

HOUSE BILL REPORT

ESSB 6040

As Reported by House Committee On: Appropriations

Title: An act relating to the budgeting process for certain state waiver services for individuals with developmental disabilities.

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 History:

Committee Activity:

Appropriations: 2/29/20, 3/2/20 [DPA].

Brief Summary of Engrossed Substitute Bill (As Amended by Committee)

- 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 and Family Services waivers.
- 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.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass as amended. Signed by 33 members: Representatives Ormsby, Chair; Robinson, 1st Vice Chair; Bergquist, 2nd Vice Chair; Stokesbary, Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Rude, Assistant Ranking Minority Member; Caldier, Chandler, Chopp, Cody, Corry, Dolan, Dye, Fitzgibbon, Hansen, Hoff, Hudgins, Kilduff, Kraft, Macri, Mosbrucker, Pettigrew, Pollet, Ryu, Schmick, Senn, Springer, Steele, Sullivan, Sutherland, Tarleton, Tharinger and Ybarra.

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.

Staff: Mary Mulholland (786-7391).

Background:

Developmental Disabilities Administration.

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. 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.
- 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 were 299 individuals on the NPS caseload who have requested a service through the Basic Plus or IFS waivers that had 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, Kindergarten through 12th grade 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 the 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 Amended 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 must be presented with the service request list, as defined in current law, to aid in development of this information.

Subject to appropriation, and by December 1, 2021, the DDA must review the NPS 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.

Amended Bill Compared to Engrossed Substitute Bill:

The requirement that expenditures for the Basic Plus and IFS waivers be budgeted at maintenance-level is removed. The establishment of the Joint Select Committee on Streamlining Service Delivery for Individuals with Developmental Disabilities is eliminated.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: This bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Stakeholder groups are in support of the policy and related funding as proposed in the Senate budget. While the bill does not require enhanced funding, stakeholders believe that it will help track and eventually eliminate the number of eligible people who are waiting for paid services. The streamlining of service delivery is also supported.

(Opposed) None.

Persons Testifying: Seth Dawson, Community Employment Alliance.

Persons Signed In To Testify But Not Testifying: None.