

2017-19 Biennium Budget Decision Package

FINAL

Agency: 303 Department of Health

Decision Package Code/Title: A4 Technical Adjustments

Budget Period: 2017-19

Budget Level: M2-Inflation and Other Rate Changes

Agency Recommendation Summary Text:

The Department of Health requests various technical corrections to its 2017-19 appropriation.

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 001-7	675,000	674,000	674,000	674,000
Fund 001-1	41,000	41,000	41,000	41,000
Fund 02G-1	(204,000)	(198,000)	(198,000)	(198,000)
Fund 315-1	2,250,000	2,250,000	2,250,000	2,250,000
Total Cost	2,762,000	2,767,000	2,767,000	2,767,000
Staffing	FY 2018	FY 2019	FY 2020	FY 2021
FTEs	0.3	0.3	0.3	0.3
Revenue	FY 2018	FY 2019	FY 2020	FY 2021
Fund 001-7	358,000	358,000	358,000	358,000
Fund 02G-1	113,000	118,000	118,000	118,000
Object of Expenditure	FY 2018	FY 2019	FY 2020	FY 2021
A - Salaries and Wages	398,000	398,000	398,000	398,000
B - Employee Benefits	129,000	129,000	129,000	129,000
C - Personal Service Contracts	112,000	117,000	117,000	117,000
E - Goods and Services	134,000	134,000	134,000	134,000
G - Travel	16,000	16,000	16,000	16,000
J - Capital Outlays	2,000	2,000	2,000	2,000
N - Grants, Benefits & Client Svc	1,962,000	1,962,000	1,962,000	1,962,000
T- Intra-Agency Reimbursements	9,000	9,000	9,000	9,000

Package Description

This proposal requests the following technical corrections to the Department of Health's 2017-19 appropriations.

SSB 5778 (AMBULATORY SURGICAL FACILITIES--LICENSURE AND REGULATION)

Chapter 146, Laws of 2016 (SSB 5778) abolished Fund 14J Ambulatory Surgical Facility Account effective June 9, 2016. The fund balance was swept into the State General Fund since the bill did not specify where the funds should be transferred. In addition, the Department's Fund 14J appropriation was not removed.

This technical adjustment requests the following:

- Transfer \$169,469 of General Fund-State to the Department of Health's private local account. This would restore the fund balance that was swept from Fund 14J to GF-State in the 2015-17 biennium. This balance was derived from ambulatory surgical facility license fees and is used to regulate surgical facilities statewide.
- Eliminate the Department of Health's Fund 14J appropriation. Since the fund has been abolished, this appropriation is obsolete.
 - o Reduce 2017-19 Appropriation: \$716,000 – 14J-1 Ambulatory Surgical Facility
- Provide the Department of Health with additional General Fund-Private/Local authority to supplant the previous Fund 14J authority. This will allow the Department to continue to regulate the ambulatory surgical facilities.
 - o Increase 2017-19 Appropriation: \$716,000 – 001-7 GF-Private/Local

SB 5689 (DIABETES--PLANNING--REPORTS)

DOH requests ongoing appropriation for Chapter 56, Laws of 2106 (SB 5689) consistent with the approved fiscal note. The fiscal impact of the legislation did not start for the Department of Health until state fiscal year 2018, therefore the appropriations was not included in the Department's 2017-19 base budget.

The legislative intent is that funding is provided for SB 5689:

- Chapter 36, Laws of 2016 (2ESHB 2376 section 219(20)) provides that appropriations are sufficient for implementation of SB 5689.
- SB 5689 section 4 includes a null and void clause if funding was not provided for this bill.

This technical adjustment requests the following:

- Increase FY18 Appropriation: \$41,000 – 001-1 GF-State; FTE 0.3
- Increase FY19 Appropriation: \$41,000 – 001-1 GF-State; FTE 0.3

HB 2432 (SUBSTANCE ABUSE MONITORING PROGRAMS--OSTEOPATHY AND VETERINARY PROFESSIONS)

DOH requests ongoing appropriation for Chapter 42, Laws of 2106 (HB 2432) consistent with the approved fiscal note. This appropriation is necessary to expend the additional fee revenue to the voluntary substance abuse monitoring program.

This technical adjustment requests the following:

- Increase FY18 appropriation: \$113,000 – 02G-1 Health Professions Account
- Increase FY19 Appropriation: \$118,000 – 02G-1 Health Professions Account

2SSB 5052 (MEDICAL MARIJUANA--REGULATION)

Chapter 70, Laws of 2015 (2SSB 5052) states that the legislature intends that the cost associated with implementing and administering the medical marijuana authorization database shall be financed from the health professions account and that these funds shall be restored to the health professions account through future appropriations using funds derived from the dedicated marijuana account.

DOH requests a one-time transfer from the Dedicated Marijuana account to the Health Professions account.

In addition, the 2015-17 budget provided the Department with \$633,000 from the Health Professions Account (Fund 02G-1) to implement the Medical Marijuana Consultant Certificates (MMJC); although, the fiscal note identified these expenditures as General Fund-Local. The Department cannot fund MMJC from the Fund 02G-1 because they are not subject to the UDA and are specifically prohibited from giving any medical or health advice. The Department requests a fund authority swap from Fund 02G-1 to 001-7 (General Fund-Local).

This technical adjustment requests the following:

- Transfer \$1,407,000 from the Dedicated Marijuana Account (Fund 315-1) the Health Professions Account (fund 02G-1) to reimburse the Department's actual FY16 expenditures to implement and administer the medical marijuana authorization database.
- Reduce 2017-19 Appropriation: \$633,000 – 02G-1 Health Professions Account
- Increase 2017-19 Appropriation: \$633,000 – 001-7 GF-Private/Local

Marijuana & Tobacco Education

RCW 69.50.540(2)(b)(ii) provides that the "...legislature must appropriate a minimum of nine million seven hundred fifty thousand dollars..." per fiscal year to the Department of Health for the creation, implementation, operation, and management of a marijuana education and public health program. The current annual appropriation for the 2017-19 carry-forward level budget is seven million two hundred fifty thousand dollars per fiscal year. The Department of Health requests a technical adjustment to align the agency's appropriation with current law.

This technical adjustment requests the following:

- Additional FY18 Appropriation: \$2,250,000- 315-1 Dedicated Marijuana Fund Account
- Additional FY19 Appropriation: \$2,250,000 – 315-1 Dedicated Marijuana Fund Account

Contact Information:

Financial Operations – Ryan Black (360) 236-4530
Subject Matter Expert – Ryan Black (360) 236-4530

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).

SSB 5778 (AMBULATORY SURGICAL FACILITIES--LICENSURE AND REGULATION)

In the 2015-17 biennium the Ambulatory Surgical Facility Account received \$716,000 in appropriation authority. This fund was repealed June 9, 2016.

SB 5689 (DIABETES--PLANNING--REPORTS)

Funding has not yet been provided for this bill.

HB 2432 (SUBSTANCE ABUSE MONITORING PROGRAMS--OSTEOPATHY AND VETERINARY PROFESSIONS)

Funding has not yet been provided for this bill.

2SSB 5052 (MEDICAL MARIJUANA--REGULATION)

The program is currently using Fund 02G-1 appropriation authority for expenditures pending legislative cost reimbursement from the 315-1 Dedicated Marijuana Account.

Marijuana & Tobacco Education

The Department of Health’s current appropriation for Marijuana & Tobacco Education is \$7.25 Million per fiscal year (Dedicated Marijuana Account, Fund 315-1)

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.

Technical Adjustments, N/A

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](#))

Technical Adjustments, N/A

Performance Measure detail:

Technical Adjustments, N/A

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

Technical Adjustments, N/A

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?	Select Y/N	Identify:
Other local gov’t impacts?	Select Y/N	Identify:
Tribal gov’t impacts?	Select Y/N	Identify:
Other state agency impacts?	Select Y/N	Identify:
Responds to specific task force, report, mandate or exec order?	Select Y/N	Identify:
Does request contain a compensation change?	Select Y/N	Identify:

Does request require a change to a collective bargaining agreement?	Select Y/N	Identify:
Facility/workplace needs or impacts?	Select Y/N	Identify:
Capital Budget Impacts?	Select Y/N	Identify:
Is change required to existing statutes, rules or contracts?	Select Y/N	Identify:
Is the request related to or a result of litigation?	Select Y/N	Identify lawsuit (please consult with Attorney General's Office):
Is the request related to Puget Sound recovery?	Select Y/N	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?

Technical Adjustments, N/A

What are the consequences of not funding this request?

Technical Adjustments, N/A

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

Technical Adjustments, N/A

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.)