
Appropriations Committee

ESSB 6040

Brief Description: Concerning the budgeting process for certain state waiver services for individuals with developmental disabilities.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Braun, Becker and Kuderer).

Brief Summary of Engrossed Substitute Bill

- Requires the Caseload Forecast Council to present a courtesy forecast of individuals who are assessed as eligible for, and have requested a service from, the Basic Plus or Individual & Family Services waivers.
- Requires that expenditures to provide Basic Plus and Individual & Family Services waivers be budgeted in maintenance level.
- Requires the Developmental Disabilities Administration (DDA) to review and update the no-paid services caseload to reflect the current headcount of DDA-eligible individuals and the number of individuals who are currently interested in receiving a paid DDA service, and to report to the Governor and Legislature by December 1, 2021.
- Creates the Joint Select Committee on Streamlining Service Delivery for Individuals with Developmental Disabilities (Committee) to review existing processes and staffing methodologies for determining client eligibility and service delivery. Requires the Committee to submit recommendations for streamlining these activities to the Governor and the Legislature by December 31, 2020.

Hearing Date: 2/29/20

Staff: Mary Mulholland (786-7391).

Background:

Developmental Disabilities Administration.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Developmental Disabilities Administration (DDA) is a program within the Department of Social and Health Services (DSHS) that administers a broad range of programs and Medicaid services for eligible individuals with developmental disabilities in Washington State. These services and programs include case management, personal care, respite, employment, community engagement, crisis stabilization services, and residential supports. Individuals who are functionally and financially eligible for DDA-paid Medicare services have two avenues to be served in the community:

- The Community First Choice Option (CFCO) of the Medicaid State Plan is an uncapped entitlement that is provided to those who qualify for institutional care, but would rather be served in their homes or communities; and
- There are five Home and Community Based Services (HCBS) waivers that provide an array of services tailored to the specific populations they serve. All five waivers are capped, so funding is not automatically adjusted based on caseload demand.

Approximately 70 percent of the HCBS waiver caseload receives services through either the Basic Plus or Individual and Family Services (IFS) waivers. The Basic Plus waiver provides services to clients who are functionally eligible for an institutional level of care but who choose to remain in a community setting. The IFS waiver serves families caring for an eligible person three years of age or older by providing an annual allocation based on assessed need.

As of February 1, 2020, there were 13,750 individuals known to be eligible for DDA services who were not receiving paid DDA services. This group of individuals is often referred to as the no-paid services (NPS) caseload.

As of January 27, 2020, there 299 individuals on the NPS caseload who have requested a service through the Basic Plus or IFS waivers that has been denied due to funding limits. This list is defined in current law as the "service request list."

Caseload Forecast Council.

The Caseload Forecast Council (CFC) is a state agency charged with preparing official state forecasts of the number of persons expected to meet entitlement requirements and to require the services of certain public assistance programs, including foster care, adoption support, the prison population, K-12 students, Medicaid, and other specified programs. The CFC itself consists of two individuals appointed by the Governor, and four individuals, one of whom is appointed by the chairperson of each of the two largest political caucuses in the Senate and the House of Representatives.

Operating Budget.

A two-year biennial operating budget appropriates funding for the operation of state government and is adopted every odd-numbered year. Supplemental budgets frequently are enacted in each of the following two years after adoption of the biennial budget. Although many elements of the budget process are contained in statute, other elements of the process reflect decisions made by the executive and legislative branches. In Washington, budget decisions are often categorized as being either a maintenance level or a policy level decision. For the purposes of the four-year outlook, maintenance level has been defined to mean the estimated appropriations necessary to

maintain the continuing costs of program and service levels either funded in the prior biennium or otherwise mandated by other state or federal law. Maintenance level items typically include adjustments for the forecasted changes in entitlement caseloads or enrollments and other mandatory expenses. All other budget decisions are typically categorized as policy items.

Funding for DDA personal care and respite care services are adjusted annually in maintenance level of the budget on the basis of actual and forecasted caseloads and per-capita costs. Funding for community residential services offered under DDA waivers is also adjusted in maintenance-level primarily for the per-capita costs of serving current waiver clients, but is never adjusted above the waivers' capped capacity unless by a policy-level decision of the Legislature.

Summary of Bill:

The CFC must present the number of individuals who are assessed as eligible for, and have requested a service through, the Basic Plus and IFS waivers. The CFC shall be presented with the service request list, as defined in current law, to aid in development of this information.

Expenditures for the Basic Plus and IFS waivers must be budgeted as maintenance level costs.

Subject to appropriation, and by December 1, 2021, the DDA must review the no-paid services caseload and update it to accurately reflect a current headcount of eligible persons and the number of individuals who are currently interested in receiving a paid service.

The Joint Select Committee on Streamlining Service Delivery for Individuals with Developmental Disabilities (Committee) is established. Membership of the Committee consists of:

- the chairs of the fiscal committees in the Senate and the House of Representatives, or their designees;
- two additional members of the Senate, one each appointed by the leadership of the two largest caucuses in the Senate; and
- two additional members of the House of Representatives, one from each of the two largest caucuses in the House of Representatives appointed by the Speaker of the House of Representatives.

The duties of the Committee include, but are not limited to:

- reviewing the DDA's existing processes and staffing methodology used for determining eligibility, assessing for eligibility, and delivering services;
- reviewing best practices from other states regarding eligibility determination, eligibility assessment, and service delivery processes and staffing models; and
- making recommendations regarding legislative policy options for streamlining the eligibility, assessment, and service delivery processes and the level of staffing required.

Staff support for the Committee is provided by Senate Committee Services and the House Office of Program Research.

Appropriation: None.

Fiscal Note: Available.

Effective Date: This bill takes effect 90 days after adjournment of the session in which the bill is passed, except for Section 1, which takes effect July 1, 2020.