000</b>
<b>Total Overall Funding</b>	<b>0</b>	<b>127,000</b>	<b>127,000</b>

**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
<b>010 Children's Administration</b>												
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
<b>010 Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(598,000)</b>	<b>(24,000)</b>	<b>(622,000)</b>	<b>(598,000)</b>	<b>(24,000)</b>	<b>(622,000)</b>
<b>020 Juvenile Rehabilitation</b>												
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
<b>020 Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>109,000</b>	<b>0</b>	<b>109,000</b>	<b>109,000</b>	<b>0</b>	<b>109,000</b>
<b>030 Mental Health</b>												
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
<b>030 Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>468,000</b>	<b>39,000</b>	<b>507,000</b>	<b>468,000</b>	<b>39,000</b>	<b>507,000</b>
<b>040 Developmental Disabilities Administration</b>												
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
<b>040 Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>424,000</b>	<b>355,000</b>	<b>779,000</b>	<b>424,000</b>	<b>355,000</b>	<b>779,000</b>
<b>050 Aging &amp; Long-Term Support Admin</b>												
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
<b>050 Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(98,000)</b>	<b>12,000</b>	<b>(86,000)</b>	<b>(98,000)</b>	<b>12,000</b>	<b>(86,000)</b>
<b>060 Economic Services Administration</b>												
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
<b>060 Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,517,000)</b>	<b>(479,000)</b>	<b>(1,996,000)</b>	<b>(1,517,000)</b>	<b>(479,000)</b>	<b>(1,996,000)</b>
<b>070 Alcohol and Substance Abuse</b>												
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
<b>070 Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(4,000)</b>	<b>1,000</b>	<b>(3,000)</b>	<b>(4,000)</b>	<b>1,000</b>	<b>(3,000)</b>
<b>100 Division of Voc. Rehabilitation</b>												
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
<b>100 Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(40,000)</b>	<b>0</b>	<b>(40,000)</b>	<b>(40,000)</b>	<b>0</b>	<b>(40,000)</b>
<b>110 Administration &amp; Supporting Services</b>												
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
<b>110 Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>453,000</b>	<b>96,000</b>	<b>549,000</b>	<b>453,000</b>	<b>96,000</b>	<b>549,000</b>

**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
<b>135</b>	<b>Special Commitment Center</b>												
	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
	<b>135 Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>127,000</b>	<b>0</b>	<b>127,000</b>	<b>127,000</b>	<b>0</b>	<b>127,000</b>
<b>145</b>	<b>Payments to Other Agencies</b>												
	4. ITS Adjustment			0.0			0	676,000		676,000	676,000	0	676,000
				0.0			0			0	0	0	0
	<b>145 Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>676,000</b>	<b>0</b>	<b>676,000</b>	<b>676,000</b>	<b>0</b>	<b>676,000</b>
<b>150</b>	<b>Information System Services Division</b>												
	4. ITS Adjustment			0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	<b>150 Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>160</b>	<b>Consolidated Field Services</b>												
				0.0			0			0	0	0	0
	<b>160 Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Agency-Wide Total:</b>		<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**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.





# **Policy Level**

***DSHS Budget Division***

# Recommendation Summary

Budget Period:2013-15

Version: M3 - 135 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
<b>PL - Performance Level</b>					
PF Electronic Health Records	0	0.0	0	0	0
	<b>SubTotal PL</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Proposed PL Only Budget</b>		<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Department of Social and Health Services

**DP Code/Title: PL-PF Electronic Health Records  
Program Level - 135 Special Commitment Program**

Budget Period: 2013-15 Version: M3 135 2013-15 Final 2015 Sup

**Recommendation Summary Text:**

The Juvenile Justice and Rehabilitation Administration (JJRA), Special Commitment Center (SCC) requests placeholder funding in order to purchase an Electronic Health Record application. By funding this request, SCC is expected to reduce health care costs, improve the security of medical and mental health data, and provide improved quality of resident health care.

**Fiscal Detail:**

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

Staffing

**Package Description:**

**Problem Statement:**

SCC currently has no Electronic Health Care System and operates with paper medical and mental health treatment charts. Medical decision support tools are not available to ensure that quality health care is being provided. Current documentation processes are insufficient to meet federal compliance requirements for billing outside insurance providers. SCC wishes to implement an application that will document "meaningful use requirements" and provide ICD-10 diagnosis and procedure codes for billing for Medicare, Medicaid, and other insurance as mandated in 45 CFR Part 162.

**Proposed Solution:**

SCC requests placeholder funding to purchase and implement a Health Insurance Portability and Accountability Act (HIPAA) compliant application that would be accessed by staff through secure connections. Since this is a placeholder, system and FTE requirements are unknown until program requirements are fully determined.

**CTS Consultation:**

Consults were completed with CTS for hosting services. The results of these consults were used in the requested amounts where needed.

Agency Contact: Mickie Coates (360)902-8077  
Program Contact: Heather Sacha (253)617-8924

**Narrative Justification and Impact Statement**

*What specific performance outcomes does the agency expect?*

Once implemented the program expects to see the following benefits:

- Improved quality of resident care
- Improved quality and standardization of clinician and medical business practices
- Improved accuracy of diagnoses and health outcomes
- Improved care coordination between mental health and medical health treatment providers working at the Special

Department of Social and Health Services

**DP Code/Title: PL-PF Electronic Health Records**  
**Program Level - 135 Special Commitment Program**

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Budget Period: 2013-15 Version: M3 135 2013-15 Final 2015 Sup

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Commitment Center as well as integrated care from providers working off-site in the health care community

- Elimination of duplicative pharmaceutical orders
- Increase in medical and clinical practice efficiencies resulting in cost savings by utilizing electronic alerts that prompt to schedule appointments for routine preventive health care increasing patient/resident compliance
- Documentation of pharmaceutical and health care.

***Performance Measure Detail***

**Agency Level**

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

The budget request supports DSHS Goals:

- 2: Safety - Each individual and each community will be safe
- 4: Quality of Life - Each individual in need will be supported to attain the highest possible quality of life
- 5: Public Trust - Strong management practices will be used to ensure quality and efficiency

The decision package is essential to implementing the JJRA Strategic Objectives:

- 2.4 - Increase public safety through provision of coordinated rehabilitative services to residents at SCC
- 5.1 - Maintain a productive, effective organization and maximize service delivery capacity within available resources

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

This decision package supports the Results Washington goals:

- Goal 4: Healthy and Safe Communities - Fostering the health of Washingtonians from a healthy start to a safe and supported future.
- 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 keep people safe in their homes, on their jobs, and in their communities

Ensure that funding is used responsibly

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

There is support for this proposal from SCC Executive Management, clinical and medical staffing, as well as JJRA Executive Management. Off-island private health care providers will support this proposal as it will help SCC medical staff move away from paper processes.

***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:

The current appropriation does not provide sufficient funding to allow for the development cost and operation of an Electronic Health Record system.

Department of Social and Health Services

**DP Code/Title: PL-PF Electronic Health Records  
Program Level - 135 Special Commitment Program**

Budget Period: 2013-15 Version: M3 135 2013-15 Final 2015 Sup

*What are the consequences of not funding this package?*

With the addition of the requested system, the SCC will be able to meet the current service delivery demands of both the program and headquarters and move away from a cumbersome paper process.

*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*

Placeholder.

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

This is a placeholder request but production costs are expected to be one-time costs and ongoing maintenance costs 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			

<u>DSHS Source Code Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
Fund ,			
<u>Sources Title</u>			

Total for Fund

Total Overall Funding

Totals for all funds

**2015 Supplemental Budget  
Department of Social and Health Services**

# Information Technology Addendum

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**Recsum Code and Title**      **PL-PF Electronic Health Record**  
**Brief Description:**      **Electronic Health Record & Pharmaceutical Ordering System**

**If this investment includes the use of servers, do you plan to use the state data center?**

- Yes       No, waiver received       No, waiver not received       Does not apply

## Security

**Security:** How does this investment affect the state's security posture? Have the proper security considerations been made? Does the investment itself actually improve infrastructure security? What, if any, security concerns are there?

This investment will improve data security as current process is manual paper mental health and medical case treatment, progress notes, medication ordering and tracking of pharmaceuticals. Case Management (progress note, treatment plans) are documents stored in separate shared folders, paper Medical charts with medication orders faxed to contracted pharmacy. With paper and electronic documents there is no way to implement HIPAA recommended individual medical and clinical staff user permissions by field-chart-note type for edit or viewing. Paper charting process leads to case management and medical documentation loss, damage and manipulation. Electronic system will provide audit logging (who changed what) where there is no auditing with a paper based system.

SCC is seeking purchase and implementation of a SaaS application that vendor will host, manage, backup and maintain servers that are accessed through secure CTS VPN connections. The solution we are seeking utilizes HTTPS protocol connections supporting 256 bit encrypted application requests from our facility to the secure SaaS facility. Cisco firewalls provide front line protection to SaaS application servers. Application and database servers contain fully encrypted hard drives using 256 bit AES. Vendors data security has been ONC Certified. Application servers resides in a DMZ environment with a firewall limiting outside access by restricting ports and source IPs. Backups are also stored on encrypted AES 256 drives. The Secure Vendor Data Center requires 3 factor authentication to access servers. The Secure Data Center facility is monitored 24x7 and has closed circuit security cameras. Redundant power and cooling ensure system stability.

## Feasibility/Risk

**Cultural readiness/organizational capacity:** Does this investment require significant institutional change within the agency, and is the agency prepared for that change? Is there committed and proven leadership? Is there a record of successful projects? Does the agency foster a culture of creative problem solving?

## **2015 Supplemental Budget Department of Social and Health Services**

Going from paper based case management and medication ordering and tracking of pharmaceuticals to SaaS application is a huge change that the SCC Clinical and Medical Departments have been requesting for several years now.

There are risks raised by the nurses union related to the number of mistakes that are being made under the current manual process. There are guidelines that govern the number of mistakes that can be made by a nurse before they lose their license. There is concern that nurses could be in jeopardy of losing their licenses due to manual processes that would be resolved with the electronic tracking and re-ordering of medication with a SaaS web based pharmaceutical solution.

SCC mental health and medical staffing are excited about improving the quality of care and reducing costs at the health care system level: utilizing clinical decision support (CDS) tools, computerized physician order entry (CPOE) systems, and being able to exchange health information with outside providers.

### **Technical complexity: Can the investment realistically be completed within the proposed framework of time, budget and resources?**

Yes. The SaaS solution that we are seeking has been evaluated and we have visited other “correction type” facilities that are utilizing clinical, mental health, medical charting and pharmacy ordering SaaS application. Staff at the site visit reported a 2-week training and full implementation of the application, we expect no technical difficulty as the vendor will be responsible for hosting the production and development (training), backup and maintenance of the system and these web based applications are extremely easy to use.

### **Urgency: Is the investment urgent or can wait until a future funding cycle? Must the investment be completed all at once, or can we break it into incremental pieces?**

Moving away from paper based systems to electronic clinical and medical case management systems will meet OCIO strategies for improving data security, supporting mobility and provides innovative delivery of services.

The pharmaceutical ordering and tracking module is urgently needed as medication errors are a great patient/resident concern.

### **Impact of not doing: What are the potential impacts to the state, agency, or the public if this investment is not completed?**

The state faces the potential of lawsuits due to current manual processes. Medical errors due to illegible handwritten prescriptions occur which are a patient/resident safety issue. Electronic Medication Administration Reports (eMAR) can be viewed by providers showing detailed administration of medications and refusals for specific patient/resident for a range of dates thus showing patient/resident compliance or non-compliance this will help in lawsuits where patients are claiming lack of treatment or failure to provide prescribed medications.

Electronic health charting module will provide needed clinical decision support tools and allergy/drug interaction information will be flagged by the computer when prescribed. This will avert medical errors that can lead to poor patient/resident care or lawsuit. Electronic health record system will allow the provider to enter orders not just for pharmaceuticals, but laboratory

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tests, radiology, physical therapy etc. Computerization of these processes eliminates dangerous medical errors caused by poor penmanship of physicians. It is also more efficient because nursing and pharmacy staff do not need to seek clarification on provider orders or ask for missing information. And of course electronic clinical and medical records are much easier to produce for disclosure purposes thus avoiding fines.

### Technology Strategy Alignment

**Agile value: Is the investment broken into incremental steps that provide customer-facing value and allow periodic assessment of progress?**

Yes

**Modernization of state government: Will the investment result in replacing legacy systems that are no longer solving business problems with modern, appropriate technology solutions?**

Yes, this project will replace paper based processes with OCIO suggested cloud based application.

**Mobility: Does the investment help state employees conduct business “any time, anywhere”? Does it improve mobile access to services for customers?**

Yes. This proposed solution will provide off-site SCC oncall medical providers access to data via mobile technology, this hosted solution will allow them to prescribe and monitor medication usage at home or on the run. This service will not be available to our customers who are sexually violent predators housed at the Total Confinement Facility, but it will improve our ability to produce information and reports that they may request.

**Transparency: Does it increase public visibility of services provided with public funds? Does this investment increase public access to searchable public data and information?**

The data in this system will be private health information HIPAA we expect no sharing of this type of data with the public.

**Accountability: Are the investment’s goals well articulated? How will “success” be determined or measured?**

The following performance measure have been identified. Success will be measured for each item below.

1. All clinical (psychologists) and medical staffing will be trained on new system before implementation
2. New SaaS application will be implemented by March 15, 2015.
3. Business processes will be standardized after the implementation of the new system.
4. Electronic ordering process with contracted pharmacy demonstrates value and there are no wasted monies on duplicative orders.
5. Providers will utilize CDS tools and adherence to evidence-based clinical guidelines for effective care.
6. Clinical staff will utilize mental health treatment plan and note charting for effective care.
7. Electronic medical alerts for vaccinations and appointments will decrease staff time while increasing patient/resident compliance for preventive health care

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8. Facility receives pharmaceuticals ordered through system in a timely manner requiring no staff actions for re-order.
9. Medical administrative staff time is decreased as electronic alerts, reminders for appointment and proper rescheduling occurs.
10. Clinical staff time is decreased as resident/patient note and behavior tracking information is readily available.
11. Residents/Patients receive better care with no drug interactions occurring.
12. Residents/Patients receive timely reports of medical information when requested (disclosure).

### Financial

**Financial risk of not doing: Are there potential financial consequences for not completing this investment, such as fines for noncompliance with legal requirements or a loss of federal funding?**

We will be seeking to bill medicare/Medicaid and insurances (VA) for health care and our current manual processes does not meet documentation requirements for ICD-10 billings.

**Cost Reduction: Does this investment prevent or reduce expenses, such as the cost of maintaining labor-intensive systems that could be automated, repairs or maintenance to obsolete or outdated infrastructure, or specialty expertise required for legacy technologies?**

We expect to see staff time reduced as electronic entry at patient appointment will stop duplicated work efforts. Inventory processes will be improved and reduce staff time also.

**Revenue Generation: Does this investment generate new revenue, or capture additional revenue left “on the table” by current solutions?**

It does not generate revenue, however we expect approximately \$1,200 monthly in savings by eliminated duplicated medication orders.

### Business Case/Agency Mission Priority

**Mission priority: Does this investment help the agency better deliver its mission?**

This investment would support us in providing more accurate healthcare for our residents (clients) this supports the DSHS Vision “Safe, healthy idnivduals, families and communities”

**Business case: Is there a clear problem with the status quo, and does this investment clearly solve that business problem?**

Yes there is a clear problem with paper processes that would be improved with secure, electronic tracking of pharmaceuticals from ordering, receiving, and charting medication intake or refusals.