



2019-21 Biennium Budget Decision Package

Agency: 303 - Department of Health
Decision Package Code-Title: 2G - Improve License Processing Times
Budget Session: 2019-21 Regular
Budget Level: Policy Level
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Agency Recommendation Summary

The Department of Health requests an on-going appropriation to maintain an improved customer service level for healthcare providers and the public. Without ongoing appropriation, service levels will decline, resulting in longer wait times for providers to be licensed and reductions in health care access and patient safety.

Fiscal Summary

Dollars in Thousands

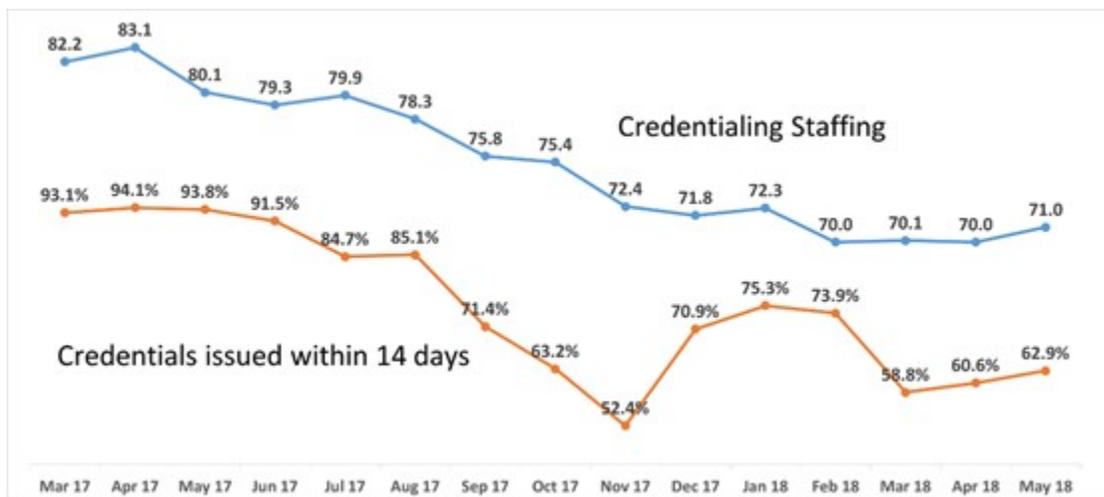
Operating Expenditures	FY 2020	FY 2021	FY 2022	FY 2023
Fund 02G - 1	\$1,005	\$1,005	\$1,005	\$1,005
Total Expenditures	\$1,005	\$1,005	\$1,005	\$1,005
Biennial Totals		\$2,010		\$2,010
Staffing	FY 2020	FY 2021	FY 2022	FY 2023
FTEs	12.8	12.8	12.8	12.8
Average Annual		12.8		12.8
Object of Expenditure	FY 2020	FY 2021	FY 2022	FY 2023
Obj. A	\$649	\$649	\$649	\$649
Obj. B	\$226	\$226	\$226	\$226
Obj. E	\$47	\$47	\$47	\$47
Obj. T	\$83	\$83	\$83	\$83
Revenue	FY 2020	FY 2021	FY 2022	FY 2023
02G - 0299	\$1,005	\$1,005	\$1,005	\$1,005

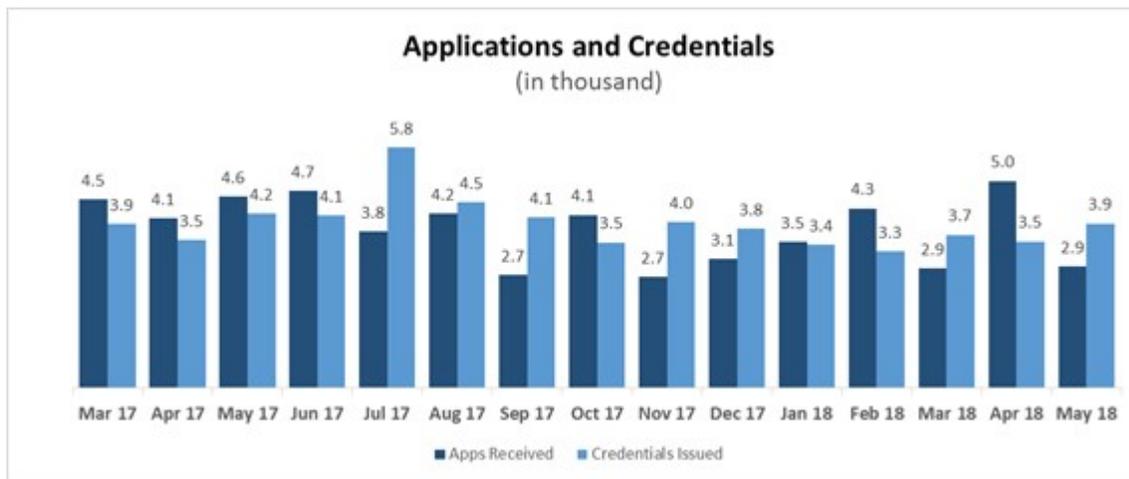
Revenue	FY 2020	FY 2021	FY 2022	FY 2023
Total	\$1,005	\$1,005	\$1,005	\$1,005
Biennial Totals		\$2,010		\$2,010

Package Description

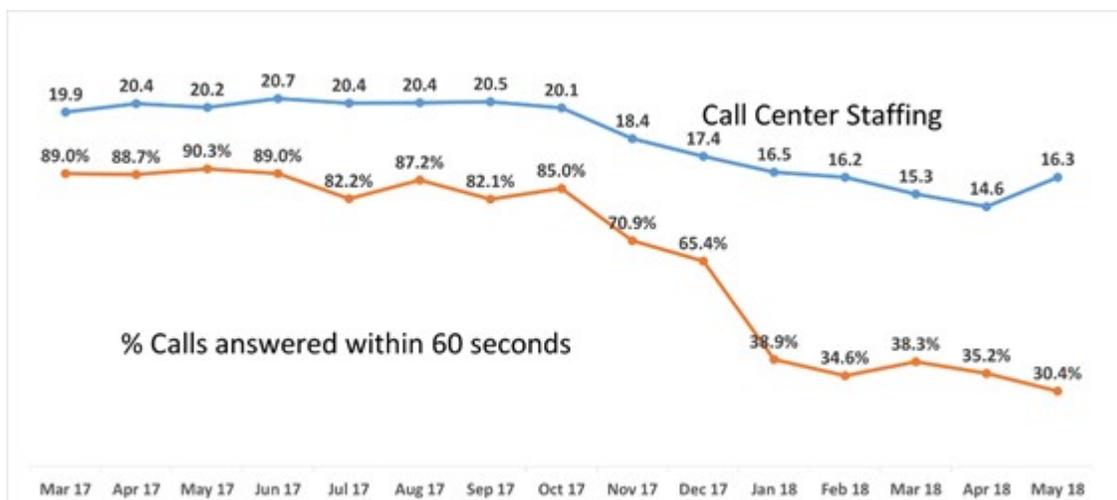
The Health Professions Account (O2G) is comprised of revenues generated from health professions licensing and credentialing fees and supports all activities necessary to regulate 470,000 providers across 85 professions, including licensing, credentialing, investigation, and discipline. In 2016, the department made an effort to reduce licensing and disciplinary backlogs, resulting in the department projecting to overspend its spending authority. When it became clear that this was unsustainable, the department moved to scale back spending within the limits of its authority by holding positions vacant. This had a detrimental effect on customer service and increased the time required to process a license or credential. These delays can potentially limit patient access to care and affect the livelihood of health care professionals.

Customer service levels have declined since the department began holding staff vacancies in March 2017. In May 2018 the department issued 63% of 3,942 healthcare provider credentials within 14 days of receiving all applications materials. This was down from May 2017 when 94% of 4,180 credentials were issued within 14 days.





The effect of reduced staffing also reduced the department’s phone inquiry response time as well. In May 2018, only 30% of about 18,000 calls were answered within 60 seconds. This was down from the prior May (2017) when 90% of nearly 21,700 calls were answered within 60 seconds.



In the 2018 supplemental budget, the department received one-time only funds which were used to refill some of the staff vacancies so the department could reduce wait times and accelerate the licensing process.

The call center began adding staffing in May 2018. These staff are still being trained, so the department has not yet seen corresponding improvements in performance. The department expects that the added staffing will prevent further declines in performance and reduce staff turnover. As new staff attain and perfect core competencies, generally between 6 and 12 months, the department anticipates improvements in service levels. However, without on-going spending authority, HSQA will be unable to sustain the level of customer service expected by regulated health care professions.

The department is requesting an on-going appropriation of \$1 million dollars per year (\$2 million dollars per biennium) to maintain funding levels set through 2018 supplement budget to ensure an improved customer service level for healthcare providers and the public. If the department does not receive this spending authority, it will be required to reduce staffing levels either through holding vacancies open or reducing FTE count. Either action would result in longer credential processing timelines that will pose challenges to providers needing a license to practice, facilities that have staff vacancies, and patients in search of a provider.

Reductions in the Office of Customer Service would continue to lengthen the credentialing process, impacting the availability of healthcare workers and affecting access to health care. This would, in turn, increase the number of calls about application status received by call center staff and legislators. Under this scenario, the department would be required to activate reduction in force planning in order to maintain budget balance.

A second option would be to reduce staffing in the Office of Investigations and Inspections to maintain improved service levels in customer service, however this would affect performance in other areas. The primary mission of the department's division of Health Systems Quality Assurance (HSQA) is to assure patient safety and access to care through the regulation of health care professionals and facilities. If the department opts to preserve customer service levels, then it would be necessary to reduce staffing on the regulatory side of the ledger. Staffing reductions would delay the department's response to complaints about health care provider misconduct. Failure to investigate complaints in a timely manner would place patient safety at risk.

A third option would be to seek statutory changes to reduce the requirements for licensure to simplify and accelerate the application process. However, any reduction in licensing requirements (e.g., elimination of criminal background checks) would pose a risk to patient safety. As such, the department does not consider this a viable option.

Assumptions and Calculations

Expansion or alteration of a current program or service:
Credentialing Object 2015-17 2017-19

In biennium 2019 allotment for rent was moved from object E to object T.

Detailed assumptions and calculations:

Performance in credentialing and the call center has declined with increased vacancies. While credentialing performance has improved slightly from its low in November 2017, it is still far below desired levels.

There has also been widening gap between calls answered and calls received, exceeding 11,000 in May compared to a normal range of 3,000 to 4,000. The increased gap is largely the result of longer credentialing wait times and applicants calling repeatedly to check on the status of their application.

Based on past experience the call center needs 20 FTEs to answer an average of 21,600 calls per month. Filling four vacant call center FTEs would bring staff to desired levels and achieve the performance target of 85% of calls answered within 60 seconds. This is, however, dependent on additional staffing in credentialing to improve credentialing timelines which will reduce the number of calls received to the normal range. The cost would be \$401,000 per year.

The proposal would fund six vacancies in credentialing. This would allow the office to maintain 77 FTEs and improve timeliness of application processing by achieving the performance target of 80% of credentials issued within 14 days. The office should see improved efficiency as more professions have access to on-line applications. The cost would be \$604,000 per year.

	2019-21	2021-23
A-Salaries	\$1,298,000	\$1,298,000
B-Benefits	\$452,000	\$452,000
E-Goods & Services	\$94,000	\$94,000
T-Intra-Agency Reimbursement	\$166,000	\$166,000
Total	\$2,010,000	\$2,010,000

Workforce Assumptions:

See attached fiscal note calculator (FNCal)

Strategic and Performance Outcomes

Strategic framework:

Results Washington

This package supports Goal 4: Healthy and Safe Communities by improving timeliness of issuing credentials, helping to ensure the availability of health care professionals and access to care.

Agency Strategic Plan

This package supports Goal 3: Ensure health equity and improve population health, improving patient experience of care by reducing disruptions in the healthcare workforces.

A015 Patient and Consumer Safety

	FY20	FY21	FY22	FY23
Fund 02G	\$1,005,000	\$1,005,000	\$1,005,000	\$1,005,000

Performance outcomes:

Adding the positions through the requested appropriation will allow the department to reduce wait times, while increasing access to quality health care by quickly credentialing health professionals so they may enter the workforce. Improved performance in credentialing is also expected to ease some of the call center volume from applicants checking on the status of their applications because of the long processing times.

The department completed an efficiency effort on June 30, 2018 by offering the majority of the health professions the option of completing their license or credential application online. Although it is premature to report on whether this effort has optimized the application process, the department expects that as the rate of online applications increases, less time will be required for data entry which will accelerate the licensing/credentialing process. The department anticipates adjusting staff assignments in the credentialing unit to increase efficiencies based on analysis of the impact of online applications on workload.

With additional appropriation authority, the department will be able to expedite call response, as well as processing times for licenses and credentials. This will enable more healthcare providers to be deployed into the field more quickly, increasing access to healthcare throughout Washington. DOH anticipates achieving the following interim goals as it continues to explore efficiencies to improve performance. Credentialing timeliness are expected to improve from the current 61% within 14 days to 80%. Call center responsiveness is expected to improve from the current 35% of calls answered in 60 seconds to 85%. It is not possible to answer all calls as some callers hang up as soon as they realize there is a wait.

Other Collateral Connections

Intergovernmental:

For any government entity that employ health care providers (including tribes), faster credentialing times would make it easier to fill vacant provider positions. This would positively impact capacity to provide services to residents.

Stakeholder response:

Health care providers seeking licensure and their employers would support reductions in processing times. Patients would support a larger provider pool which improves access to care. Health care provider associations, such as the Washington State Medical Association, may be opposed to this proposal as it will impact fees paid for licenses and credentials.

Legal or administrative mandates:

Not applicable

Changes from current law:

Not applicable

State workforce impacts:

Not applicable

State facilities impacts:

Not applicable

Puget Sound recovery:

Not applicable

Agency Questions

Did you include cost models and backup assumptions?

Yes

Reference Documents

- 2G-FinancialCalculator (FNCal) O2G Staffing-FINAL.xlsm
- 2G-O2G Issue Brief-1.pdf
- 2G-OCS Stats for DP.XLSX

IT Addendum

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

No