



2020 Supplemental Budget Decision Package

Agency: 303 - Department of Health
Decision Package Code-Title: A1 - Correct Technical Issues
Budget Session: 2020 Supp
Budget Level: Maintenance Level
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Agency Recommendation Summary

The Washington State Department of Health (DOH) has a number of expenditure and revenue authority issues requiring technical corrections. DOH requests spending authority to perform work mandated in the 2019 legislative session. In addition, it requests replenishment of its Health Professions Account for work the account supported to develop a marijuana authorization database.

Fiscal Summary

Dollars in Thousands

Operating Expenditures	FY 2020	FY 2021	FY 2022	FY 2023
Fund 001 - 1	\$365	\$250	\$319	\$182
Fund 02G - 1	\$1,201	\$1,737	\$1,585	\$1,619
Fund 19A - 1	\$48	\$0	\$0	\$0
Total Expenditures	\$1,614	\$1,987	\$1,904	\$1,801
Biennial Totals		\$3,601		\$3,705
Staffing	FY 2020	FY 2021	FY 2022	FY 2023
FTEs	6.6	8.5	6.7	6.8
Average Annual		7.6		6.8
Object of Expenditure	FY 2020	FY 2021	FY 2022	FY 2023
Obj. A	\$458	\$499	\$388	\$399
Obj. B	\$163	\$175	\$136	\$138
Obj. C	\$63	\$369	\$372	\$376
Obj. E	\$891	\$901	\$977	\$855
Obj. J	\$7	\$1	\$1	\$1

Object of Expenditure	FY 2020	FY 2021	FY 2022	FY 2023
Obj. T	\$32	\$42	\$30	\$32

Package Description

The Department of Health (DOH) requests various technical corrections to its 2019-2021 budget appropriation.

Washington Medical Commission (WMC) Increased Attorney General Costs:

Budget authority was provided to the Attorney General's Office (AGO) to spend an increase in payments it receives for the increased work it performs for the WMC, however DOH did not receive the needed appropriation to spend those additional funds on AGO services. Additional authority from the Health Professions Account (02G) is needed to cover projected cost increases for AGO services.

Fiscal Year	Appropriation Needed (Fund)	Appropriation Received (Fund)	Difference (Fund)
2020	\$553,000 (02G)	\$0	\$553,000 (02G)
2021	\$570,000 (02G)	\$0	\$570,000 (02G)

Chiropractic Quality Assurance Commission (CQAC) Increased Attorney General Costs:

Budget authority was provided to the Attorney General's Office (AGO) to spend an increase in payments it receives for the increased work it performs for the CQAC, however DOH did not receive the needed appropriation to spend those additional funds on AGO services. Additional authority from the Health Professions Account (02G) is needed to cover projected cost increases for AGO services.

Fiscal Year	Appropriation Needed (Fund)	Appropriation Received (Fund)	Difference (Fund)
2020	\$250,000 (02G)	\$0	\$250,000 (02G)
2021	\$250,000 (02G)	\$0	\$250,000 (02G)

State Data Center Move Indirect Costs:

DOH received an appropriation from the state's general fund to implement Engrossed Substitute House Bill 1109, which requires the agency's information technology infrastructure and systems to migrate to the State Data Center. The funding received was not sufficient to meet federal indirect rate requirements.

The department requests an annual appropriation of \$200,000 from the state's general fund, starting in fiscal year 2020 and beyond, for the duration of the project to address this shortfall. Without additional appropriation, DOH will need to identify \$200,000 of programmatic reductions each year to supplant the indirect rate requirement.

DOH expenditures are subject to an indirect charge per federal regulations in 2 CFR 200.403(c). As a result, DOH must apply its approved indirect rate to all direct costs. Therefore, if the indirect portion of a funding request is not appropriated, DOH would need to find another sources of funds to cover the shortfall, effectively causing a direct program reduction elsewhere in the agency.

Fiscal Year	Appropriation Needed (Fund)	Appropriation Received (Fund)	Difference (Fund)
2020	\$200,000 (001-1)	\$0	\$200,000 (001-1)
2021	\$200,000 (001-1)	\$0	\$200,000 (001-1)

Second Substitute Senate Bill (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 (Fund 02G) and that these funds shall be restored to the Health Professions Account through future appropriations using funds derived from the Dedicated Marijuana Account (Fund 315).

In fiscal year 2019, a total of \$714,000 was financed from the Health Professions Account.

This proposal requests a balance transfer of \$714,000 from the Dedicated Marijuana Account to the Health Professions Account to replenish the funds used to implement and administer the medical marijuana authorization database. No additional spending authority is requested.

Fiscal Year	Balance Transfer (Fund 02G)	Balance Transfer (Fund 315)	Difference
2020	\$714,000	\$(714,000)	\$0
2021	\$0	\$0	\$0

Un/Under Funded Bills from the 2019-2021 Session

DOH did not receive spending authority to perform the mandates required in eight policy bills enacted in the 2019 legislative session. The specific bill numbers and fiscal impacts are identified below:

Senate Bill 5000 – Veterinarian/HEALWA:

Spending authority is needed to fund rule-making, contract, and staff time associated with providing veterinarians and veterinarian technician's access to the University of Washington Health Sciences web portal.

Fiscal Year	Appropriation Needed (Fund)	Appropriation Received (Fund)	Difference (Fund)
2020	\$57,000 (02G)	\$0	\$57,000 (02G)
2021	\$110,000 (02G)	\$0	\$110,000 (02G)

Senate Bill 5054 – Behavioral Health Reciprocity (Sections 4-6 were vetoed):

Spending authority is needed to establish a reciprocity program and probationary licenses for psychologists, chemical dependency, marriage and family therapists, mental health counselors, advanced social workers, and independent clinical social worker professionals.

Fiscal Year	Appropriation Needed (Fund)	Appropriation Received (Fund)	Difference (Fund)
2020	\$98,000 (02G)	\$0	\$98,000 (02G)
2021	\$129,000 (02G)	\$0	\$129,000 (02G)

Senate Bill 5602 – Reproductive Health Act:

Funding is being requested to support the costs for a project manager, facilitator and partner agencies to develop recommendations related to outreach and education awareness on financial support available for pre-exposure and post-exposure prophylaxis.

Fiscal Year	Appropriation Needed (Fund)	Appropriation Received (Fund)	Difference (Fund)
2020	\$49,000 (001-1)	\$0	\$49,000 (001-1)

Senate Bill 5817 – Chiropractic Senior Students:

Budget authority is needed to develop rules requiring senior chiropractic college students to pass an open book exam prior to administering a chiropractic adjustment.

Fiscal Year	Appropriation Needed (Fund)	Appropriation Received (Fund)	Difference (Fund)
2020	\$16,000 (02G)	\$0	\$16,000 (02G)

Senate Bill 5004 – Low Income Veterinary Services:

Budget authority is needed to develop rules requiring the Board of Veterinary Governors to establish an annual report and demonstrate compliance with providing veterinary services to qualified low-income households.

Fiscal Year	Appropriation Needed (Fund)	Appropriation Received (Fund)	Difference (Fund)
2020	\$11,000 (02G)	\$0	\$11,000 (02G)

House Bill 1768 – Substance Use Disorder Professions:

Funding is requested to implement changes to the co-occurring disorder specialists program requirements, training, credentialing, and sunrise review activities.

Fiscal Year	Appropriation Needed (Fund)	Appropriation Received (Fund)	Difference (Fund)
2020	\$14,000 (001)	\$0 (001)	\$14,000 (001)
	\$259,000 (02G)	\$43,000 (02G)	\$216,000 (02G)
2021	\$690,000 (02G)	\$12,000 (02G)	\$678,000 (02G)

Substitute Senate Bill 5380 – Opioid Use:

Funding is requested for the Prescription Monitoring Program (PMP) to study best practices and create an annual report on survey responses regarding prescription monitoring data sharing nationwide.

Fiscal Year	Appropriation Needed (Fund)	Appropriation Received (Fund)	Difference (Fund)
2020	\$107,000 (02G)	\$107,000 (02G)	\$0
	\$11,000 (001-7)	\$11,000 (001-7)	\$0
	\$52,000 (001-1)	\$52,000 (001-1)	\$0
	\$75,000 (19A)	\$27,000 (19A)	\$48,000 (19A)
2021	\$22,000 (001-1)	\$ 22,000 (001-1)	\$0

Engrossed Substitute Senate Bill 5116 – Clean Energy:

Funding is being requested for one-time upgrades to the Washington Tracking Network (WTN) tool to improve accuracy and accessibility to cumulative impact analysis data and environmental and health data sources.

Fiscal Year	Appropriation Needed (Fund)	Appropriation Received (Fund)	Difference (Fund)
2020	\$196,000 (001-1)	\$94,000 (001-1)	\$102,000 (001-1)
2021	\$50,000 (001-1)	\$0 (001-1)	\$50,000 (001-1)

Assumptions and Calculations

Expansion or alteration of a current program or service:

This is not a request to expand or alter a current program or service. Funding is requested to implement legislation passed or correct existing errors in fund balances and appropriations.

Detailed assumptions and calculations:

Details regarding the calculations informing this request are available in a support document titled, “ML A1 Correct Technical Issues-FNCAL”.

Workforce Assumptions:

See attached financial calculator (FNCAL)

Strategic and Performance Outcomes**Strategic framework:**

This request supports the Governor’s Results Washington in the following goals:

- Healthy and Safe Communities
 - Taking action to End the Opioid Crisis
 - Improving Behavioral Health
- Sustainable Energy and Clean Environment
 - Combating Climate Change

This request supports the Agency Strategic Plan in the following goals:

- Goal 4: Better serve our customers by implementing continuous improvement and performance management systems across the agency.

Performance outcomes:

This request will allow DOH to implement 2019 enacted legislation and will make corrections to the existing budget appropriations.

Other Collateral Connections**Intergovernmental:**

This request does not impact tribal regional, county or city governments.

Stakeholder response:

DOH does not anticipate stakeholder interest in this request.

Legal or administrative mandates:

This request is not in response to litigation, audit findings, executive orders, or task force recommendations.

Changes from current law:

This request does not require changes to state statutes.

State workforce impacts:

This request does not create impacts to the state workforce.

State facilities impacts:

This request will not impact facilities or workplace needs.

Puget Sound recovery:

This is not applicable to the Puget Sound recovery efforts.

Reference Documents

- ML A1 Correct Technical Issues-FNCAL.xlsm

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