

Agency 300

Department of Social and Health Services Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	17,883.8	6,405,389	7,780,261	14,185,650
2017-19 Maintenance Level	18,273.5	7,111,296	8,225,206	15,336,502
Difference from 2015-17	389.7	705,907	444,945	1,150,852
% Change from 2015-17	2.2%	11.0%	5.7%	8.1%
Policy Other Changes:				
1. Lease Adjustments > 20,000 sq ft.	0.0	3,309	988	4,297
2. Strengthening Staff to Support Kids	51.6	6,777	138	6,915
3. Prevent Opioid Overdose Death Grant	0.0	0	2,250	2,250
4. Tribal Fee-for-Service Staffing	3.0	445	295	740
5. High School Transition Students	0.0	3,743	3,741	7,484
6. Supported Living Investigators	6.9	-2,420	11,494	9,074
7. Residential Rate Increase	0.0	22,634	22,634	45,268
8. Medicaid Transformation Waiver	33.7	0	78,485	78,485
9. Child Support Electronic Payments	0.5	-30	-59	-89
10. Notification Changes	0.0	-274	-220	-494
11. Meeting Federal TANF Work Rate	0.5	9,488	0	9,488
12. BH: Crisis Walk-in Centers	0.0	2,286	1,341	3,627
13. BH: Housing and Stepdown Services	0.0	2,762	0	2,762
14. BH: Mobile Crisis Teams	0.0	3,712	1,238	4,950
15. BH: State Community BH Hospitals	166.9	2,676	1,078	3,754
16. BH: Stepdown Housing	0.0	4,556	0	4,556
17. BH: SUD Treatment & Peer Support	21.0	3,480	0	3,480
18. BH: Discharge Case Managers	12.9	1,510	1,311	2,821
19. BH: Enhanced Discharge Placements	182.0	63,075	36,569	99,644
20. BH: Financial Service Specialists	8.4	783	778	1,561
21. Tribal Behavioral Health E&T Plan	0.0	300	0	300
22. Community Policing Program	0.0	159	0	159
23. Administration Support for DCYF	0.0	3,957	0	3,957
24. CA Transfer Cost Differential	0.0	4,345	0	4,345
25. SNAP Grant Technology Modernization	0.0	0	718	718
26. Wendy's Wonderful Kids	0.0	500	0	500
27. Basic Food Transportation Support	0.0	0	4,000	4,000

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Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
28. WCCC Provider Search Assistance	0.0	0	1,000	1,000
29. HEN Transportation Stipend	0.0	0	1,893	1,893
30. ABD Grant Increase	0.0	0	29,617	29,617
31. Eliminate ABD Resource Limit	0.0	0	1,403	1,403
32. LIHEAP for Food Assistance Program	0.0	0	320	320
33. TANF, SFA, RA Grant Increase	0.0	0	14,184	14,184
34. Eliminate TANF/SFA Resource Limit	0.0	0	8,429	8,429
35. Eliminate Kinship Care Means Test	0.0	0	2,477	2,477
36. Emergent Need Lifetime Limit	0.0	-1,726	0	-1,726
37. Emergent Need 12-Month Limit	0.0	0	863	863
38. WorkFirst Child Support Obligation	0.0	0	1,205	1,205
39. BH: WSH Time Leave & Attendance	1.0	5,723	1,256	6,979
40. Interpreter Collective Bargaining	0.0	167	167	334
41. Community Placement Expansion	5.0	748	0	748
42. Hepatitis C Treatment Costs	0.0	306	87	393
43. Lease Renewals Reduction	0.0	-1,494	-806	-2,300
44. Hospital Compliance	137.0	52,716	0	52,716
45. Employment Historical Underspend	0.0	-4,694	-4,694	-9,388
46. Reduce BHO Non-Medicaid Reserves	0.0	-7,800	0	-7,800
47. Allotments Underspend	0.0	-22,112	-11,296	-33,408
48. Close Naselle Youth Camp	0.0	-7,484	0	-7,484
49. Child Support Website	0.0	-16	-36	-52
50. Facilities One-Time Costs	0.0	5,902	1,443	7,345
51. WorkFirst Fund Balance	0.0	-34,000	69,200	35,200
52. Washington Mentors Program	0.0	400	0	400
Policy -- Other Total	630.3	124,409	283,491	407,900
Policy Comp Changes:				
53. Family Child Care Providers CBA	0.0	8,606	0	8,606
54. State Public Employee Benefits Rate	0.0	5,022	1,676	6,698
55. WFSE General Government	0.0	115,238	33,024	148,262
56. Adult Family Homes Award/Agreement	0.0	28,205	35,492	63,697
57. In-Home Care Providers Agreement	0.0	77,304	83,052	160,356
58. Agency Provider Parity	0.0	21,216	26,526	47,742

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Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
59. State Represented Emp Benefits Rate	0.0	31,872	10,719	42,591
60. The Coalition of Unions Agreement	0.0	8,236	918	9,154
61. Non-Rep General Wage Increase	0.0	11,872	3,985	15,857
62. Non-Rep Targeted Pay Increases	0.0	7,860	3,385	11,245
63. WFSE Orca Transit Pass	0.0	1,694	738	2,432
64. Gen Govt SEIU 1199 Agreement	0.0	32,929	11,166	44,095
65. Orca Transit Pass-Not WFSE	0.0	248	128	376
66. Vacation Leave Chng-Non-represented	0.0	6	0	6
Policy -- Comp Total	0.0	350,308	210,809	561,117
Policy Transfer Changes:				
67. Transfer to New Department (DCYF)	-1,343.9	-379,843	-258,682	-638,525
68. BH: Integration Transfer	-161.3	-956,002	-1,674,590	-2,630,592
Policy -- Transfer Total	-1,505.2	-1,335,845	-1,933,272	-3,269,117
Policy Central Services Changes:				
69. Archives/Records Management	0.0	50	22	72
70. Audit Services	0.0	17	10	27
71. Legal Services	0.0	3,984	1,686	5,670
72. Administrative Hearings	0.0	107	138	245
73. CTS Central Services	0.0	1,429	775	2,204
74. DES Central Services	0.0	1,978	851	2,829
75. OFM Central Services	0.0	92	-91	1
Policy -- Central Svcs Total	0.0	7,657	3,391	11,048
Total Policy Changes	-874.9	-853,471	-1,435,581	-2,289,052
2017-19 Policy Level	17,398.6	6,257,825	6,789,625	13,047,450
Difference from 2015-17	-485.2	-147,564	-990,636	-1,138,200
% Change from 2015-17	-2.7%	-2.3%	-12.7%	-8.0%

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Department of Social and Health Services
Children and Family Services
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Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	2,559.8	661,870	521,467	1,183,337
2017-19 Maintenance Level	2,644.2	677,545	527,334	1,204,879
Difference from 2015-17	84.5	15,675	5,867	21,542
% Change from 2015-17	3.3%	2.4%	1.1%	1.8%
Policy Other Changes:				
1. Lease Adjustments > 20,000 sq ft.	0.0	2,335	59	2,394
2. Strengthening Staff to Support Kids	51.6	6,777	138	6,915
3. FAR Transfer Fund Balance to CA	0.0	9,830	-9,830	0
4. Notification Changes	0.0	-176	-4	-180
5. Transfer Admin Support for CA	0.0	5,458	3,639	9,097
6. Administration Support for DCYF	0.0	3,957	0	3,957
7. Wendy's Wonderful Kids	0.0	500	0	500
8. Allotments Underspend	0.0	-22,112	-11,296	-33,408
9. Facilities One-Time Costs	0.0	3,229	81	3,310
Policy -- Other Total	51.6	9,798	-17,213	-7,415
Policy Comp Changes:				
10. Family Child Care Providers CBA	0.0	500	0	500
11. State Public Employee Benefits Rate	0.0	830	21	851
12. WFSE General Government	0.0	29,724	763	30,487
13. State Represented Emp Benefits Rate	0.0	6,021	153	6,174
14. Non-Rep General Wage Increase	0.0	1,899	47	1,946
15. Non-Rep Targeted Pay Increases	0.0	2,598	66	2,664
16. WFSE Orca Transit Pass	0.0	420	10	430
17. Orca Transit Pass-Not WFSE	0.0	46	2	48
Policy -- Comp Total	0.0	42,038	1,062	43,100
Policy Transfer Changes:				
18. Transfer to New Department (DCYF)	-1,343.9	-379,843	-258,682	-638,525
Policy -- Transfer Total	-1,343.9	-379,843	-258,682	-638,525
Total Policy Changes	-1,292.3	-328,007	-274,833	-602,840
2017-19 Policy Level	1,352.0	349,538	252,501	602,039
Difference from 2015-17	-1,207.8	-312,332	-268,966	-581,298
% Change from 2015-17	-47.2%	-47.2%	-51.6%	-49.1%

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**Department of Social and Health Services
Children and Family Services
Recommendation Summary**

POLICY CHANGES

1. Lease Adjustments > 20,000 sq ft.

Funding is provided for the ongoing cost of new leases that are necessary to support the DSHS Leased Facilities Strategic Plan. (General Fund-State; General Fund-Fam Supt)

2. Strengthening Staff to Support Kids

Additional staff and funding are provided to lower caseload ratios to 18 families per Child and Family Welfare Services worker. The 1:18 caseload ratio is the Braam settlement standard. This will improve the quality of case management and lead to more expedited outcomes for children and families. More appropriate caseloads will also improve recruitment and retention of staff, maintain a stable workforce, and decrease social worker burnout. (General Fund-State; General Fund-Fam Supt)

3. FAR Transfer Fund Balance to CA

There is a one-time reduction of unallocated General Fund State fund balance in the Economic Services Administration which is transferred to Children's Administration to backfill an anticipated revenue shortfall in the Child and Family Reinvestment Account. The funding is for maintaining the Family Assessment Response (FAR) program. (General Fund-State; Child and Family Reinvestment Account-State)

4. Notification Changes

Funding is reduced to reflect savings by utilizing first class mail, regular mail, or email to serve notice of intent to withhold and deliver on overpayment debt, notice of child support debt accrual, and second notices for suspensions and withholdings of state licenses. Currently, overpayment notices and child support enforcement notices communicated after the original order are sent by certified mail. (General Fund-State; General Fund-Fam Supt)

5. Transfer Admin Support for CA

Funding in the Department of Social and Health Services, which supports administration functions for the Children's Administration (CA), is transferred to the newly created Department of Children, Youth and Families (DCYF) in fiscal year 2019. (General Fund-State; General Fund-Fam Supt)

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6. Administration Support for DCYF

The DCYF requires additional administrative funds beyond the funding transferring from DSHS to adequately support the back office functions of the new department. (General Fund-State)

7. Wendy's Wonderful Kids

Wendy's Wonderful Kids is a program of the Dave Thomas Foundation which provides adoption professionals to find permanent adoptive homes for children in foster care. This step provides the state match for 24 recruiters to serve over 250 children and youth whom have not been successfully placed in an adoptive home to date. (General Fund-State)

8. Allotments Underspend

Actual spending for fiscal year 2016 is substantially less than funding allotted for fiscal year 2017. Adjustments are made to maintain the fiscal year 2016 spending pattern after accounting for growth in staffing and 5 percent growth across all services. (General Fund-State; General Fund-Fam Supt)

9. Facilities One-Time Costs

Funding is provided for one-time relocation and project costs to support the DSHS Leased Facilities Strategic Plan. (General Fund-State; General Fund-Fam Supt)

10. Family Child Care Providers CBA

Consistent with the 2016 collective bargaining agreement, funding is provided for a 2 percent base rate increase for licensed family home providers, a rate increase for Family, Friend and Neighbor providers, and for an increase in paid professional development days from three days to five days. (General Fund-State)

11. State Public Employee Benefits Rate

Health insurance funding is provided for state employees who are not represented by a union, who are covered by a bargaining agreement that is not subject to financial feasibility determination, or who are not part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State; General Fund-Federal)

12. WFSE General Government

Funding is provided for a collective bargaining agreement and arbitration award with Washington Federation of State Employees (WFSE), which includes a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; a general wage increase of 2 percent, effective January 1, 2019; salary adjustments for targeted classifications; a minimum starting wage of \$12 an hour; and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State; General Fund-Federal)

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13. State Represented Emp Benefits Rate

This provides health insurance funding as part of the master agreements for employees who bargain as part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State; General Fund-Federal)

14. Non-Rep General Wage Increase

Funding is provided for wage increases for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. It is sufficient for a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; and a general wage increase of 2 percent, effective January 1, 2019. This item includes both higher education and general government workers. (General Fund-State; General Fund-Federal)

15. Non-Rep Targeted Pay Increases

Funding is provided for classified state employees who are not represented by a union for pay increases in specific job classes in alignment with other employees. (General Fund-State; General Fund-Federal)

16. WFSE Orca Transit Pass

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, who are represented by the Washington Federation of State Employees. (General Fund-State; General Fund-Federal)

17. Orca Transit Pass-Not WFSE

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, other than those represented by the Washington Federation of State Employees. (General Fund-State; General Fund-Federal)

18. Transfer to New Department (DCYF)

This item transfers the fiscal year 2019 funding, full-time employees, and expenditure authority for Children's Administration (CA) from the Department of Social and Health Services to the newly created Department of Children, Youth and Families (DCYF). (General Fund-Fed Grnt; General Fund-State; General Fund-Federal; other accounts)

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Department of Social and Health Services
Juvenile Rehabilitation
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	768.0	183,239	8,446	191,685
2017-19 Maintenance Level	826.8	185,065	7,784	192,849
Difference from 2015-17	58.9	1,826	-662	1,164
% Change from 2015-17	7.7%	1.0%	-7.8%	0.6%
Policy Other Changes:				
1. Close Naselle Youth Camp	0.0	-7,484	0	-7,484
2. Facilities One-Time Costs	0.0	31	0	31
Policy -- Other Total	0.0	-7,453	0	-7,453
Policy Comp Changes:				
3. State Public Employee Benefits Rate	0.0	398	0	398
4. WFSE General Government	0.0	3,629	0	3,629
5. State Represented Emp Benefits Rate	0.0	2,016	0	2,016
6. Non-Rep General Wage Increase	0.0	917	0	917
7. Non-Rep Targeted Pay Increases	0.0	70	0	70
8. WFSE Orca Transit Pass	0.0	200	0	200
9. Gen Govt SEIU 1199 Agreement	0.0	1,318	0	1,318
10. Orca Transit Pass-Not WFSE	0.0	32	0	32
Policy -- Comp Total	0.0	8,580	0	8,580
Total Policy Changes	0.0	1,127	0	1,127
2017-19 Policy Level	826.8	186,192	7,784	193,976
Difference from 2015-17	58.9	2,953	-662	2,291
% Change from 2015-17	7.7%	1.6%	-7.8%	1.2%

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

POLICY CHANGES

1. Close Naselle Youth Camp

Savings are achieved through the closure of Naselle Youth Camp. Approximately 76 residents will be relocated to Echo Glen Children's Center and Green Hill School. (General Fund-State)

2. Facilities One-Time Costs

Funding is provided for one-time relocation and project costs to support the DSHS Leased Facilities Strategic Plan. (General Fund-State)

3. State Public Employee Benefits Rate

Health insurance funding is provided for state employees who are not represented by a union, who are covered by a bargaining agreement that is not subject to financial feasibility determination, or who are not part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State)

4. WFSE General Government

Funding is provided for a collective bargaining agreement and arbitration award with Washington Federation of State Employees (WFSE), which includes a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; a general wage increase of 2 percent, effective January 1, 2019; salary adjustments for targeted classifications; a minimum starting wage of \$12 an hour; and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State)

5. State Represented Emp Benefits Rate

This provides health insurance funding as part of the master agreements for employees who bargain as part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State)

6. Non-Rep General Wage Increase

Funding is provided for wage increases for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. It is sufficient for a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; and a general wage increase of 2 percent, effective January 1, 2019. This item includes both higher education and general government workers. (General Fund-State)

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**Department of Social and Health Services
Juvenile Rehabilitation
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7. Non-Rep Targeted Pay Increases

Funding is provided for classified state employees who are not represented by a union for pay increases in specific job classes in alignment with other employees. (General Fund-State)

8. WFSE Orca Transit Pass

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, who are represented by the Washington Federation of State Employees. (General Fund-State)

9. Gen Govt SEIU 1199 Agreement

Funding is provided for a collective bargaining agreement with Service Employees International Union – Healthcare (SEIU), which includes salary adjustments for targeted classifications and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State)

10. Orca Transit Pass-Not WFSE

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, other than those represented by the Washington Federation of State Employees. (General Fund-State)

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Department of Social and Health Services
Mental Health
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	2,998.9	1,061,687	1,277,398	2,339,085
2017-19 Maintenance Level	3,204.7	1,278,186	1,214,469	2,492,655
Difference from 2015-17	205.8	216,499	-62,929	153,570
% Change from 2015-17	6.9%	20.4%	-4.9%	6.6%
Policy Other Changes:				
1. Tribal Fee-for-Service Staffing	3.0	445	295	740
2. Medicaid Transformation Waiver	0.0	0	19,557	19,557
3. BH: Crisis Walk-in Centers	0.0	2,286	1,341	3,627
4. BH: Housing and Stepdown Services	0.0	2,762	0	2,762
5. BH: Mobile Crisis Teams	0.0	3,712	1,238	4,950
6. BH: State Community BH Hospitals	166.9	2,676	1,078	3,754
7. BH: Stepdown Housing	0.0	4,556	0	4,556
8. BH: SUD Treatment & Peer Support	21.0	3,480	0	3,480
9. Tribal Behavioral Health E&T Plan	0.0	300	0	300
10. Community Policing Program	0.0	159	0	159
11. Hepatitis C Treatment Costs	0.0	306	87	393
12. Hospital Compliance	137.0	52,716	0	52,716
13. Reduce BHO Non-Medicaid Reserves	0.0	-7,800	0	-7,800
14. Facilities One-Time Costs	0.0	1	0	1
Policy -- Other Total	327.9	65,599	23,596	89,195
Policy Comp Changes:				
15. State Public Employee Benefits Rate	0.0	681	48	729
16. WFSE General Government	0.0	35,718	2,777	38,495
17. State Represented Emp Benefits Rate	0.0	7,817	572	8,389
18. The Coalition of Unions Agreement	0.0	7,878	631	8,509
19. Non-Rep General Wage Increase	0.0	1,731	121	1,852
20. Non-Rep Targeted Pay Increases	0.0	1,943	145	2,088
21. WFSE Orca Transit Pass	0.0	2	0	2

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

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
22. Gen Govt SEIU 1199 Agreement	0.0	20,852	1,546	22,398
23. Vacation Leave Chng-Non-represented	0.0	6	0	6
Policy -- Comp Total	0.0	76,628	5,840	82,468
Policy Transfer Changes:				
24. BH: Integration Transfer	-86.0	-780,437	-1,041,868	-1,822,305
Policy -- Transfer Total	-86.0	-780,437	-1,041,868	-1,822,305
Total Policy Changes	241.9	-638,210	-1,012,432	-1,650,642
2017-19 Policy Level	3,446.6	639,976	202,037	842,013
Difference from 2015-17	447.7	-421,711	-1,075,361	-1,497,072
% Change from 2015-17	14.9%	-39.7%	-84.2%	-64.0%

POLICY CHANGES

1. Tribal Fee-for-Service Staffing

Tribal governments, through consultation at the state and federal levels, stated there is a lack of access to culturally appropriate and timely behavioral health services for American Indian/Alaska Native (AI/AN) individuals. DSHS will implement an AI/AN Fee-for-Service (FFS) program which will allow AI/AN individuals to access all Medicaid-funded behavioral services without being enrolled in a managed care program. Three staff are provided to support this new AI/AN FFS program. (General Fund-State; General Fund-Medicaid)

2. Medicaid Transformation Waiver

Funding is provided to align with projected expenditures under the Medicaid Transformation Waiver expected to be approved by the federal Centers for Medicare and Medicaid Services (CMS). The waiver’s three initiatives fund (1) incentive-based payments for transformation projects designed to achieve sustainable goals of better care, better health and lower cost for the state’s Medicaid population; (2) new services and supports for family caregivers that help people stay at home and avoid the need for more intensive services; and (3) supportive housing and supported employment services for those who are most vulnerable and have complex care needs. (General Fund-Federal)

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Department of Social and Health Services

Mental Health

Recommendation Summary

3. BH: Crisis Walk-in Centers

This item creates two new crisis walk-in centers that allow individuals in mental health crisis to stay up to 23 hours under observation. Services in crisis walk-in centers include crisis stabilization and intervention, individual counseling, peer support, medication management, education, and referral assistance. Crisis walk-in centers will reduce admission and re-admission to the state psychiatric hospitals. This item is part of the Governor's statewide behavioral health reform package. (General Fund-State; General Fund-Medicaid)

4. BH: Housing and Stepdown Services

The Housing and Recovery through Peer Services (HARPS) program is increased by two additional teams. These teams provide guidance delivered by peers who assist not only in securing housing for an individual but also provide strategies to maintain housing and referrals for other needed services. The HARPS program will help prevent readmission to the state psychiatric hospitals and will reduce the length of stay by helping individuals ready for discharge find housing in the community. This item is part of the Governor's statewide behavioral health reform package. (General Fund-State)

5. BH: Mobile Crisis Teams

Three additional mobile crisis teams are added to enable more timely and effective responses to individuals in crisis for whom relocation to a facility will likely prevent successful intervention. Mobile crisis teams provide access to behavioral health professionals with specialized skill sets who can address the needs of individuals in crisis and diffuse a crisis situation before it escalates to a point at which an individual may need to be hospitalized or jailed. This item is part of the Governor's statewide behavioral health reform package. (General Fund-State; General Fund-Medicaid)

6. BH: State Community BH Hospitals

This item establishes nine new 16-bed community behavioral health hospitals by 2023 that provide acute psychiatric inpatient care in regional settings for civil commitments. These new facilities will enable more regional, specialized care for patients, while keeping them closer to their home communities during inpatient treatment. Since each new hospital will not be classified as an institution for mental disease, additional federal Medicaid funding will be available. This item is part of the Governor's statewide behavioral health reform package. (General Fund-State; General Fund-Medicaid)

7. BH: Stepdown Housing

This item creates 60 new community stepdown beds that have 24-hour staffing and include both nursing and rehabilitative therapy. Community stepdown beds are essential for individuals ready for discharge from the state psychiatric hospitals, but still need assistance transitioning to life outside a state psychiatric hospital. These new community stepdown beds will free up capacity at the state psychiatric hospitals. This item is part of the Governor's statewide behavioral health reform package. (General Fund-State)

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8. BH: SUD Treatment & Peer Support

Substance use disorder (SUD) and mental health treatment will be intergrated at the state psychiatric hospitals. Six chemical dependency professionals and 15 peer support specialists will improve psychiatric symptoms and functioning, decrease hospitalization, increase housing stability and improve the quality of life for clients served. This item is part of the Governor's statewide behavioral health reform package. (General Fund-State)

9. Tribal Behavioral Health E&T Plan

Tribal governments, through consultation at the state and federal levels, stated there is a lack of access to culturally appropriate and timely behavioral health services for American Indian/Alaska Native (AI/AN) individuals. The Behavioral Health Administration will work collaboratively with tribal governments to identify a location on tribal land for the establishment of an Evaluation and Treatment (E&T) facility. The E&T facility will specialize in providing care specifically to AI/AN individuals. (General Fund-State)

10. Community Policing Program

Since 2007, the Lakewood Community Policing Program (CPP) has reduced calls for police service around Western State Hospital and the surrounding neighborhoods. The biennial cost of the program is \$621,297 but funding remains at the original appropriation of \$462,000. Funding is provided to cover the full cost of the CPP. (General Fund-State)

11. Hepatitis C Treatment Costs

On May 27, 2016, a federal judge granted a preliminary injunction which requires Washington State to expand its coverage of Medicaid patients with Hepatitis C (Hep C) to include those with more mild stages of the disease. Before the injunction, only individuals with more severe cases were covered. Funding to provide medical treatment for BHA patients who have Hep C is provided. (General Fund-State; General Fund-Medicaid)

12. Hospital Compliance

As a result of a series of immediate jeopardies and entering into a Systems Improvement Agreement with the Centers for Medicare and Medicaid Services, the Department of Social and Health Services contracted with a consultant to conduct a root cause analysis which identified seven Conditions of Participation (CoPs). To meet these CoPs and maintain federal funding, DSHS will hire 137 staff to address root cause issues at the state psychiatric hospitals, resulting in increased safety and security, improved environment of care, better infection control, and quality assessment and performance improvement. (General Fund-State)

13. Reduce BHO Non-Medicaid Reserves

A one-time General Fund-State reduction is made to the Behavioral Health Organization (BHO) non-Medicaid reserves. This one-time reduction is reinvested in community behavioral health. (General Fund-State)

Agency 300

Department of Social and Health Services
Mental Health
Recommendation Summary

14. Facilities One-Time Costs

Funding is provided for one-time relocation and project costs to support the DSHS Leased Facilities Strategic Plan. (General Fund-State)

15. State Public Employee Benefits Rate

Health insurance funding is provided for state employees who are not represented by a union, who are covered by a bargaining agreement that is not subject to financial feasibility determination, or who are not part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State; General Fund-Federal; General Fund-Medicaid)

16. WFSE General Government

Funding is provided for a collective bargaining agreement and arbitration award with Washington Federation of State Employees (WFSE), which includes a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; a general wage increase of 2 percent, effective January 1, 2019; salary adjustments for targeted classifications; a minimum starting wage of \$12 an hour; and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State; General Fund-Medicaid)

17. State Represented Emp Benefits Rate

This provides health insurance funding as part of the master agreements for employees who bargain as part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State; General Fund-Medicaid)

18. The Coalition of Unions Agreement

Funding is provided for a collective bargaining agreement with the Coalition of Unions (Coalition) which includes a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; a general wage increase of 2 percent, effective January 1, 2019; salary adjustments for targeted classifications; and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State; General Fund-Medicaid)

19. Non-Rep General Wage Increase

Funding is provided for wage increases for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. It is sufficient for a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; and a general wage increase of 2 percent, effective January 1, 2019. This item includes both higher education and general government workers. (General Fund-State; General Fund-Federal; General Fund-Medicaid)

Agency 300

Department of Social and Health Services
Mental Health
Recommendation Summary

20. Non-Rep Targeted Pay Increases

Funding is provided for classified state employees who are not represented by a union for pay increases in specific job classes in alignment with other employees. (General Fund-State; General Fund-Medicaid)

21. WFSE Orca Transit Pass

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, who are represented by the Washington Federation of State Employees. (General Fund-State)

22. Gen Govt SEIU 1199 Agreement

Funding is provided for a collective bargaining agreement with Service Employees International Union – Healthcare (SEIU), which includes salary adjustments for targeted classifications and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State; General Fund-Medicaid)

23. Vacation Leave Chng-Non-represented

This item funds the cost of additional overtime or other replacement staff for positions in 24/7 institutions as a result of changes in vacation leave accruals for non-higher education employees who are non-represented. (General Fund-State)

24. BH: Integration Transfer

Chapter 225, Laws of 2014 requires the Health Care Authority (HCA) and Department of Social and Health Services (DSHS) to fully integrate physical health care and behavioral health care services to Medicaid clients by January 1, 2020. As part of the second phase of behavioral health integration, all community mental health and substance use disorder programs are transferred from DSHS to HCA, with the exception of the Licensing and Certification Program which will transfer to the Department of Health (DOH). In total, 161 staff and \$2.6 billion total funds (\$956 million General Fund-State) will move out of DSHS to HCA and DOH. This whole-person approach to care offers better coordinated care and consolidates the payment and delivery of physical and behavioral health services for individuals enrolled in Medicaid, through managed care. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

Agency 300

Department of Social and Health Services
Developmental Disabilities
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	3,427.8	1,289,155	1,306,420	2,595,575
2017-19 Maintenance Level	3,633.2	1,407,688	1,436,556	2,844,244
Difference from 2015-17	205.4	118,533	130,136	248,669
% Change from 2015-17	6.0%	9.2%	10.0%	9.6%
Policy Other Changes:				
1. Lease Adjustments > 20,000 sq ft.	0.0	124	118	242
2. High School Transition Students	0.0	3,743	3,741	7,484
3. Supported Living Investigators	0.0	0	7,074	7,074
4. Residential Rate Increase	0.0	22,634	22,634	45,268
5. BH: Discharge Case Managers	4.4	617	415	1,032
6. BH: Enhanced Discharge Placements	118.1	9,180	9,039	18,219
7. Employment Historical Underspend	0.0	-4,694	-4,694	-9,388
8. Facilities One-Time Costs	0.0	230	219	449
Policy -- Other Total	122.5	31,834	38,546	70,380
Policy Comp Changes:				
9. State Public Employee Benefits Rate	0.0	490	443	933
10. WFSE General Government	0.0	14,664	13,852	28,516
11. Adult Family Homes Award/Agreement	0.0	5,077	6,388	11,465
12. In-Home Care Providers Agreement	0.0	25,391	27,336	52,727
13. Agency Provider Parity	0.0	2,970	3,714	6,684
14. State Represented Emp Benefits Rate	0.0	4,678	4,366	9,044
15. The Coalition of Unions Agreement	0.0	281	287	568
16. Non-Rep General Wage Increase	0.0	1,178	1,061	2,239
17. Non-Rep Targeted Pay Increases	0.0	2,643	2,520	5,163
18. WFSE Orca Transit Pass	0.0	410	390	800
19. Gen Govt SEIU 1199 Agreement	0.0	3,604	3,435	7,039
20. Orca Transit Pass-Not WFSE	0.0	60	56	116
Policy -- Comp Total	0.0	61,446	63,848	125,294
Total Policy Changes	122.5	93,280	102,394	195,674
2017-19 Policy Level	3,755.6	1,500,968	1,538,950	3,039,918
Difference from 2015-17	327.8	211,813	232,530	444,343
% Change from 2015-17	9.6%	16.4%	17.8%	17.1%

Agency 300

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

POLICY CHANGES

1. Lease Adjustments > 20,000 sq ft.

Funding is provided for the ongoing cost of new leases that are necessary to support the DSHS Leased Facilities Strategic Plan. (General Fund-State; General Fund-Medicaid)

2. High School Transition Students

Funding is provided for eligible clients who will be leaving high school to participate in employment programs in the 2017-19 biennium. It is estimated that 819 clients will choose to receive employment services funded through this item. (General Fund-State; General Fund-Medicaid)

3. Supported Living Investigators

Supported living providers will pay an annual per client fee of \$856 to cover the existing costs of supported living investigations. Supported living providers will receive a rate enhancement to offset the cost of the fee, and by matching the provider fees with federal dollars, the net request between DDA and ALTSA results in a net GF-State savings for the state. (General Fund-Local; General Fund-Medicaid)

4. Residential Rate Increase

The hourly rate paid to supported living providers who provide in-home care services such as care coordination and teaching skills to increase client independence is increased by \$1.00. These services help to keep people living in community settings. (General Fund-State; General Fund-Medicaid)

5. BH: Discharge Case Managers

Discharge case managers will focus on transitioning clients ready for discharge from the state psychiatric hospitals into state-operated living alternatives (SOLAs). This item is part of the Governor's statewide behavioral health (BH) reform package. (General Fund-State; General Fund-Medicaid)

6. BH: Enhanced Discharge Placements

Funding is provided for 31 additional SOLA beds focused on transitioning clients ready for discharge from the state psychiatric hospitals. This item is part of the Governor's statewide behavioral health (BH) reform package. (General Fund-State; General Fund-Medicaid)

Agency 300

Department of Social and Health Services
Developmental Disabilities
Recommendation Summary

7. Employment Historical Underspend

This item is a one-time reduction to the employment and day program based on historical underspending. (General Fund-State; General Fund-Medicaid)

8. Facilities One-Time Costs

Funding is provided for one-time relocation and project costs to support the DSHS Leased Facilities Strategic Plan. (General Fund-State; General Fund-Medicaid)

9. State Public Employee Benefits Rate

Health insurance funding is provided for state employees who are not represented by a union, who are covered by a bargaining agreement that is not subject to financial feasibility determination, or who are not part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State; General Fund-Medicaid)

10. WFSE General Government

Funding is provided for a collective bargaining agreement and arbitration award with Washington Federation of State Employees (WFSE), which includes a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; a general wage increase of 2 percent, effective January 1, 2019; salary adjustments for targeted classifications; a minimum starting wage of \$12 an hour; and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State; General Fund-Medicaid)

11. Adult Family Homes Award/Agreement

Funding is provided for increases in the daily rates, payments to providers for providing meaningful home-based activities, support of clients in community integration, and mileage reimbursement under certain circumstances. (General Fund-State; General Fund-Medicaid)

12. In-Home Care Providers Agreement

Funding is provided for an agreement with individual providers of in-home personal care services, which includes phased-in changes and increases to the wage scale; increases in contributions to the health care, training and retirement trusts; an increase in paid time off; and a health and safety benefit study. (General Fund-State; General Fund-Medicaid)

13. Agency Provider Parity

Funding is provided for a wage and benefit increase to workers who provide in-home personal care services and are employed by private agencies. The increase corresponds to the salary and wage component of the in-home care agreement for individual providers. (General Fund-State; General Fund-Medicaid)

Agency 300

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

14. State Represented Emp Benefits Rate

This provides health insurance funding as part of the master agreements for employees who bargain as part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State; General Fund-Medicaid)

15. The Coalition of Unions Agreement

Funding is provided for a collective bargaining agreement with the Coalition of Unions (Coalition) which includes a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; a general wage increase of 2 percent, effective January 1, 2019; salary adjustments for targeted classifications; and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State; General Fund-Medicaid)

16. Non-Rep General Wage Increase

Funding is provided for wage increases for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. It is sufficient for a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; and a general wage increase of 2 percent, effective January 1, 2019. This item includes both higher education and general government workers. (General Fund-State; General Fund-Medicaid)

17. Non-Rep Targeted Pay Increases

Funding is provided for classified state employees who are not represented by a union for pay increases in specific job classes in alignment with other employees. (General Fund-State; General Fund-Medicaid)

18. WFSE Orca Transit Pass

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, who are represented by the Washington Federation of State Employees. (General Fund-State; General Fund-Medicaid)

19. Gen Govt SEIU 1199 Agreement

Funding is provided for a collective bargaining agreement with Service Employees International Union – Healthcare (SEIU), which includes salary adjustments for targeted classifications and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State; General Fund-Medicaid)

20. Orca Transit Pass-Not WFSE

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, other than those represented by the Washington Federation of State Employees. (General Fund-State; General Fund-Medicaid)

Agency 300

Department of Social and Health Services
Long-Term Care
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	1,685.6	1,939,976	2,557,276	4,497,252
2017-19 Maintenance Level	1,825.1	2,164,937	2,859,700	5,024,637
Difference from 2015-17	139.5	224,961	302,424	527,385
% Change from 2015-17	8.3%	11.6%	11.8%	11.7%
Policy Other Changes:				
1. Lease Adjustments > 20,000 sq ft.	0.0	667	616	1,283
2. Supported Living Investigators	6.9	-2,420	4,420	2,000
3. Medicaid Transformation Waiver	33.7	0	58,928	58,928
4. BH: Discharge Case Managers	8.5	893	896	1,789
5. BH: Enhanced Discharge Placements	63.9	53,895	27,530	81,425
6. BH: Financial Service Specialists	8.4	783	778	1,561
7. Facilities One-Time Costs	0.0	747	692	1,439
Policy -- Other Total	121.3	54,565	93,860	148,425
Policy Comp Changes:				
8. State Public Employee Benefits Rate	0.0	481	405	886
9. WFSE General Government	0.0	7,658	6,977	14,635
10. Adult Family Homes Award/Agreement	0.0	23,128	29,104	52,232
11. In-Home Care Providers Agreement	0.0	51,913	55,716	107,629
12. Agency Provider Parity	0.0	18,246	22,812	41,058
13. State Represented Emp Benefits Rate	0.0	2,107	1,890	3,997
14. Non-Rep General Wage Increase	0.0	1,164	999	2,163
15. Non-Rep Targeted Pay Increases	0.0	365	289	654
16. WFSE Orca Transit Pass	0.0	156	142	298
17. Gen Govt SEIU 1199 Agreement	0.0	6,674	6,185	12,859
18. Orca Transit Pass-Not WFSE	0.0	46	42	88
Policy -- Comp Total	0.0	111,938	124,561	236,499
Total Policy Changes	121.3	166,503	218,421	384,924
2017-19 Policy Level	1,946.4	2,331,440	3,078,121	5,409,561
Difference from 2015-17	260.8	391,464	520,845	912,309
% Change from 2015-17	15.5%	20.2%	20.4%	20.3%

Agency 300

Department of Social and Health Services
Long-Term Care
Recommendation Summary

POLICY CHANGES

1. Lease Adjustments > 20,000 sq ft.

Funding is provided for the ongoing cost of new leases that are necessary to support the DSHS Leased Facilities Strategic Plan. (General Fund-State; General Fund-Medicaid)

2. Supported Living Investigators

This item gives DSHS fee authority for supported living providers sufficient to cover oversight and investigation costs for clients residing in supported living settings. Provider rates would be increased to cover the cost of the fee, which is eligible for federal matching funds, resulting in a net GF-State savings when combining the Developmental Disabilities Administration and Aging and Long-Term Support Administration. (General Fund-State; General Fund-Local; General Fund-Medicaid)

3. Medicaid Transformation Waiver

Funding is provided to align with projected expenditures under the Medicaid Transformation Waiver expected to be approved by the federal Centers for Medicare and Medicaid Services (CMS). The waiver's three initiatives fund (1) incentive-based payments for transformation projects designed to achieve sustainable goals of better care, better health and lower cost for the state's Medicaid population; (2) new services and supports for family caregivers that help people stay at home and avoid the need for more intensive services; and (3) supportive housing and supported employment services for those who are most vulnerable and have complex care needs. (General Fund-Federal)

4. BH: Discharge Case Managers

Discharge case managers will focus on transitioning clients ready for discharge from the state psychiatric hospitals into various community settings. This item is part of the Governor's statewide behavioral health (BH) reform package. (General Fund-State; General Fund-Medicaid)

5. BH: Enhanced Discharge Placements

Funding is provided for 325 community placement beds for discharging patients out of the state psychiatric hospitals. Specific placement options include enhanced service facilities, adult family homes, skilled nursing facilities, shared supportive housing, assisted living facilities and state-operated living alternatives. This item is part of the Governor's statewide behavioral health reform package. (General Fund-State; General Fund-Medicaid)

Agency 300

Department of Social and Health Services
Long-Term Care
Recommendation Summary

6. BH: Financial Service Specialists

Financial service specialists will focus on determining client eligibility for a variety of support services for clients who are ready for discharge from the state psychiatric hospitals. This item is part of the Governor's statewide behavioral health reform package. (General Fund-State; General Fund-Medicaid)

7. Facilities One-Time Costs

Funding is provided for one-time relocation and project costs to support the DSHS Leased Facilities Strategic Plan. (General Fund-State; General Fund-Medicaid)

8. State Public Employee Benefits Rate

Health insurance funding is provided for state employees who are not represented by a union, who are covered by a bargaining agreement that is not subject to financial feasibility determination, or who are not part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State; General Fund-Medicaid)

9. WFSE General Government

Funding is provided for a collective bargaining agreement and arbitration award with Washington Federation of State Employees (WFSE), which includes a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; a general wage increase of 2 percent, effective January 1, 2019; salary adjustments for targeted classifications; a minimum starting wage of \$12 an hour; and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State; General Fund-Medicaid)

10. Adult Family Homes Award/Agreement

Funding is provided for a wage and benefit increase to workers who provide in-home personal care services and are employed by private agencies. The increase corresponds to the salary and wage component of the in-home care agreement for individual providers. (General Fund-State; General Fund-Medicaid)

11. In-Home Care Providers Agreement

Funding is provided for an agreement with individual providers of in-home personal care services, which includes phased-in changes and increases to the wage scale; increases in contributions to the health care, training and retirement trusts; an increase in paid time off; and a health and safety benefit study. (General Fund-State; General Fund-Medicaid)

Agency 300

Department of Social and Health Services
Long-Term Care
Recommendation Summary

12. Agency Provider Parity

Funding is provided for a wage and benefit increase to workers who provide in-home personal care services and are employed by private agencies. The increase corresponds to the salary and wage component of the in-home care agreement for individual providers. (General Fund-State; General Fund-Medicaid)

13. State Represented Emp Benefits Rate

This provides health insurance funding as part of the master agreements for employees who bargain as part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State; General Fund-Medicaid)

14. Non-Rep General Wage Increase

Funding is provided for wage increases for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. It is sufficient for a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; and a general wage increase of 2 percent, effective January 1, 2019. This item includes both higher education and general government workers. (General Fund-State; General Fund-Federal)

15. Non-Rep Targeted Pay Increases

Funding is provided for classified state employees who are not represented by a union for pay increases in specific job classes in alignment with other employees. (General Fund-State; General Fund-Medicaid)

16. WFSE Orca Transit Pass

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, who are represented by the Washington Federation of State Employees. (General Fund-State; General Fund-Federal)

17. Gen Govt SEIU 1199 Agreement

Funding is provided for a collective bargaining agreement with Service Employees International Union – Healthcare (SEIU), which includes salary adjustments for targeted classifications and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State; General Fund-Federal)

18. Orca Transit Pass-Not WFSE

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, other than those represented by the Washington Federation of State Employees. (General Fund-State; General Fund-Federal)

Agency 300

Department of Social and Health Services
Economic Services Administration
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	4,385.2	814,070	1,320,352	2,134,422
2017-19 Maintenance Level	4,412.5	882,311	1,341,883	2,224,194
Difference from 2015-17	27.3	68,241	21,531	89,772
% Change from 2015-17	0.6%	8.4%	1.6%	4.2%
Policy Other Changes:				
1. Lease Adjustments > 20,000 sq ft.	0.0	171	195	366
2. Medicaid Cost Allocation Changes	0.0	0	0	0
3. FAR Transfer Fund Balance to CA	0.0	-9,830	9,830	0
4. Child Support Electronic Payments	0.5	-30	-59	-89
5. Notification Changes	0.0	-98	-216	-314
6. Meeting Federal TANF Work Rate	0.5	9,488	0	9,488
7. SNAP Grant Technology Modernization	0.0	0	718	718
8. Basic Food Transportation Support	0.0	0	4,000	4,000
9. WCCC Provider Search Assistance	0.0	0	1,000	1,000
10. HEN Transportation Stipend	0.0	0	1,893	1,893
11. ABD Grant Increase	0.0	0	29,617	29,617
12. Eliminate ABD Resource Limit	0.0	0	1,403	1,403
13. LIHEAP for Food Assistance Program	0.0	0	320	320
14. TANF, SFA, RA Grant Increase	0.0	0	14,184	14,184
15. Eliminate TANF/SFA Resource Limit	0.0	0	8,429	8,429
16. Eliminate Kinship Care Means Test	0.0	0	2,477	2,477
17. Emergent Need Lifetime Limit	0.0	-1,726	0	-1,726
18. Emergent Need 12-Month Limit	0.0	0	863	863
19. WorkFirst Child Support Obligation	0.0	0	1,205	1,205
20. Child Support Website	0.0	-16	-36	-52
21. Facilities One-Time Costs	0.0	1,553	450	2,003
22. WorkFirst Fund Balance	0.0	-34,000	69,200	35,200
Policy -- Other Total	1.0	-34,488	145,473	110,985

Agency 300

Department of Social and Health Services
Economic Services Administration
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
Policy Comp Changes:				
23. Family Child Care Providers CBA	0.0	8,106	0	8,106
24. State Public Employee Benefits Rate	0.0	957	536	1,493
25. WFSE General Government	0.0	14,706	8,462	23,168
26. State Represented Emp Benefits Rate	0.0	6,794	3,646	10,440
27. Non-Rep General Wage Increase	0.0	2,275	1,252	3,527
28. Non-Rep Targeted Pay Increases	0.0	241	365	606
29. WFSE Orca Transit Pass	0.0	416	196	612
30. Orca Transit Pass-Not WFSE	0.0	38	22	60
Policy -- Comp Total	0.0	33,533	14,479	48,012
Total Policy Changes	1.0	-955	159,952	158,997
2017-19 Policy Level	4,413.5	881,356	1,501,835	2,383,191
Difference from 2015-17	28.3	67,286	181,483	248,769
% Change from 2015-17	0.6%	8.3%	13.7%	11.7%

POLICY CHANGES**1. Lease Adjustments > 20,000 sq ft.**

Funding is provided for the ongoing cost of new leases that are necessary to support the DSHS Leased Facilities Strategic Plan. (General Fund-State; General Fund-Federal)

2. Medicaid Cost Allocation Changes

As a result of the medical eligibility change, the Economic Services Administration (ESA) receives less Medicaid funds to support its administrative costs. Chapter 4, Laws of 2015, 3rd special session (ESSB 6052) directed ESA to assist clients with Medicaid applications through the Healthplanfinder, the online Medicaid application. For federal fiscal year 2017, the Centers for Medicare and Medicaid Services approved the 75 percent reimbursement rate for fewer staff types. The remaining staff may receive a 50 percent Medicaid reimbursement rate. Funding is provided for the difference between the assumed and approved Medicaid reimbursement rate and increased state share based on more recent actual cost allocation data. DSHS will maintain an average of 7.6 percent Medicaid by expanding assistance for Medicaid applications. (General Fund-Federal; General Fund-Medicaid; General Fund-TANF)

Agency 300

Department of Social and Health Services
Economic Services Administration
Recommendation Summary

3. FAR Transfer Fund Balance to CA

There is a one-time reduction of unallocated General Fund-State fund balance that will be offset by using available federal TANF funds and funds from the Carbon Pollution Reduction Account. These savings are transferred to Children's Administration (CA) to backfill an anticipated revenue shortfall in the Child and Family Reinvestment Account. The funding is for maintaining the Family Assessment Response (FAR) program. (General Fund-State; Carbon Pollution Reduction Account-State)

4. Child Support Electronic Payments

Increased efficiencies and cost savings in child support collections are anticipated by requiring employers with ten or more employees to remit withheld child support through electronic means. One-time funding is provided for one FTE staff to provide technical support to employers transitioning to electronic payment systems and to make waiver determinations for cases where compliance would cause the employer financial hardship. (General Fund-State; General Fund-Fam Supt)

5. Notification Changes

Funding is reduced to reflect savings by utilizing first class mail, regular mail, or email to serve notice of intent to withhold and deliver on overpayment debt, notice of child support debt accrual, and second notices for suspensions and withholdings of state licenses. Currently, overpayment notices and child support enforcement notices communicated after the original order are sent by certified mail. (General Fund-State; General Fund-Fam Supt; General Fund-Medicaid)

6. Meeting Federal TANF Work Rate

Washington faces an estimated \$67,884,000 penalty to the federal Temporary Assistance for Needy Families (TANF) block grant for not meeting the federal Work Participation Rate (WPR) between federal fiscal years 2012-2015. Funding is provided to continue Washington's Working Family Support program, a monthly ten dollar payment to eligible working clients who are not receiving TANF benefits. Since implementing this program, the department is meeting the WPR while simultaneously assisting working families with self-sufficiency goals. (General Fund-State)

7. SNAP Grant Technology Modernization

The Economic Services Administration is one of seven states to receive a federal grant to modernize the Supplemental Nutrition Assistance Program (SNAP) application process. Clients will be able to use smart phones to apply for Basic Food benefits and upload supporting documentation. (General Fund-Federal)

8. Basic Food Transportation Support

This step provides funding for transportation support services for Basic Food and FAP recipients when participating in eligible employment activities. (Carbon Pollution Reduction Account-State)

Agency 300

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

9. WCCC Provider Search Assistance

Funding is provided for transportation services to clients determined eligible for the Working Connections Child Care (WCCC) program who are searching for a child care provider in their community. (Carbon Pollution Reduction Account-State)

10. HEN Transportation Stipend

Recipients of the Housing and Essential Needs (HEN) program are eligible for concrete goods and other support services; however, recipients must travel to local community organizations to obtain the benefit. Beginning in 2019, this step provides \$20 per month for travel expenses incurred. (Carbon Pollution Reduction Account-State)

11. ABD Grant Increase

Beginning in fiscal year 2019, the maximum grant standard for the Aged, Blind and Disabled (ABD) program is increased from \$197 per month to \$400 per month. This is consistent with the average monthly housing benefit provided for recipients of the HEN program. (Carbon Pollution Reduction Account-State)

12. Eliminate ABD Resource Limit

This step eliminates the resource limit for ABD applicants beginning January 2019. Currently, the asset limit is \$1,000 of liquidable assets and a vehicle exclusion of no more than \$5,000. This discourages a modest accumulation of savings, owning a reliable vehicle and other investments which promote economic stability. (Carbon Pollution Reduction Account-State)

13. LIHEAP for Food Assistance Program

The Food Assistance Program (FAP) recipients receive a federally-funded Low Income Home Energy Assistance Program (LIHEAP) payment. The U.S. Department of Health and Human Services issued a policy update clarifying that states may no longer issue federal LIHEAP funds for the state-funded FAP. This step backfills the loss of federal funds so that FAP recipients can receive LIHEAP again in fiscal year 2019. (Carbon Pollution Reduction Account-State)

14. TANF, SFA, RA Grant Increase

Beginning in fiscal year 2019, a 7.5 percent grant increase is provided for the TANF, Family Assistance Program, and Refugee Cash Assistance program. This step will increase the average TANF grant for a family of four from \$613 per month to \$659 per month. (General Fund-Federal; Carbon Pollution Reduction Account-State)

15. Eliminate TANF/SFA Resource Limit

This step eliminates the resource limit for TANF and SFA applicants beginning January 2019. Currently, the asset limit is \$1,000 of liquidable assets and a vehicle exclusion of no more than \$5,000. This discourages a modest accumulation of savings, owning a reliable vehicle and other investments which promote economic stability. (Carbon Pollution Reduction Account-State)

Agency 300

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

16. Eliminate Kinship Care Means Test

Kinship caregivers provide child rearing when the parents are unavailable or unable to look after the child. Beginning in 2019, means-testing for child-only TANF is eliminated. The caregiver's income will no longer be considered in the eligibility determination. (Carbon Pollution Reduction Account-State)

17. Emergent Need Lifetime Limit

This step reduces emergent housing and utility payments for TANF and State Family Assistance recipients from \$750 each year to \$750 a lifetime. (General Fund-State)

18. Emergent Need 12-Month Limit

This step changes the emergent housing and utility payments for TANF and State Family Assistance recipients from \$750 a lifetime to \$750 each year beginning January 2019. (Carbon Pollution Reduction Account-State)

19. WorkFirst Child Support Obligation

This item provides funding for a pilot program which will deliver WorkFirst education and employment services for non-custodial parents who have child support orders and a child receiving TANF assistance with the custodial parent. (Carbon Pollution Reduction Account-State)

20. Child Support Website

The Most Wanted website for child support enforcement is eliminated. This website displays photos of noncustodial parents who are delinquent in the payment of child support. (General Fund-State; General Fund-Federal)

21. Facilities One-Time Costs

Funding is provided for one-time relocation and project costs to support the DSHS Leased Facilities Strategic Plan. (General Fund-State; General Fund-Federal)

22. WorkFirst Fund Balance

There is a one-time reduction of unallocated General Fund-State fund balance that will be offset by using available federal TANF funds. (General Fund-State; General Fund-TANF)

23. Family Child Care Providers CBA

Consistent with the 2016 collective bargaining agreement, funding is provided for a 2 percent base rate increase for licensed family home providers; a rate increase for Family, Friend and Neighbor providers; increased health insurance premium coverage, and an increase in paid professional development days from three days to five days. (General Fund-State)

Agency 300

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

24. State Public Employee Benefits Rate

Health insurance funding is provided for state employees who are not represented by a union, who are covered by a bargaining agreement that is not subject to financial feasibility determination, or who are not part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State; General Fund-Federal)

25. WFSE General Government

Funding is provided for a collective bargaining agreement and arbitration award with Washington Federation of State Employees (WFSE), which includes a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; a general wage increase of 2 percent, effective January 1, 2019; salary adjustments for targeted classifications; a minimum starting wage of \$12 an hour; and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State; General Fund-Federal)

26. State Represented Emp Benefits Rate

This provides health insurance funding as part of the master agreements for employees who bargain as part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State; General Fund-Federal)

27. Non-Rep General Wage Increase

Funding is provided for wage increases for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. It is sufficient for a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; and a general wage increase of 2 percent, effective January 1, 2019. This item includes both higher education and general government workers. (General Fund-State; General Fund-Federal)

28. Non-Rep Targeted Pay Increases

Funding is provided for classified state employees who are not represented by a union for pay increases in specific job classes in alignment with other employees. (General Fund-State; General Fund-Federal)

29. WFSE Orca Transit Pass

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, who are represented by the Washington Federation of State Employees. (General Fund-State; General Fund-Federal)

30. Orca Transit Pass-Not WFSE

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, other than those represented by the Washington Federation of State Employees. (General Fund-State; General Fund-Federal)

Agency 300

Department of Social and Health Services
Alcohol and Substance Abuse
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	85.3	130,446	589,631	720,077
2017-19 Maintenance Level	75.3	174,901	630,322	805,223
Difference from 2015-17	-10.0	44,455	40,691	85,146
% Change from 2015-17	-11.7%	34.1%	6.9%	11.8%
Policy Other Changes:				
1. Prevent Opioid Overdose Death Grant	0.0	0	2,250	2,250
Policy -- Other Total	0.0	0	2,250	2,250
Policy Comp Changes:				
2. State Public Employee Benefits Rate	0.0	127	29	156
3. WFSE General Government	0.0	165	37	202
4. State Represented Emp Benefits Rate	0.0	56	13	69
5. Non-Rep General Wage Increase	0.0	314	71	385
6. Orca Transit Pass-Not WFSE	0.0	2	0	2
Policy -- Comp Total	0.0	664	150	814
Policy Transfer Changes:				
7. BH: Integration Transfer	-75.3	-175,565	-632,722	-808,287
Policy -- Transfer Total	-75.3	-175,565	-632,722	-808,287
Total Policy Changes	-75.3	-174,901	-630,322	-805,223
2017-19 Policy Level	-0.1	0	0	0
Difference from 2015-17	-85.3	-130,446	-589,631	-720,077
% Change from 2015-17	-100.1%	-100.0%	-100.0%	-100.0%

Agency 300

**Department of Social and Health Services
Alcohol and Substance Abuse
Recommendation Summary**

POLICY CHANGES

1. Prevent Opioid Overdose Death Grant

The Behavioral Health Administration (BHA), Division of Behavioral Health and Recovery has been awarded a federal demonstration grant from the Substance Abuse and Mental Health Services Administration to prevent deaths related to prescription drug and opioid overdose. (General Fund-Federal)

2. State Public Employee Benefits Rate

Health insurance funding is provided for state employees who are not represented by a union, who are covered by a bargaining agreement that is not subject to financial feasibility determination, or who are not part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State; General Fund-Federal)

3. WFSE General Government

Funding is provided for a collective bargaining agreement and arbitration award with Washington Federation of State Employees (WFSE), which includes a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; a general wage increase of 2 percent, effective January 1, 2019; salary adjustments for targeted classifications; a minimum starting wage of \$12 an hour; and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State; General Fund-Federal)

4. State Represented Emp Benefits Rate

This provides health insurance funding as part of the master agreements for employees who bargain as part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State; General Fund-Federal)

5. Non-Rep General Wage Increase

Funding is provided for wage increases for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. It is sufficient for a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; and a general wage increase of 2 percent, effective January 1, 2019. This item includes both higher education and general government workers. (General Fund-State; General Fund-Federal)

6. Orca Transit Pass-Not WFSE

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, other than those represented by the Washington Federation of State Employees. (General Fund-State)

Agency 300

Department of Social and Health Services
Alcohol and Substance Abuse
Recommendation Summary

7. BH: Integration Transfer

Chapter 225, Laws of 2014 requires the Health Care Authority (HCA) and Department of Social and Health Services (DSHS) to fully integrate physical health care and behavioral health care services to Medicaid clients by January 1, 2020. As part of the second phase of behavioral health integration, all community mental health and substance use disorder programs are transferred from DSHS to HCA, with the exception of the Licensing and Certification Program which will transfer to the Department of Health (DOH). In total, 161 staff and \$2.6 billion total funds (\$956 million General Fund-State) will move out of DSHS to HCA and DOH. This whole-person approach to care offers better coordinated care and consolidates the payment and delivery of physical and behavioral health services for individuals enrolled in Medicaid, through managed care. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

Agency 300

Department of Social and Health Services
Vocational Rehabilitation
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	318.1	26,219	98,491	124,710
2017-19 Maintenance Level	318.1	26,922	97,328	124,250
Difference from 2015-17	0.0	703	-1,163	-460
% Change from 2015-17	0.0%	2.7%	-1.2%	-0.4%
Policy Other Changes:				
1. Lease Adjustments > 20,000 sq ft.	0.0	12	0	12
2. Facilities One-Time Costs	0.0	106	0	106
Policy -- Other Total	0.0	118	0	118
Policy Comp Changes:				
3. State Public Employee Benefits Rate	0.0	73	0	73
4. WFSE General Government	0.0	3,001	0	3,001
5. State Represented Emp Benefits Rate	0.0	819	0	819
6. Non-Rep General Wage Increase	0.0	167	0	167
7. WFSE Orca Transit Pass	0.0	78	0	78
Policy -- Comp Total	0.0	4,138	0	4,138
Total Policy Changes	0.0	4,256	0	4,256
2017-19 Policy Level	318.1	31,178	97,328	128,506
Difference from 2015-17	0.0	4,959	-1,163	3,796
% Change from 2015-17	0.0%	18.9%	-1.2%	3.0%

POLICY CHANGES**1. Lease Adjustments > 20,000 sq ft.**

Funding is provided for the ongoing cost of new leases that are necessary to support the DSHS Leased Facilities Strategic Plan. (General Fund-State)

Agency 300

Department of Social and Health Services
Vocational Rehabilitation
Recommendation Summary

2. Facilities One-Time Costs

Funding is provided for one-time relocation and project costs to support the DSHS Leased Facilities Strategic Plan. (General Fund-State)

3. State Public Employee Benefits Rate

Health insurance funding is provided for state employees who are not represented by a union, who are covered by a bargaining agreement that is not subject to financial feasibility determination, or who are not part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State)

4. WFSE General Government

Funding is provided for a collective bargaining agreement and arbitration award with Washington Federation of State Employees (WFSE), which includes a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; a general wage increase of 2 percent, effective January 1, 2019; salary adjustments for targeted classifications; a minimum starting wage of \$12 an hour; and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State)

5. State Represented Emp Benefits Rate

This provides health insurance funding as part of the master agreements for employees who bargain as part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State)

6. Non-Rep General Wage Increase

Funding is provided for wage increases for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. It is sufficient for a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; and a general wage increase of 2 percent, effective January 1, 2019. This item includes both higher education and general government workers. (General Fund-State)

7. WFSE Orca Transit Pass

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, who are represented by the Washington Federation of State Employees. (General Fund-State)

Agency 300

Department of Social and Health Services
Administration and Supporting Services
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	569.1	68,740	41,807	110,547
2017-19 Maintenance Level	586.1	70,751	42,459	113,210
Difference from 2015-17	17.0	2,011	652	2,663
% Change from 2015-17	3.0%	2.9%	1.6%	2.4%
Policy Other Changes:				
1. Transfer Admin Support for CA	0.0	-5,458	-3,639	-9,097
2. CA Transfer Cost Differential	0.0	4,345	0	4,345
3. BH: WSH Time Leave & Attendance	1.0	5,723	1,256	6,979
4. Interpreter Collective Bargaining	0.0	167	167	334
5. Facilities One-Time Costs	0.0	5	1	6
6. Washington Mentors Program	0.0	400	0	400
Policy -- Other Total	1.0	5,182	-2,215	2,967
Policy Comp Changes:				
7. State Public Employee Benefits Rate	0.0	900	194	1,094
8. WFSE General Government	0.0	742	156	898
9. State Represented Emp Benefits Rate	0.0	378	79	457
10. Non-Rep General Wage Increase	0.0	2,012	434	2,446
11. WFSE Orca Transit Pass	0.0	2	0	2
12. Orca Transit Pass-Not WFSE	0.0	24	6	30
Policy -- Comp Total	0.0	4,058	869	4,927
Total Policy Changes	1.0	9,240	-1,346	7,894
2017-19 Policy Level	587.1	79,991	41,113	121,104
Difference from 2015-17	18.0	11,251	-694	10,557
% Change from 2015-17	3.2%	16.4%	-1.7%	9.5%

Agency 300

**Department of Social and Health Services
Administration and Supporting Services
Recommendation Summary**

POLICY CHANGES

1. Transfer Admin Support for CA

Funding which supports administrative functions for the Children's Administration (CA) is transferred to the newly created Department of Children, Youth and Families in fiscal year 2019. (General Fund-State; General Fund-Fam Supt)

2. CA Transfer Cost Differential

The transfer of the Children's Administration (CA) creates a cost differential within the Department of Social and Health Services by reducing the economies of scale for administration and support services. Funding is provided for the backfill. (General Fund-State)

3. BH: WSH Time Leave & Attendance

Western State Hospital (WSH) requires an automated staff scheduling system to ensure the correct staff allocation for each shift time and place. Existing staff management processes are not automated and limit the hospital's ability to schedule staff efficiently and effectively. Funding is provided to replace manual processes with a new integrated scheduling, time, and leave system that will standardize and modernize staffing management processes and maximize staff time spent providing direct care. This item is part of the Governor's statewide behavioral health reform package. (General Fund-State; General Fund-Federal)

4. Interpreter Collective Bargaining

Funding is adjusted for interpreter services based upon the interpreter collective bargaining agreement for the 2017-19 biennium. (General Fund-State; General Fund-Medicaid)

5. Facilities One-Time Costs

Funding is provided for one-time relocation and project costs to support the DSHS Leased Facilities Strategic Plan. (General Fund-State; General Fund-Medicaid)

6. Washington Mentors Program

Funding is provided to expand the Washington Mentors Program, which uses state funds and private donations to find and partner mentors with at-risk youth. (General Fund-State)

Agency 300

**Department of Social and Health Services
Administration and Supporting Services
Recommendation Summary**

7. State Public Employee Benefits Rate

Health insurance funding is provided for state employees who are not represented by a union, who are covered by a bargaining agreement that is not subject to financial feasibility determination, or who are not part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State; General Fund-Federal)

8. WFSE General Government

Funding is provided for a collective bargaining agreement and arbitration award with Washington Federation of State Employees (WFSE), which includes a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; a general wage increase of 2 percent, effective January 1, 2019; salary adjustments for targeted classifications; a minimum starting wage of \$12 an hour; and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State; General Fund-Federal)

9. State Represented Emp Benefits Rate

This provides health insurance funding as part of the master agreements for employees who bargain as part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State; General Fund-Federal)

10. Non-Rep General Wage Increase

Funding is provided for wage increases for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. It is sufficient for a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; and a general wage increase of 2 percent, effective January 1, 2019. This item includes both higher education and general government workers. (General Fund-State; General Fund-Federal)

11. WFSE Orca Transit Pass

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, who are represented by the Washington Federation of State Employees. (General Fund-State)

12. Orca Transit Pass-Not WFSE

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, other than those represented by the Washington Federation of State Employees. (General Fund-State; General Fund-Federal)

Agency 300

Department of Social and Health Services
Special Commitment Center
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	402.8	80,313	0	80,313
2017-19 Maintenance Level	428.6	85,468	0	85,468
Difference from 2015-17	25.8	5,155	0	5,155
% Change from 2015-17	6.4%	6.4%		6.4%
Policy Other Changes:				
1. Community Placement Expansion	5.0	748	0	748
Policy -- Other Total	5.0	748	0	748
Policy Comp Changes:				
2. State Public Employee Benefits Rate	0.0	85	0	85
3. WFSE General Government	0.0	5,231	0	5,231
4. State Represented Emp Benefits Rate	0.0	1,186	0	1,186
5. The Coalition of Unions Agreement	0.0	77	0	77
6. Non-Rep General Wage Increase	0.0	215	0	215
7. WFSE Orca Transit Pass	0.0	10	0	10
8. Gen Govt SEIU 1199 Agreement	0.0	481	0	481
Policy -- Comp Total	0.0	7,285	0	7,285
Total Policy Changes	5.0	8,033	0	8,033
2017-19 Policy Level	433.6	93,501	0	93,501
Difference from 2015-17	30.8	13,188	0	13,188
% Change from 2015-17	7.6%	16.4%		16.4%

POLICY CHANGES**1. Community Placement Expansion**

To accommodate an increase in court-ordered community placements, funding is provided for five residential counselors to support the successful transition of residents and to comply with mandated resident escort requirements in Chapter 71.09 RCW. (General Fund-State)

Agency 300

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

2. State Public Employee Benefits Rate

Health insurance funding is provided for state employees who are not represented by a union, who are covered by a bargaining agreement that is not subject to financial feasibility determination, or who are not part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State)

3. WFSE General Government

Funding is provided for a collective bargaining agreement and arbitration award with Washington Federation of State Employees (WFSE), which includes a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; a general wage increase of 2 percent, effective January 1, 2019; salary adjustments for targeted classifications; a minimum starting wage of \$12 an hour; and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State)

4. State Represented Emp Benefits Rate

This provides health insurance funding as part of the master agreements for employees who bargain as part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State)

5. The Coalition of Unions Agreement

Funding is provided for a collective bargaining agreement with the Coalition of Unions (Coalition) which includes a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; a general wage increase of 2 percent, effective January 1, 2019; salary adjustments for targeted classifications; and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State)

6. Non-Rep General Wage Increase

Funding is provided for wage increases for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. It is sufficient for a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; and a general wage increase of 2 percent, effective January 1, 2019. This item includes both higher education and general government workers. (General Fund-State)

7. WFSE Orca Transit Pass

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, who are represented by the Washington Federation of State Employees. (General Fund-State)

8. Gen Govt SEIU 1199 Agreement

Funding is provided for a collective bargaining agreement with Service Employees International Union – Healthcare (SEIU), which includes salary adjustments for targeted classifications and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State)

Agency 300

Department of Social and Health Services
Payments to Other Agencies
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	0.0	149,674	58,973	208,647
2017-19 Maintenance Level	0.0	157,522	67,371	224,893
Difference from 2015-17	0.0	7,848	8,398	16,246
% Change from 2015-17		5.2%	14.2%	7.8%
Policy Other Changes:				
1. Lease Renewals Reduction	0.0	-1,494	-806	-2,300
Policy -- Other Total	0.0	-1,494	-806	-2,300
Policy Central Services Changes:				
2. Archives/Records Management	0.0	50	22	72
3. Audit Services	0.0	17	10	27
4. Legal Services	0.0	3,984	1,686	5,670
5. Administrative Hearings	0.0	107	138	245
6. CTS Central Services	0.0	1,429	775	2,204
7. DES Central Services	0.0	1,978	851	2,829
8. OFM Central Services	0.0	92	-91	1
Policy -- Central Svcs Total	0.0	7,657	3,391	11,048
Total Policy Changes	0.0	6,163	2,585	8,748
2017-19 Policy Level	0.0	163,685	69,956	233,641
Difference from 2015-17	0.0	14,011	10,983	24,994
% Change from 2015-17		9.4%	18.6%	12.0%

Agency 300

Department of Social and Health Services
Payments to Other Agencies
Recommendation Summary

POLICY CHANGES

1. Lease Renewals Reduction

The department purchases real estate services, including new lease negotiations and lease renewals, from the Department of Enterprise Services (DES). Due to a change in DES's funding structure, the department will no longer need to purchase lease renewal services through this interagency agreement. Lease renewal services will be funded via the central service allocation for real estate services, consistent with all other state agencies. This change will not affect the level of service the department receives from DES Real Estate Services. (General Fund-State; General Fund-Medicaid)

2. Archives/Records Management

Agency budgets are adjusted to reflect each agency's allocated share of charges for the state archives and state records center (General Fund-State; General Fund-Federal)

3. Audit Services

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (General Fund-State; General Fund-Federal)

4. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. The Attorney General's Office will work with client agencies to implement stricter policies and best practices regarding usage of legal services to achieve lower bills. (General Fund-State; General Fund-Federal)

5. Administrative Hearings

Agency budgets are adjusted to reflect each agency's anticipated share of charges for administrative hearings. (General Fund-State; General Fund-Federal)

6. CTS Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Consolidated Technology Services Agency (WaTech) for the Office of the Chief Information Officer, Office of Cyber Security, state network, enterprise systems, security gateways, and geospatial imaging services. (General Fund-State; General Fund-Federal)

Agency 300

Department of Social and Health Services
Payments to Other Agencies
Recommendation Summary

7. DES Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Department of Enterprise Services (DES) for campus rent, utilities, parking, and contracts; a capital project surcharge; financing cost recovery; public and historic facilities; real estate services; risk management services; small agency financial and human resource services; personnel service rates; the Perry Street child care center; and the department's enterprise applications. (General Fund-State; General Fund-Federal)

8. OFM Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management (OFM) for the One Washington project and support for OFM's enterprise applications. (General Fund-State; General Fund-Federal)

Agency 300

**Department of Social and Health Services
Information System Services
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	140.9	0	0	0
2017-19 Maintenance Level	139.8	0	0	0
Difference from 2015-17	-1.1	0	0	0
% Change from 2015-17	-0.8%			
2017-19 Policy Level	139.8	0	0	0
Difference from 2015-17	-1.1	0	0	0
% Change from 2015-17	-0.8%			

Agency 300

**Department of Social and Health Services
Consolidated Field Services
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	542.6	0	0	0
2017-19 Maintenance Level	179.4	0	0	0
Difference from 2015-17	-363.2	0	0	0
% Change from 2015-17	-66.9%			
2017-19 Policy Level	179.4	0	0	0
Difference from 2015-17	-363.2	0	0	0
% Change from 2015-17	-66.9%			