

State of Washington
Decision Package

FINAL

Agency: **303 Department of Health**
Decision Package Code/Title: **LC Online Licensing**
Budget Period: **2015-17**
Budget Level: **M2-Inflation and Other Rate Changes**

Recommendation Summary Text:

This package increases appropriation authority to complete the Online Licensing and Information Collection project. Authority for this project was authorized in the 2013-15 biennium budget and the 2014 supplemental budget. The project was originally scheduled to be complete by June 2016. However, the project experienced several delays that result in a planned fiscal year 2017 completion.

Fiscal Detail

Operating Expenditures		<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
02G-1	Health Professions Acct	968,000	227,000	1,195,000
Total Cost		968,000	227,000	1,195,000

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 department first implemented online licensing in 2012, allowing health practitioners to renew their licenses online and has continued to improve functionality and accessibility. The current project will add new healthcare professions license applications and new 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 has experienced several delays that result in a planned fiscal year (FY) 2017 completion. There was difficulty in filling key project staff roles and delays in procurement and in the acquisition of software to support online licensing. Enacted budgets authorized funding for this project in both the 2013-15 biennium budget and the 2014 supplemental budget. Those expenditures did not take place as planned during 2013-2015. The project's current timelines are not fully covered by 2015-2017 appropriation.

Narrative Justification and Impact Statement:

What specific performance outcomes does the agency expect?

The benefits of the Online Licensing and Information Collection project include:

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 license. 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

Activity: A015 – Patient and Consumer Safety

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

Goal 3: Improve access to quality, affordable, and integrated healthcare for everyone in Washington.

Goal 5: Ensure core business services are efficient, innovative and transparent.

Objective 5: Enhance our technological capabilities to meet current and future business needs.

Does this DP provide essential support to one or more of the Governor's Results Washington priorities?

The following sections of the Governor's Results Washington are affected by this request:

Goal 4: Healthy and Safe Communities

Goal 5: Efficient, Effective and Accountable Government

What are the other important connections or impacts related to this proposal?

Currently, healthcare providers must obtain a credential from the Department of Health. Without a license they are unable to practice. The healthcare providers and healthcare facility operators, as well as boards, commissions and associations, have for years requested the ability to pay by credit card and the efficiency of online license renewal and application. This package will fund the continued expansion of online access for license applications and renewals.

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

The only alternative to the proposed solution 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 package?

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 also result in the department not 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.

What is the relationship, if any, to the state capital budget?

N/A

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

N/A

Expenditure and revenue calculations and assumptions:

Revenue:

None

Expenditures:

The department is requesting appropriation authority of \$968,000 in FY 2016 and \$227,000 in FY 2017 to contract services and purchase equipment to complete the implementation of the Online Licensing and Information Collection project.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All costs are one-time.

<u>Object Detail</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
A Salaries and Wages	0	0	0
B Employee Benefits	0	0	0
C Personal Service Contracts	566,000	31,000	597,000
E Goods and Services	364,000	193,000	557,000
G Travel	0	0	0
J Capital Outlays	32,000	3,000	35,000
T Intra-Agency Reimbursements	6,000	0	6,000
Total Objects	968,000	227,000	1,195,000