

State of Washington
Decision Package

FINAL

Agency: 303 Department of Health
Decision Package Code/Title: A7 Neurodevelopmental Centers Reduction
Budget Period: 2015-17
Budget Level: PL-Performance Level

Recommendation Summary:

This proposal eliminates general fund state support to 16 Neurodevelopment Centers. These centers are private, non-profit organizations. The Centers provide specialized services to over 14,000 infants and children with special health care needs such as neuromuscular or developmental disorders. This state support which averages \$37,000 per facility is used for infrastructure support and does not pay for direct services.

Fiscal Detail

Operating Expenditures		FY 2016	FY 2017	Total
001-1	General Fund - State	(650,000)	(651,000)	(1,301,000)
Total Cost		(650,000)	(651,000)	(1,301,000)

Package Description:

The Neurodevelopmental Centers of Washington are a group of 16 community non-profit and hospital-based agencies who provide therapy and related services to young children with neuromuscular or developmental disorders. The centers are located across the state, each one meeting needs specific to its community. This package eliminates all funding provided to the centers by the department.

The centers provide speech, occupational and physical therapies. At the discretion of the child's primary care provider, referral for additional medical specialty consultation is also available. Other services may include nursing, nutrition, social work, educational services, adaptive equipment, computer augmented communication therapy, hydro-therapy, and more. Approximately 12,000 children per year are provided services at the centers.

These centers also bill Medicaid for services rendered and the degree of impact on each center and its clients is not known.

Agency Contact: Prevention & Community Health Division, Stacy May, (360) 236-3927
Program Contact: Office of Healthy Communities, Janna Bardi, (360) 236-3687

Narrative Justification and Impact Statement:

What specific performance outcomes does the agency expect?

None.

Performance Measure Detail

Activity: A010- Promote Family and Child Health and Safety

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

No.

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

No.

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

Department of Early Learning (DEL) uses these state expenditures as maintenance of effort for a federal Individual with Disabilities Education Act, Part C, early intervention services grant. We let DEL know that we were proposing this reduction. They indicated there might be some other possibilities for Maintenance of Effort.

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

The Department of Health (DOH) used the following process to get to the mandated 15 percent General Fund State Reductions:

- All General Fund State supported programs were put into three tiers:
 - Tier 1 – Programs that are 100 percent foundational public health services
 - Tier 2 – Programs that are partially foundational public health services and/or directly tied to the Governor's Results Washington measures and/or part of the agency strategic plan
 - Tier 3 – All remaining general fund programs
- Tier 2 and Tier 3 programs were scored using the public health criteria matrix, then ranked using the scores and our professional judgment
- Reductions were proposed from the ranked list
- The DOH widely shared our draft reductions both internally and externally to the department and sought feedback

What are the consequences of adopting or not adopting this package?

Not adopting would keep general fund state support for Neurodevelopmental Centers intact.

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

None.

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

Contracts would not be renewed.

Expenditure and revenue calculations and assumptions

Revenue:

None.

Expenditures:

Contract funding for the 16 NDCs will be eliminated in the amount of \$1,301,000 for biennium 2015-2017.

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

All reductions are assumed to be ongoing.

For federal grants: Does this request require a maintenance of effort or state match?

Not applicable.

For all other funding: Does this request fulfill a federal grant's maintenance of effort or match requirement?

Neurodevelopmental Centers funding is part of the State's Part C Maintenance of Effort requirements under IDEA for the Department of Early Learning. We let DEL know that we were proposing this reduction. They indicated there might be some other possibilities for Maintenance of Effort.

<u>Object Detail</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
A Salaries and Wages			0
B Employee Benefits			0
C Personal Service Contracts			0
E Goods and Services	(8,000)	(8,000)	(16,000)
G Travel			0
J Capital Outlays			0
N Grants, Benefits & Client Svs	(642,000)	(643,000)	(1,285,000)
Total Objects	(650,000)	(651,000)	(1,301,000)