

2017-19 Biennium Budget Decision Package

FINAL

Agency: 303 Department of Health

Decision Package Code/Title: A5 Fees to Maintain Current Programs

Budget Period: 2017-19

Budget Level: M2-Inflation and Other Rate Changes

Agency Recommendation Summary Text:

The Department of Health works to protect and improve the health of people in Washington, promote healthy behaviors and maintain high standards for quality health care delivery. Many of the regulatory programs within the department rely on fees to support the services provided. The department is increasing fees in two groups of fees: registered nurses and advanced registered nurse practitioners. Currently these fee groups are not earning enough revenue to meet program needs. The revenue from these increases will fund current levels of service.

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

Revenue	FY 2018	FY 2019	FY 2020	FY 2021
Fund 02G-1	2,093,000	2,175,000	2,175,000	2,175,000

Package Description

The Department of Health (DOH) helps ensure that health care professionals provide safe services by regulating more than 437,000 license holders in 83 different professions who practice in Washington. Regulation involves licensing and often discipline of professionals, as well as support for the boards, commissions and committees that oversee these professions. Each licensed or certified professional pays fees as part of the credentialing process, and the methodology of fee calculation remains consistent with previous years: dividing the total estimated program cost for each profession by the estimated number of applicants. To provide services without interruption, fees are reviewed periodically, as operating costs increase or decrease and new work is required through legislation.

The department is increasing fees in two (2) groups of fees: registered nurses and advanced registered nurse practitioners. Currently, each fee group is not earning enough revenue to meet program needs. The revenue from these increases will continue current levels of service.

In addition to this decision package, the Department conducts a comprehensive administrative review process with stakeholders when proposing a fee increase.

Contact Information:

Financial Operations – Steve Hodgson, (360) 236-4990
Subject Matter Expert – Steve Hodgson (360) 236-4990

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).
N/A

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:

The agency has sufficient expenditure authority to align with these fee increases.

Revenue:

The proposed fee increases affect two (2) groups of fees, registered nurses and advanced registered nurse practitioners. Examples of fees that will be increased include application fees, renewal fees, and expired license renewal fees.

Estimated Implementation dates:

Registered Nurses and Advanced Registered Nurse Practitioners – fee implementation 7/1/2017

The additional projected revenue for the 2017-19 biennium:
02G-1 Health Professions Account - \$4.2 million

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.

The DOH will continue to regulate and support health care professionals and facilities to make access to safe, high quality health care possible.

Performance Measure detail:

Patient and consumer safety are among the department's top priorities. The department works to ensure the more than 437,000 health care providers and roughly 7,000 health care facilities comply with health, safety, and professional standards through licensing, investigation and disciplinary activities.

This program makes key contributions to Results Washington Goal 4: Healthy & safe communities. Adequate funding for these programs will help ensure timely credentialing and regulation of these health care practitioners and facilities, ultimately improving the health and safety of patients.

Is this DP essential to implement a strategy identified in the agency's strategic plan?

Goal 1: Protect everyone in Washington from communicable diseases and other health threats.
Objective 6: Resolve healthcare provider and facility complaints and allegations of misconduct or unsafe care.

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

RCW 43.70.250 requires that professions, occupations and business licensing programs be fully funded by the members of that profession, occupation or business. This request aligns the expenditure authority to the fee increase revenue estimates.

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: RCW 43.70.250 -License fees for professions, occupations, and businesses.
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		
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Please provide a detailed discussion of connections/impacts identified above.

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

Registered Nurses and Advanced Registered Nurse Practitioner fee increases – The Commission could reduce spending; however, a reduction in spending would have adverse impacts on patient safety and health care access. This option was rejected.

What are the consequences of not funding this request?


N/A

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

N/A The agency is increasing fees to sustain current expenditure authority.

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.)