



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

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Sent via email only

TO: Pat Sullivan, Director
Office of Financial Management

FROM: Michaela Doelman, Chief Human Resources Officer
State Human Resources Division, OFM

SUBJECT: OFFICIAL 2025–27 COLLECTIVE BARGAINING SUBMITTAL – NON-STATE EMPLOYEES

This memorandum serves as the official collective bargaining status report and submittal for the 2025–27 contract period, per RCW 41.56.028, 41.56.029 and 41.56.510. Below is summary-level overview of the priorities and outcomes of collective bargaining, which resulted in two negotiated agreements and one interest arbitration award for non-state employees.

State costs for the tentatively agreed-to and awarded terms are contained in the attached financial submittal.

Guiding principles

The agreements reached in this submittal represent our continued partnership with labor organizations to ensure vital services to Washingtonians continue.

We sought to make improvements for our non-state employee groups by addressing several ongoing challenges, including:

- Ensuring that Washingtonians have access to safe, community-based care by investing in supports for clients and adult family home providers. These investments include an increase in the base daily rate, specialty contracts that support the state’s efforts to transform mental health, and healthcare for long-term care workers.
- To improve the availability of services and to support families’ access to high quality childcare, we invested in increased rates for exempt providers, increased the base subsidy rate and the cost-of-care rate enhancement for licensed family childcare providers, and invested in continued access to health care. These investments reduce economic insecurity and help providers to continue supporting low-income and working families.
- Enhancing access to spoken language interpreter services for Medicaid enrollees, social service clients and applicants, and injured workers and crime victims who have limited English proficiency.

Negotiated agreements and interest arbitration award

The contractual terms summarized below are a result of negotiations or interest arbitration between the parties. The costs and further detail of each collective bargaining agreement are outlined in the attached financial submittal.

Non-state employees

- Adult Family Home Council (adult family home providers)
 - *Maintain base daily rates at 95%; Rebase with 1.5% inflationary factor.*
 - *Increase to health contributions.*

- Service Employees International Union Local 925 (family childcare providers)
 - *Increase in the hourly rate of care provided by family, friends and neighbors (FFNs).*
 - *Increase in the subsidy base rate for licensed providers.*
 - *Increase in the cost-of-care rate enhancement for licensed providers.*
 - *Increase in the contribution rate to the Health Benefits Trust.*

- Washington Federation of State Employees (language access providers) (interest arbitration award)
 - *Increase to DCYF/DSHS/HCA rates for interpreting services.*
 - *Increase to rates for social service block appointments.*
 - *Increases to Department of Labor and Industries base rates of pay.*

Attachment: Financial Submittal

cc: Emily Beck, Deputy Director, OFM
Nona Snell, Budget Director, OFM
Roselyn Marcus, Director, Legal & Contract Services, OFM
Kelly Woodward, Deputy Chief Human Resources Officer, State Human Resources, OFM
Gina Comeau, Section Chief, Labor Relations & Compensation Policy, State Human Resources, OFM

2025-27 Cost of Interest Arbitration Awards and Tentative Agreements

	Total FTEs	General Fund-State \$		Other Funds \$		Total \$		2025-27
		FY 2026	FY 2027	FY 2026	FY 2027	FY 2026	FY 2027	Biennial \$
Non-state Employees (41.56 RCW)	9,801	\$74,071,198	\$86,570,423	\$76,664,057	\$90,987,934	\$146,982,295	\$181,312,317	\$328,294,613
Adult Family Home Council	4,700	\$61,072,029	\$72,205,666	\$75,958,626	\$89,896,367	\$133,277,695	\$165,854,993	\$299,132,689
<i>Labor Relations Negotiations</i>								
Adjust Expanded Community Services Daily Rate; 7/1/25 (\$254.33) & 7/1/26 (\$256.25) ¹		(36,519)	(44,631)	(46,478)	(56,803)	(82,997)	(101,434)	(184,431)
Adjust HIV Rate; 7/1/25 (\$177) & 7/1/26 (\$178.75) ¹		(151)	(22)	(192)	(29)	(343)	(51)	(394)
Increase Healthcare Contribution; 7/1/25 (\$3.45)		237,298	247,022	302,016	314,392	539,313	561,414	1,100,728
Increase Medical Escort Fee; 7/1/25 (\$23.68) & 7/1/26 (\$24.04)		1,330,365	1,505,893			1,330,365	1,505,893	2,836,259
Increase Respite Rates 7/1/25 (\$23.68) & 7/1/26 (\$24.04)		59,888	66,912			59,888	66,912	126,799
Increase Specialized Behavioral Supports Add-On Rate 7/1/26 (\$178)			2,722,731		3,465,294		6,188,026	6,188,026
Maintain base daily rates at 95%; Rebase with 1.5% inflationary factor		59,481,148	67,707,761	75,703,280	86,173,513	135,184,428	153,881,274	289,065,702
SEIU, Local 925 for Family Child Care Providers ²	4,200	\$11,727,207	\$12,726,244			\$11,727,207	\$12,726,244	\$24,453,451
<i>Labor Relations Negotiations</i>								
Increase FFN rate 7/1/25 (\$4.50)		5,342,535	5,783,572			5,342,535	5,783,572	11,126,107
Increase monthly Cost of Care Rate Enhancement for licensed providers (\$2,200)		3,600,000	3,600,000			3,600,000	3,600,000	7,200,000
Increase monthly health care trust contribution; 7/1/25 (\$878,500) & 7/1/26 (\$925,000)		2,784,672	3,342,672			2,784,672	3,342,672	6,127,344
WFSE, AFSCME Council 28 – Language Access Providers	901	\$1,271,962	\$1,638,513	\$705,431	\$1,091,567	\$1,977,393	\$2,731,080	\$4,708,473
<i>Interest Arbitration Award</i>								
Department of Children, Youth, and Families								
Increase Block Appointments 7/1/25 (\$38.00/hr) & 7/1/26 (\$40.00/hr)		8,608	9,180	7,633	8,141	16,241	17,321	33,562
Increase In-Person Interpreting (IPI) 7/1/25 (\$49.20/hr) & 7/1/26 (\$50.60/hr)		1,724	3,119	1,529	2,766	3,253	5,885	9,138
Increase Over-the-Phone Interpreting (OPI) 7/1/25 (70 cents/min) & 7/1/26 (72 cents/min)		545	880	484	781	1,029	1,661	2,690
Increase Video Remote Interpreting (VRI) 7/1/25 (\$3.38 /first 10 mins & thereafter \$0.68/min) & 7/1/26 (\$3.45/first 10 mins & thereafter \$0.70/min)		10,174	11,776	9,023	10,443	19,197	22,219	41,416
No-Shows and Cancellations		3,584	3,843	3,178	3,408	6,762	7,251	14,013
Department of Social and Health Services								
Increase Block Appointments 7/1/25 (\$38.00/hr) & 7/1/26 (\$40.00/hr)		82,725	122,593	48,585	71,999	131,310	194,592	325,902
Increase In-Person Interpreting (IPI) 7/1/25 (\$49.20/hr) & 7/1/26 (\$50.60/hr)		22,372	40,476	13,139	23,772	35,511	64,248	99,759
Increase Over-the-Phone Interpreting (OPI) 7/1/25 (\$0.70/min) & 7/1/26 (\$0.72/min)		289,399	298,240	169,965	175,157	459,364	473,397	932,761
Increase Video Remote Interpreting (VRI) 7/1/25 (\$3.38 /first 10 mins & thereafter \$0.68/min) & 7/1/26 (\$3.45/first 10 mins & thereafter \$0.70/min)		4,651	5,322	2,732	3,126	7,383	8,448	15,831
Washington State Health Care Authority								
Increase In-Person Interpreting (IPI) 7/1/25 (\$49.20/hr) & 7/1/26 (\$50.60/hr)		274,268	497,510	335,217	608,068	609,485	1,105,578	1,715,063
Increase Over-the-Phone Interpreting (OPI) 7/1/25 (\$0.70/min) & 7/1/26 (\$0.72/min)		2,574	5,149	3,147	6,293	5,721	11,442	17,163
Increase Video Remote Interpreting (VRI) 7/1/25 (\$3.38 /first 10 mins & thereafter \$0.68/min) & 7/1/26 (\$3.45/first 10 mins & thereafter \$0.70/min)		8,821	16,225	10,782	19,831	19,603	36,056	55,659
Increase yearly early completion payment cap (\$150,000)		22,500	22,500	27,500	27,500	50,000	50,000	100,000
No-Shows and Cancellations		58,017	105,240	70,909	128,626	128,926	233,866	362,792
Department of Labor and Industries								
Increase In-Person Interpreting (IPI) 7/1/25 (3.5%) & 7/1/26 (3%)		459,293	473,072	1,549	1,596	460,842	474,668	935,510
Increase Over-the-Phone Interpreting (OPI) 7/1/25 (3.5%) & 7/1/26 (3%)		7,274	7,492	12	12	7,286	8,504	15,790
Increase Video Remote Interpreting (VRI) 7/1/25 (3.5%) & 7/1/26 (3%)		15,433	15,896	47	48	15,480	15,944	31,424

1 This specialty rate has a maximum amount that can be paid relative to the base daily rate. Since the base daily rate increased more than the maximum amount of the specialty rate, a cost savings is shown for the specialty rate.

2 By law, child care subsidy base rates must achieve the 85th percentile of the market for licensed child care providers. Rates for Licensed Family Home providers were bargained to achieve the mandated level, per the 2024 Market Rate survey. The cost of these increases is not subject to financial feasibility but is noted here for awareness at \$216 million GF-S for the 2025-27 biennium.