

2017-19 Biennium Budget Decision Package

FINAL

Agency: 303 Department of Health

Decision Package Code/Title: LE Continue Online License Effort

Budget Period: 2017-19

Budget Level: M2-Inflation and Other Rate Changes

Agency Recommendation Summary Text: The Department of Health requests one-time expenditure authority in fiscal year 2018 to continue development of its Online Licensing and Information Collection project. The additional authority requested reflects the unspent authority from the prior biennia. Vendor contract issues emerged during development of the online license application that delayed implementation. The project is now scheduled to be completed by March 2018.

Fiscal Summary: Decision package total dollar and FTE cost/savings by year, by fund, for 4 years. Additional fiscal details are required below.

Operating Expenditures	FY 2018	FY 2019	FY 2020	FY 2021
Fund 02G-1	468,000	0	0	0
Total Cost	468,000	0	0	0
Staffing	FY 2018	FY 2019	FY 2020	FY 2021
FTEs	0	0	0	0
Revenue	FY 2018	FY 2019	FY 2020	FY 2021
Fund 02G	468,000	0	0	0
Object of Expenditure	FY 2018	FY 2019	FY 2020	FY 2021
A - Salaries and Wages	3,000	0	0	0
B - Employee Benefits	1,000	0	0	0
C - Personal Service Contracts	306,000	0	0	0
E - Goods and Services	158,000	0	0	0
G - Travel	0	0	0	0
J - Capital Outlays	0	0	0	0
N - Grants, Benefits & Client Svc	0	0	0	0
T- Intra-Agency Reimbursements	0	0	0	0

Package Description

The Department of Health (department), Division of Health Systems Quality Assurance is responsible for the licensing and regulation of healthcare professions and facilities. The project will add new healthcare professions' license applications, and new facility license applications and renewals for at least five regulated facility types. The project will also allow the department to collect demographic data about healthcare practitioners, improving our knowledge of the health professions workforce.

Originally scheduled to be complete by June 2016, the project experienced delays that resulted in a planned March 2018 completion. The vendor was not able to complete the work as originally specified and several of the elements were determined to be beyond the scope of the project. Adjustments were made to deliverables to focus on elements necessary for the implemented solution. The department and vendor will complete final defect resolution and testing in early September 2017. By December 2017 the project team will develop a prioritized list for adding additional online applications. They will also develop a draft schedule by March 2018 to set tentative timelines for that work.

Due to these delays, the appropriation in 2015-17 was not fully expended. DOH requests a shift of unspent appropriation to fund remaining development work. Unspent 2015-17 appropriation totals \$468,000.

Base Budget: If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service. Please include annual expenditures and FTEs by fund and activity (or provide working models or backup materials containing this information).

The initial project costs were one-time. The authority was backed out at carry forward level and therefore not included in the department's base budget.

Decision Package expenditure, FTE and revenue assumptions, calculations and details: Agencies must clearly articulate the workload or policy assumptions used in calculating expenditure and revenue changes proposed.

Expenditures will include personal service and hardware / software contracts during FY18 in the amount of \$468,000.

Decision Package Justification and Impacts

What specific performance outcomes does the agency expect?

Describe and quantify the specific performance outcomes the agency expects as a result of this funding change. ([results washington link](#))

1. Healthcare providers and facility administrators will be able to renew or apply for licenses, check the status of applications and licenses, and pay online twenty-four hours per day, seven days per week. The turn-around time for application processing will be reduced because providers and facility administrators will be able to enter information and pay online. The number of checks returned for insufficient funds (NSF) will be reduced because online payments will be validated prior

to acceptance by the online system. Refunds will be reduced because the online system will require submission of the correct amounts for each type of transaction. Information consistency and accuracy will improve because edits in the online system will require entry of complete responses.

2. Healthcare providers will be able to enter demographic information online when they renew their licenses. Accurate healthcare workforce information will improve access to health care and reduce health disparities by: 1) assisting policy makers in developing targeted solutions to address workforce shortages; 2) identifying workforce needs culturally and geographically to meet future health care demands; 3) assessing training and educational needs for the healthcare workforce; 4) helping the healthcare workforce mirror the populations they serve; and 5) promoting diversity in the field.

3. The process for applying and processing surcharges on individual healthcare licenses will be fully automated.

Performance Measure detail:

Implement the Healthcare Enforcement & Licensing Modernization System within scope and budget.

Results Washington

Goal 4: Healthy & safe communities

Goal 5: Efficient, effective & accountable government

Department of Health Strategic Plan

Goal 1: Protect everyone in Washington from communicable diseases and other health threats
– Resolve healthcare provider and facility complaints and allegations of misconduct or unsafe care.

Goal 5: Ensure core business services are efficient, innovative and transparent – Modernize Information Technology services, processes, and capabilities that support business solutions aligned with public health.

Fully describe and quantify expected impacts on state residents and specific populations served:

The department licenses and regulates more than 430,000 healthcare professionals, 1,800 educational and training programs, and 7,000 facilities. The department's goal in finalizing the Online Licensing implementation plan is to provide these individuals the ability to pay by credit card as well as give them the ability and efficiency of online license application and renewal.

What are other important connections or impacts related to this proposal? Please complete the following table and provide detailed explanations or information below:

Impact(s) To:		Identify / Explanation
Regional/County impacts?	No	Identify:
Other local gov't impacts?	No	Identify:
Tribal gov't impacts?	No	Identify:
Other state agency impacts?	No	Identify:
Responds to specific task force, report, mandate or exec order?	No	Identify:
Does request contain a compensation change?	No	Identify:
Does request require a change to a collective bargaining agreement?	No	Identify:
Facility/workplace needs or impacts?	No	Identify:
Capital Budget Impacts?	No	Identify:
Is change required to existing statutes, rules or contracts?	No	Identify:
Is the request related to or a result of litigation?	No	Identify lawsuit (please consult with Attorney General's Office):
Is the request related to Puget Sound recovery?	No	If yes, see budget instructions Section 14.4 for additional instructions
Identify other important connections		

Please provide a detailed discussion of connections/impacts identified above.

What alternatives were explored by the agency and why was this option chosen?

The only alternative would be to significantly scale back the scope of the project or halt the project altogether. This approach was discarded, due to the vital necessity of automating online applications for all health professionals.

What are the consequences of not funding this request?

If this package is not funded, the agency project to implement online license applications and health workforce data collection will need to be halted or significantly scaled back. This will negatively impact patient safety and access to care, as the online licensing process has been shown to license healthcare providers more quickly, resulting in more providers serving Washington residents. This will prevent the department from meeting strategic goals and will impact our ability to support Results Washington Goal 5. In addition, the project is already in progress; if halted now, it will result in the waste of the resources invested to date and will likely require additional resources to restart in the future. It would also result in negative perceptions from stakeholders.

How has or can the agency address the issue or need in its current appropriation level?

Finalizing the Online Licensing project within current appropriation could be done by delaying implementation.

Other supporting materials: Please attach or reference any other supporting materials or information that will help analysts and policymakers understand and prioritize your request.

Information technology: Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

- No 
- Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)

2017-19 IT Addendum

Part 1: Itemized IT Costs

Please itemize any IT-related costs, including hardware, software, services (including cloud-based services), contracts (including professional services, quality assurance, and independent verification and validation), or IT staff. Be as specific as you can. (See chapter 12.1 of the operating budget instructions for guidance on what counts as “IT-related costs”)

Information Technology Items in this DP <i>(insert rows as required)</i>	FY 2018	FY 2019	FY 2020	FY 2021
Item 1	xxx	yyy	zzz	aaa
Item 2	xxx	yyy	zzz	aaa
Total Cost	Enter Sum	Enter Sum	Enter Sum	Enter Sum

Part 2: Identifying IT Projects

If the investment proposed in the decision package is the development or acquisition of an IT project/system, or is an enhancement to or modification of an existing IT project/system, it will also be reviewed and ranked by the OCIO as required by RCW 43.88.092. The answers to the three questions below will help OFM and the OCIO determine whether this decision package is, or enhances/modifies, an IT project:

1. Does this decision package fund the development or acquisition of a new or enhanced software or hardware system or service? Yes No
2. Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.) Yes No
3. Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [OCIO Policy 121](#).) Yes No

If you answered “yes” to any of these questions, you must complete a concept review with the OCIO before submitting your budget request. Refer to chapter 12.2 of the operating budget instructions for more information.