

Individual State Agency Fiscal Note

Bill Number: 1039 2S HB	Title: Intramuscular needling	Agency: 303-Department of Health
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Health Professions Account-State 02G-1		361,000	361,000	62,000	62,000
Total \$		361,000	361,000	62,000	62,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.2	2.2	1.2	0.4	0.4
Account					
Health Professions Account-State 02G-1	29,000	253,000	282,000	77,000	88,000
Total \$	29,000	253,000	282,000	77,000	88,000

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 02/10/2023
Agency Preparation: Donna Compton	Phone: 360-236-4538	Date: 02/22/2023
Agency Approval: Stacy May	Phone: (360) 236-4532	Date: 02/22/2023
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 02/22/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

This second substitute version of this bill increases the hours of instruction and clinical experience and adds licensed naturopaths, licensed acupuncture and Eastern medicine practitioners, and licensed advanced register nurse practitioners to the list of qualified providers. The department assumes no change in fiscal impact as a result of these changes.

The department has made changes to the cash receipts section to include revenue anticipated based on existing fee authority and the expenditure section to reduce HELMS costs.

Section 2: Adds to the scope of practice for a Physical Therapist the performance of intramuscular needling. An endorsement would be issued by the Secretary of Health upon approval by the Physical Therapist Board.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

There is no fee authority in the bill for this endorsement, however the department assumes existing fee authority will be used to set an initial certification fee.

Current law, RCW 43.70.250 (License fees for professions, occupations, and businesses.), requires the department to charge a fee to generate sufficient revenue to fully support the costs of administering its health professions licensing activities.

For the purpose of this fiscal note, a physical therapy intramuscular needling endorsement fee may range between \$190 and \$240 every year. During the rulemaking process, a fee study will be prepared with proposed fees and provided for stakeholder input. The department will monitor the program fund balance and adjust fees over a six (6) year period to ensure that fees are sufficient to cover all program expenditures.

Estimated revenue for behavioral health support specialists (based on range \$190 - \$240):

FY 2025: \$361,000 (1,680 applications)

FY 2026: \$31,000 (145 applications)

FY 2027: \$31,000 (145 applications)

FY 2028: \$31,000 (145 applications)

FY 2029: \$31,000 (145 applications)

FY 2030: \$31,000 (145 applications)

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

RULEMAKING:

Section 2: The department will develop and adopt rules to establish the physical therapist intramuscular needling endorsement which will include the minimum education and experience requirements. The department anticipates utilizing a team of subject matter experts to implement this bill. This team will consist of the program manager and a community engagement specialist to identify underreached communities and engage them in the rulemaking process. This process will include two meetings with interested parties as well as one formal rules hearing, all held virtually, and will take approximately 12 months to complete. The department anticipates providing the rules hearing announcement and materials

in both English and Spanish and providing ASL and Spanish interpretation services at the rules hearing.

Costs include staff, associated expenses (including goods and services, travel, intra-agency, and indirect charges), and Office of Attorney General support in the amount of \$4,000.

FY 2024 one-time costs will be 0.2 FTE and \$29,000.

HEALTH TECHNOLOGY SOLUTIONS (HTS):

Section 2: Configuration in department's Healthcare Enforcement and Licensing Modernization System will require 111.6 hours from the integration vendor at a rate of \$262.50 per hour. Work will include the initial vendor configuration and agency staff time for ongoing maintenance of a new application to include the endorsement for intramuscular needling for physical therapists.

FY 2025 costs will be \$29,000

FY 2026 and ongoing, costs will be \$3,000

OFFICE OF CUSTOMER SERVICE (OCS):

Section 2: The department estimates roughly 20% of the 8,300 Physical Therapists (1,680) will pursue this endorsement in the first year and 145 (2 per month) each year thereafter. OCS staff will update physical therapist applications to include the endorsement of intramuscular needling. This includes developing new paper and online application forms, configuration, testing, implementation, training, and updates of the Physical Therapy application in HELMS.

FY 2025 costs will be 1.3 FTE and \$137,000

FY 2026 and ongoing, costs will be 0.2 FTE and \$14,000

OFFICE OF INVESTIGATION AND LEGAL SERVICES (OILS):

Section 2: Based on the history of this activity for the physical therapist program being extremely contentious and the Physical Therapy board dealing with numerous complaints regarding intramuscular needling submitted by Acupuncturist and Eastern Medical Practitioners the past two years, the department estimates 5 complaints each year starting in FY 2026.

The complaint response process includes five steps: 1) intake, 2) assessment, 3) investigation, 4) case disposition, and 5) adjudication. Staff review the complaint, identify the history of the person complained about, and help assess whether an investigation is needed. In more than half the cases, investigation is needed. The investigator obtains information about the complaint and the respondent and prepares a report detailing the findings. After investigation, the disciplining authority decides whether to pursue legal action. Staff attorneys, paralegals, assistant attorney general and other staff work to develop the legal documents and charge the violation. Most cases are settled, and the staff attorney manages that process. If the respondent asks for a hearing, staff must schedule the hearing, and the health law judge considers all legal motions, presides over the hearing, and drafts the final order. The Office of the Attorney General (OAG) will represent the department at hearing and may provide advice throughout the disciplinary process. In coordination with the OAG, the department assumes \$2,800 per year starting in FY 2026.

Assuming the above, cost estimates for the complaint response process associated with this bill were calculated using the department's Disciplinary Workload Staffing Model.

FY 2026 costs will be 0.1 FTE and \$9,000

FY 2027 and ongoing, costs will be 0.1 FTE and \$20,000

PROGRAM IMPLEMENTATION AND ADMINISTRATION:

Section 2: The department will have a Physical Therapy Board member and a program support staff member review and process non-routine applications for the estimated 1,673 endorsement applications in the first year and 145 each year thereafter. The department estimates 45 minutes (15 minutes for a board member and 30 minutes for program support staff member) per application for review and processing.

FY 2025 costs will be 0.9 FTE and \$87,000
 FY 2026 and ongoing, costs will be \$7,000

TOTAL COST TO IMPLEMENT THE INTRAMUSCULAR NEEDLING ENDORSEMENT PROGRAM:

FY 2024: 0.2 FTE and \$29,000 (02G-1)
 FY 2025: 2.2 FTE and \$253,000 (02G-1)
 FY 2026: 0.3 FTE and \$33,000 (02G-1)
 FY 2027 and ongoing: 0.4 FTE and \$44,000 (02G-1)

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
02G-1	Health Professions Account	State	29,000	253,000	282,000	77,000	88,000
Total \$			29,000	253,000	282,000	77,000	88,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.2	2.2	1.2	0.4	0.4
A-Salaries and Wages	16,000	144,000	160,000	49,000	56,000
B-Employee Benefits	6,000	58,000	64,000	14,000	16,000
C-Professional Service Contracts		29,000	29,000		
E-Goods and Other Services	6,000	10,000	16,000	11,000	12,000
T-Intra-Agency Reimbursements	1,000	12,000	13,000	3,000	4,000
Total \$	29,000	253,000	282,000	77,000	88,000

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Fiscal Analyst 2	53,000		0.3	0.2	0.1	0.1
FORMS & RECORDS ANALYST 1	45,852		0.3	0.2		
FORMS & RECORDS ANALYST 2	53,100		0.2	0.1		
HEALTH CARE INVESTIGATOR 3	78,900				0.1	0.1
HEALTH SERVICES CONSULTAN' 2	66,420		0.8	0.4	0.1	0.1
HEALTH SERVICES CONSULTAN' 3	75,120		0.2	0.1		
HEALTH SERVICES CONSULTAN' 4	82,896	0.1		0.1		
Health Svcs Conslt 1	53,000		0.3	0.2	0.1	0.1
MANAGEMENT ANALYST 4	82,896	0.1		0.1		
WMS02	114,360		0.1	0.1		
Total FTEs		0.2	2.2	1.2	0.4	0.4

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Sections 2: The department will adopt rules in Title 246.915 WAC (Physical Therapists and Physical Therapy Assistants) as necessary to implement this bill.