



Department of Health
 2021-23 First Supplemental Budget Session
 Maintenance Level - M4 - Fees to Maintain Services

Agency Recommendation Summary

The Department of Health (DOH) requests additional fee-based spending authority to maintain current levels of service. Additional revenue to support this extra spending authority will be generated by increases to several groups of fees. Currently these fees are not sufficient to support agency activities to protect and improve the health of Washingtonians, promote healthy behaviors, and maintain high standards for quality healthcare delivery.

Fiscal Summary

| Fiscal Summary <i>Dollars in Thousands</i> | Fiscal Years | | Biennial | Fiscal Years | | Biennial |
|---|--------------|------|----------|--------------|------|----------|
| | 2022 | 2023 | 2021-23 | 2024 | 2025 | 2023-25 |
| Operating Expenditures | | | | | | |
| Fund 02G - 1 | \$6 | \$7 | \$13 | \$7 | \$7 | \$14 |
| Total Expenditures | \$6 | \$7 | \$13 | \$7 | \$7 | \$14 |
| Revenue | | | | | | |
| 02G - 0207 | \$6 | \$7 | \$13 | \$7 | \$7 | \$14 |
| Total Revenue | \$6 | \$7 | \$13 | \$7 | \$7 | \$14 |

Decision Package Description

Problem

Many of the fee-supported programs within DOH are designed to recover full costs of service; these programs do not have any other sources of funding. Such programs include many of the regulatory activities that support legal requirements to protect and improve the health of people in Washington, to inform and encourage communities to practice health behaviors, and to maintain high professional and facility standards for safe and effective healthcare delivery. At this time, certain fees are projected to generate insufficient revenue to support their programs.

Background

Current law (RCW 43.70.250) authorizes DOH to establish and collect individual fees to cover the cost of services such as issuing birth certificates, inspecting radioactive materials, and licensing healthcare professionals. Thirty-two percent of the department’s budget is supported by these types of fees – about \$429 million in the 2021-2023 biennium. To continue these services, fee levels must be reviewed and adjusted periodically to ensure they are sufficient to cover operating costs changes and to implement any work required through new legislation. When a fee needs to be updated, the department conducts a comprehensive administrative review process with community stakeholders.

This request seeks sufficient spending authority to utilize the additional fee revenue, which will sustain current levels of service for all Washingtonians.

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

This request does not propose to any changes to existing fee-based programs. DOH seeks sufficient appropriations to spend the additional fee revenue to maintain existing activities in fee-based programs

Detailed Assumptions and Calculations:

| Profession or Program | Effective Date of Fee Change |
|--|------------------------------|
| Remote Dispensing Registration | 12/01/2021 |
| Pharmacist -Fee Cycle 2-year | 12/01/2021 |
| Pharmacist Intern -Fee Cycle 2-year | 12/01/2021 |
| Pharmacist Technician – Fee Cycle 2-year | 12/01/2021 |
| Pharmacist Assistant – Fee Cycle 2-year | 12/01/2021 |

Workforce Assumptions:

N/A

How is your proposal impacting equity in the state?

N/A

Strategic and Performance Outcomes

Strategic Framework:

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

It contributes to the agency’s strategic plan through Strategy 4: Equity, Diversity, and Inclusion (EDI)

4.5: Meaningfully engage communities to inform our efforts. Extensive communication with stakeholders on the need and feasibility of changes to fees ensures buyoff and equitable access to licensing and credentialing services and information for all communities.

Key Measure 4: Transform our workplace to be inclusive of employees from marginalized and underrepresented communities. Integrate the voices of the underrepresented communities into all policy, program, and resource decisions. Ensure equitable access to services, programs, opportunities, and information.

Performance Outcomes:

N/A

Other Collateral Connections

Puget Sound Recovery:

N/A

State Workforce Impacts:

N/A

Intergovernmental:

N/A

Legal or Administrative Mandates:

N/A

Stakeholder Response:

DOH has already consulted with impacted stakeholders regarding these fee changes. DOH anticipates the stakeholders impacted by the fee increases, as listed in this request, to remain neutral.

Changes from Current Law:

N/A

State Facilities Impacts:

N/A

Reference Documents

[Attachment_DOH Proposed Fee Changes - 21-23.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

Objects of Expenditure

| Objects of Expenditure <i>Dollars in Thousands</i> | Fiscal Years | | Biennial | Fiscal Years | | Biennial |
|---|--------------|------|----------|--------------|------|----------|
| | 2022 | 2023 | 2021-23 | 2024 | 2025 | 2023-25 |
| Obj. E | \$6 | \$7 | \$13 | \$7 | \$7 | \$14 |

Agency Contact Information

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