

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 2247 E 2S HB AMS HLT S5107.1	<b>Title:</b> Behavioral health providers
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## Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Washington State Health Care Authority	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Department of Health	0	0	10,000	0	0	108,000	0	0	108,000
<b>Total \$</b>	<b>0</b>	<b>0</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>108,000</b>	<b>0</b>	<b>0</b>	<b>108,000</b>

## Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Washington State Health Care Authority	Non-zero but indeterminate cost and/or savings. Please see discussion.											
Department of Health	1.3	194,000	194,000	370,000	4.1	7,954,000	7,954,000	8,103,000	4.2	9,294,000	9,294,000	9,381,000
<b>Total \$</b>	<b>1.3</b>	<b>194,000</b>	<b>194,000</b>	<b>370,000</b>	<b>4.1</b>	<b>7,954,000</b>	<b>7,954,000</b>	<b>8,103,000</b>	<b>4.2</b>	<b>9,294,000</b>	<b>9,294,000</b>	<b>9,381,000</b>

## Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Washington State Health Care Authority	.0	0	0	.0	0	0	.0	0	0
Department of Health	.0	0	0	.0	0	0	.0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

## Estimated Capital Budget Breakout

NONE

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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 2247 E 2S HB AMS HLTC S5107.1	<b>Title:</b> Behavioral health providers	<b>Agency:</b> 107-Washington State Health Care Authority
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## Part I: Estimates

**No Fiscal Impact**

### Estimated Cash Receipts to:

**Non-zero but indeterminate cost and/or savings. Please see discussion.**

### Estimated Operating Expenditures from:

**Non-zero but indeterminate cost and/or savings. Please see discussion.**

### 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: 02/22/2024
Agency Preparation: Michael Grund	Phone: 360-725-1949	Date: 02/28/2024
Agency Approval: SUMAN MAJUMDAR	Phone: 360-725-1319	Date: 02/28/2024
OFM Review: Arnel Blancas	Phone: (360) 000-0000	Date: 02/29/2024

## 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.*

Please see attached.

### 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.*

Please see attached.

### 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.*

Please see attached.

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

Non-zero but indeterminate cost and/or savings. Please see discussion.

### III. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost and/or savings. Please see discussion.

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

NONE

### 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.*

Please see attached.

# HCA Fiscal Note

Bill Number: **2247 E2S HB AMS HLTC S5107.1** HCA Request #: **24-179** Title: **Behavioral health providers**

## Part I: Estimates

No Fiscal Impact

### Estimated Cash Receipts to:

**Non-zero but indeterminate cost and/or savings. Please see discussion.**

### Estimated Operating Expenditures from:

**Non-zero but indeterminate cost and/or savings. Please see discussion.**

### 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.

# HCA Fiscal Note

Bill Number: **2247 E2S HB AMS HLTC S5107.1** HCA Request #: **24-179** Title: **Behavioral health providers**

## 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 bill relates to addressing behavioral health provider shortages. The Washington State Health Care Authority (HCA) assumes this bill will have an indeterminate fiscal impact.

Section 1 amends RCW 18.19 'Counselors'. Federally Qualified Health Center (FQHC) is added to the definition of "Agency".

Sections 2 to 12 amend RCW 18.83 'Psychologists'. Licensed Psychological Associate (LPA) is added to all rules governing psychologists.

Sections 13 to 16 amend RCW 18.205 'Substance Use Disorder Professionals' and RCW 18.225 'Metal Health Counselors'. Training requirements for LPAs are amended to allow them to practice while obtaining full licensure.

Sections 17 and 18 amend RCW 71.05.020 to include LPA in the definition of "mental health professional".

Section 19. HCA shall ensure that all services provided by LPAs are included in the state Medicaid program, including filing any necessary State Plan Amendments (SPAs) by January 1, 2025.

Section 20. The board of psychology and the secretary of health may adopt any rules necessary to implement this act.

Section 21. The secretary of health shall study and make recommendations on changing the disciplining authority for professions regulated under RCW 18.225.

Section 22. If specific funding for the purposes of this act is not provided by June 30, 2024, in the omnibus appropriations act, this act is null and void.

Section 23. Sections 1 of this act takes effect January 1, 2028. Sections 2 through 12, 14, and 16 of this act take effect October 1, 2025.

Section 24. Section 17 of this act expires when section 18 of this act takes effect.

Section 25. Section 18 of this act takes effect when the contingency in section 26, chapter 433, Laws of 2023 takes effect.

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The substitute bill makes some changes to the LPA training, licensure, and stipend rules.

The substitute bill does not include sections 17 and 18 of the original bill. These amended RCW 48.43.045 'Health Plan Requirements' and RCW 74.09.522 'Medical Assistance-Agreements with Managed Care Organizations (MCOs)'. Health plan and MCO provider networks may not categorically exclude LPAs.

The second substitute bill makes some changes to the LPA stipend rules in section 16. No changes to HCA.

# HCA Fiscal Note

Bill Number: **2247 E2S HB AMS HLTC S5107.1** HCA Request #: **24-179** Title: **Behavioral health providers**

The engrossed substitute bill adds a new section 20 pertaining to DOH. No changes to HCA.

The striker makes technical amendments. No changes to HCA.

## **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. Distinguish between one time and ongoing functions.*

Indeterminate.

## **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. Distinguish between one time and ongoing functions.*

### Administrative Fiscal Impact

No fiscal impact.

In this version of the bill, health plans are no longer required to cover LPAs, however, they would still need to be added to HCA documents. A SPA would need to be filed. MCO contract changes would need to be made. Service Encounter Reporting Instructions (SERI) would need to be updated. It may also require setting up and enrolling a new provider type in ProviderOne, including services, edits, and rates. This administrative work could be absorbed within existing resources.

### Apple Health Services Fiscal Impact

Indeterminate fiscal impact.

This bill proposes several policy changes to address behavioral health provider shortages. There are two changes that are expected to result in a fiscal impact for HCA: (i) adding federally qualified health centers (FQHCs) to the definition of ‘Agency’ in RCW 18.19.020; and (ii) requiring all services provided by associates licensed under Chapters 18.225 and 18.83 RCW to be covered by the Apple Health program. The fiscal impact is indeterminate because, as explained below, not all data needed for estimating the impact is currently available.

Adding FQHCs to the definition of ‘Agency’ will allow FQHCs to hire “agency affiliated counselors.” While this change would allow the counselors to now work at an FQHC, the pool of qualified counselors and the volume of services provided by them are not expected to change. Additionally, the services provided by the counselors would not be encounter-eligible because they can only practice under the supervision of a fully licensed mental health practitioner. However, the additional staffing costs associated with hiring the counselors could result in an increase in the cost base for a participating FQHC. If the services offered by these counselors expand the FQHC’s current scope of services, the proposed policy change could prompt a change in scope request, which would result in a services-related fiscal impact for Apple Health. This change is not required until January 1, 2028,



# HCA Fiscal Note

Bill Number: **2247 E2S HB AMS HLTC S5107.1** HCA Request #: **24-179** Title: **Behavioral health providers**

however the impact is indeterminate since the change in scope determinations are uncertain and currently unknown.

Requiring services provided by all associates licensed under Chapters 18.225 and 18.83 RCW to be covered by Apple Health would result in additional utilization expected to be billed by these providers. Since associates are unable to bill on their own under current rules, it is assumed that some of the services billed currently by fully credentialed providers are performed by their associates. It is expected that the proposed legislation would also increase the overall volume of services provided by the associates. The number of services currently performed but not billed by associates, as well as the magnitude of potential increase, is unknown. Additionally, this bill also creates a new licensure for Psychological Associates. How many candidates would pursue this new licensure and how many of the associate licenses holders would provide billable services within Apple Health are both currently unknown as well.

Public Employees Benefits Board (PEBB) and School Employees' Benefits Board (SEBB) Fiscal Impact  
No fiscal impact.

This version of the legislation does not impact the PEBB or SEBB programs.

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditure

### III. B - Expenditures by Object Or Purpose

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

### III. D - Expenditures By Program (optional)

## 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.

## HCA Fiscal Note

Bill Number: **2247 E2S HB AMS HLTC S5107.1** HCA Request #: **24-179** Title: **Behavioral health providers**

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.

Section 19. HCA shall ensure that all services provided by LPAs are included in the state Medicaid program, including filing any necessary State Plan Amendments (SPAs) by January 1, 2025.

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 2247 E 2S HB AMS HLTC S5107.1	<b>Title:</b> Behavioral health providers	<b>Agency:</b> 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		10,000	10,000	108,000	108,000
<b>Total \$</b>		10,000	10,000	108,000	108,000

### Estimated Operating Expenditures from:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	2.6	1.3	4.1	4.2
<b>Account</b>					
General Fund-State 001-1	0	194,000	194,000	7,954,000	9,294,000
Health Professions Account-State 02G-1	7,000	169,000	176,000	149,000	87,000
<b>Total \$</b>	7,000	363,000	370,000	8,103,000	9,381,000

### 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: 02/22/2024
Agency Preparation: Donna Compton	Phone: 360-236-4538	Date: 03/04/2024
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 03/04/2024
OFM Review: Cynthia Hollimon	Phone: (360) 810-1979	Date: 03/06/2024

## 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.*

There is no change in fiscal impact from the previous version of the engrossed second substitute house bill 2247. This version of the bill amends the definition of “mental health professional” in RCW 71.05.020 to include a licensed psychological associate as described in chapter 18.83 RCW. This work will be completed in rulemaking already identified, therefore no fiscal impact.

This bill addresses behavioral health provider shortages.

Section 1: Amends RCW 18.19.020 (Definitions) to add federally qualified health centers to the definition of agency effective January 1, 2028.

Section 2: Amends RCW 18.83.020 (License required Use of "psychology" or similar terms) to add psychological associate to the list of persons who may practice and or represent themselves to the public using any title or description of services which incorporates the use of psychology, psychological, psychologist, and or any term of like import.

Section 5: Amends RCW 18.83.105 (Certificates of qualification) to establish requirements for the issuance of a psychological associate license. Determine fees under RCW 43.70.250 (License fees for professions, occupations, and businesses) and RCW 43.70.280 (Procedure for issuance, renewal, or reissuance of credentials—Extension or modification of licensing, certification, or registration period authorized).

Section 13: Amends RCW 18.205.095 (Certification requirements—Trainees) to allow substance use disorder professional trainees to exceed the four-renewal limit in place prior to amendment, additional certification shall be treated as if the person’s certification expired.

Section 14: Amends RCW 18.225.090 (Issuance of license—Requirements) to require the secretary, in consultation with the committee, to establish minimum number of continuing education hours for licensed mental health counselors, licensed marriage and family therapists, and licensed social workers.

Section 15(2): Amends RCW 18.225.145 (Associate licensing—Requirements) to allow licensed social worker associates, licensed mental health counselor associates, and licensed marriage and family therapist associates to practice under direct supervision of an approved supervisor for up to 120 days after the Department of Health (department) receives the applicant’s completed application or until the applicant’s license is issued or denied.

Section 15(6)(b): Amends RCW 18.225.145 (Associate licensing—Requirements) removing the renewal limit on mental health counselor associates, marriage and family therapist associates, social worker associates advanced, and social worker associate independent.

Section 16: Amends RCW 18.225.180 (Supervision program—Database of qualified supervisors and facilities—Out-of-pocket expenses stipend) to adjust stipend requirements to require supervisors to charge no more than \$1,600 per year per associate. Supervisors receiving a stipend are eligible for up to \$2,000 per year per associate if the supervisor maintains the supervisory relationship for the entire year.

Section 17: Amends RCW 71.05.020 (Definitions) to include licensed psychological associate in the definition of “mental health professional”.

Section 21: Requires the department to conduct a study and complete a legislative report on changing the disciplining authority for professions regulated under RCW 18.225 (mental health counselors, marriage and family therapists, and social

workers).

**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.*

Current law, RCW 43.70.250 (License fees for professions, occupations, and businesses.), requires that each professional, occupational, or business licensing program be fully self-supporting, and that sufficient revenue collected through fees to fund expenditures. The department will monitor the fund balance and will adjust fees over a six (6) year period to ensure that fees are sufficient to cover all program expenditures.

As of July 1, 2023 the following programs impacted have a positive fund balance:

- Psychologists - \$431,000
- Social Workers - \$1,311,000

As of July 1, 2023 the following programs have a negative fund balance and costs to implement this bill will be taken into account when setting their fee:

- Marriage Family Therapist & Associate – (\$11,000)
- Mental Health Counselor & Associate – (\$505,000)
- Substance Use Disorder Professionals & Trainee - (\$400,000)

Section 5: The board will establish a psychological associate license.

For the purpose of this fiscal note, a license fee is estimated at \$190 for applications and renewals which is consistent with the Psychologist application fee. During the rulemaking process, a fee study will be prepared with proposed fees and provided for stakeholder input. The department will monitor the fund balance and will adjust fees over a six (6) year period to ensure that fees are sufficient to cover all program expenditures. Revenue collection will start July 1, 2025.

The department received 140 psychologist examination license applications from January 1, 2023, to December 31, 2023. While this license is optional it does allow for billing, so the department assumes 50% of eligible people will apply (70). This license allows applicants to be in school while pursuing full licensure and with three years being the minimum number of years needed to meet the psychologist educational requirement, the department assumes 210 initial applications (70 x 3 years). Based on mental health counselor associate, the department assumes a 57% renewal rate, ongoing renewals are based on the profession’s current renewal rate of the previous year’s applications and renewals.

- FY 2026 - \$46,000 (210 Applications 30 Renewals)
- FY 2027 - \$42,000 (90 Applications 120 Renewals)
- FY 2028 - \$43,000 (103 Applications 125 Renewals)
- FY 2029 - \$45,000 (107 Applications 130 Renewals)

Section 13: The department will remove the renewal limit for substance use disorder professional trainees.

Based on the number of trainee credentials that expired between FY 2020 and FY 2023 as a result of the renewal limit, the department anticipates seeing an additional 73 Substance Use Disorder Professional Trainee (\$90) renewing their trainee license in FY2026 and each year thereafter.

- FY 2025 - \$7,000
- FY 2026 - \$7,000
- FY 2027 - \$7,000
- FY 2028 - \$7,000
- FY 2029 - \$7,000

Section 15: The department will remove the renewal limit on mental health counselor associates, marriage and family therapist associates, social worker associate advanced, and social worker associate independent.

Based on the number of associate credentials that expired between FY 2020 and FY 2023 as a result of the renewal limit, the department anticipates seeing an additional 14 Marriage Family Therapist Associates (\$50), 41 Mental Health Counselor Associates (\$25), and 55 Social Worker Associates (\$25) renewing their associates license in FY2026 and each year thereafter.

FY 2025 - \$3,000  
FY 2026 - \$3,000  
FY 2027 - \$3,000  
FY 2028 - \$3,000  
FY 2029 - \$3,000

Total Revenue:

FY 2025 - \$10,000  
FY 2026 - \$56,000  
FY 2027 - \$52,000  
FY 2028 - \$53,000  
FY 2029 - \$55,000

## 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, 5, & 17: The Board of Psychology (board) will adopt rules to create a psychological associate license. The board 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 board 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 2025 one-time costs will be 0.2 FTE and \$29,000 (02G).

Section 13: The department will adopt rules to amend the definition of agency and remove the four-renewal limit for substance use dependency trainees. 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 2025 one-time costs will be 0.2 FTE and \$29,000 (02G).

Section 14, 15, & 16: The department will adopt rules to establish and operate the stipend program, establish standards for persons practicing on a pending credential, and remove the six-renewal limit for mental health counselor associates, marriage and family therapist associates, social worker independent associates, and social worker advanced associates. 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 2025 one-time costs will be 0.2 FTE and \$29,000 (02G).

#### Office of Innovation and Technology (OIT)

Section 1: Implementation of this bill will require the department to modify the Healthcare Enforcement and Licensing Modernization System (HELMS). Work will include the initial vendor configuration and agency staff time for ongoing maintenance of a new license and a new application as well as updating of reports, user defined fields, and workflows.

FY 2027 costs will be 0.1 FTE and \$12,000 (02G)

FY 2028 costs will be 0.1 FTE and \$12,000 (02G)

FY 2029 and ongoing costs will be \$3,000 (02G)

Section 5: Configuration in the department's Healthcare Enforcement and Licensing Modernization System will require 93 hours from the integration vendor at a rate of \$270 per hour for psychological associates. Work will include the initial vendor configuration and agency staff time for ongoing maintenance of a new credential and a new application as well as updating of reports, user defined fields, and workflows.

FY 2026 costs will be 0.1 FTE and \$52,000 (02G)

FY 2027 and ongoing costs will be \$7,000 (02G)

Section 13 and 15: This bill will require configuration in the Integrated Licensing & Regulatory System (ILRS) to remove the cap on renewals for associate licenses and substance use disorder professional trainees 90 days after the adjournment of session.

FY 2024 costs will be \$7,000 (02G)

#### Office of Customer Service (OCS)

Section 2: The department will develop a new online and paper license type. Starting FY 2026 there will be costs for gathering requirements, developing forms, and testing in the credentialing section. The department will certify qualified applicants and assumes 210 initial applicants with a 57% renewal rate.

FY 2026 costs will be 0.2 FTE and \$27,000 (02G)

FY 2027 and ongoing costs will be 0.1 FTE and \$15,000 (02G)

#### Office of Investigative and Legal Services (OILS)

Section 2 and 5: Based on the department's experience with Mental Health Counselor Associates, the department is

estimating 6 complaints per year or 2.75% of 210 Psychological Associate licensees per year.

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, 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.

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 \$7,000 (02G)

FY 2027 and ongoing costs will be \$4,000 (02G)

Section 13: Based on the department's experience with substance use disorder professional trainees, the department is estimating 6 complaints per year or 8.66% of 73 licensees.

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, 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.

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 \$15,000 (02G)

FY 2027 and ongoing costs will be 0.1 FTE and \$10,000 (02G)

#### Office of Health Professions (OHP)

Section 16: The Office of Health Professions will establish and operate a stipend program. Based on anecdotal data, the department assumes that the average cost for supervision is \$3,600 per year. Because the substitute bill lowers the cap a supervisor participating in the stipend program may charge each associate for supervision services from \$2,000 to \$1,600 per year, the department assumes fewer supervisors will choose to participate resulting in fewer stipends. The department assumes 40% of approved supervisors could financially benefit from the stipend program and that 50% of those will elect to join the stipend program, resulting in a max stipend of \$1,600 per associate. The department does not have data on the number of approved supervisors. Therefore, the department is estimating the number of stipends based on the number of associates. Based on the current number of social worker associates, mental health counselor associates, and marriage and family therapist associates plus a cumulative growth rate of 8.65% per year, the department assumes 1,720 associates will be supervised by approved supervisors receiving a stipend of \$2000 per year.

Staff will be required for the operation of the associate stipend program. Based on the Board of Nursing's preceptor grant



program, the department assumes work will include processing stipend applications, answering applicant questions, reviewing documentation, approving the issuance of stipends, and monitoring the stipend budget. New staff will be hired 6 months before the department begins issuing stipends to allow time for training and development. Costs include staff and associated expenses (including goods and services, intra-agency, and indirect charges).

FY2025 costs will be 1.6 FTE and \$194,000 (GF-S)  
 FY2026 costs will be 3.6 FTE and \$3,825,000 (1,720 Associates) (GF-S)  
 FY2027 costs will be 3.7 FTE and \$4,129,000 (1,870 Associates) (GF-S)  
 FY2028 costs will be 3.7 FTE and \$4,464,000 (2,035 Associates) (GF-S)  
 FY2029 costs will be 3.8 FTE and \$4,830,000 (2,215 Associates) (GF-S)

Section 21: The Office of Health Professions will complete a legislative report on changing the disciplining authority for mental health counselors, marriage and family therapists, and social workers. This will require staff work to gather data, research issues, engage with stakeholders, and write the report.

FY2025 costs will be 0.6 FTE and \$82,000 (02G)

**TOTAL COST TO IMPLEMENT THIS BILL:**

FY2024 costs will be \$7,000 (02G)  
 FY2025 costs will be 2.6 FTE and \$169,000 (02G) and \$194,000 (GF-S)  
 FY2026 costs will be 4.2 FTE and \$101,000 (02G) and \$3,825,000 (GF-S)  
 FY2027 costs will be 4.0 FTE and \$48,000 (02G) and \$4,129,000 (GF-S)  
 FY2028 costs will be 4.1 FTE and \$48,000 (02G) and \$4,464,000 (GF-S)  
 FY2029 and ongoing costs will be 4.2 FTE and \$39,000 (02G) and \$4,830,000 (GF-S)

**Part III: Expenditure Detail**

**III. A - Operating Budget Expenditures**

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	0	194,000	194,000	7,954,000	9,294,000
02G-1	Health Professions Account	State	7,000	169,000	176,000	149,000	87,000
<b>Total \$</b>			7,000	363,000	370,000	8,103,000	9,381,000

**III. B - Expenditures by Object Or Purpose**

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		2.6	1.3	4.1	4.2
A-Salaries and Wages	4,000	206,000	210,000	551,000	547,000
B-Employee Benefits	1,000	78,000	79,000	221,000	220,000
C-Professional Service Contracts		3,000	3,000	7,205,000	8,500,000
E-Goods and Other Services	2,000	56,000	58,000	77,000	67,000
T-Intra-Agency Reimbursements		20,000	20,000	49,000	47,000
9-					
<b>Total \$</b>	7,000	363,000	370,000	8,103,000	9,381,000

**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
ADMINISTRATIVE ASST 3	52,620		0.1	0.1	0.1	
Fiscal Analyst 2	53,000		0.3	0.2	1.1	1.2
HEALTH SERVICES CONSULTAN 1	58,104				0.1	0.1
HEALTH SERVICES CONSULTAN 2	69,072		1.1	0.6	2.0	2.0
HEALTH SERVICES CONSULTAN 3	78,120				0.1	0.1
HEALTH SERVICES CONSULTAN 4	86,208		0.3	0.2	0.2	0.2
Health Svcs Conslt 1	53,000		0.2	0.1	0.3	0.3
MANAGEMENT ANALYST 4	86,208		0.2	0.1	0.1	
WMS02	118,932		0.4	0.2	0.3	0.3
<b>Total FTEs</b>			2.6	1.3	4.1	4.2

**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.*

The Board of Psychology, the Secretary of Health, and the Department of Health will adopt rules in chapter 246.809 WAC (Licensure for Mental Health Counselors, Marriage and Family Therapists, and Social Workers), chapter 246.810 WAC (Counselors), and chapter 246.924 WAC (Psychologists) to implement this bill.



# Multiple Agency Ten-Year Analysis Summary

<b>Bill Number</b> 2247 E 2S HB AMS HLTC S5107.1	<b>Title</b> Behavioral health providers
-----------------------------------------------------	---------------------------------------------

This ten-year analysis is limited to the estimated cash receipts associated with the proposed tax or fee increases.

## Estimated Cash Receipts

	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Fiscal Year 2033	2024-33 TOTAL
Washington State Health Care Authority Indeterminate Impact	0	0	0	0	0	0	0	0	0	0	0
Department of Health	0	10,000	56,000	52,000	53,000	55,000	57,000	59,000	61,000	63,000	466,000
<b>Total</b>	<b>0</b>	<b>10,000</b>	<b>56,000</b>	<b>52,000</b>	<b>53,000</b>	<b>55,000</b>	<b>57,000</b>	<b>59,000</b>	<b>61,000</b>	<b>63,000</b>	<b>466,000</b>



# Ten-Year Analysis

<b>Bill Number</b> 2247 E 2S HB AMS HLTC S5107.1	<b>Title</b> Behavioral health providers	<b>Agency</b> 107 Washington State Health Care Authority
-----------------------------------------------------	---------------------------------------------	-------------------------------------------------------------

This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

## Estimates

**No Cash Receipts**
                         
  **Partially Indeterminate Cash Receipts**
                         
  **Indeterminate Cash Receipts**

## Estimated Cash Receipts

Name of Tax or Fee	Acct Code												
<b>Total</b>													

**Biennial Totals**

## Narrative Explanation (Required for Indeterminate Cash Receipts)

Please see attached.

Agency Preparation: Michael Grund	Phone: 360-725-1949	Date: 2/28/2024 4:01:32 pm
Agency Approval: SUMAN MAJUMDAR	Phone: 360-725-1319	Date: 2/28/2024 4:01:32 pm
OFM Review:	Phone:	Date:



# Ten-Year Analysis

<b>Bill Number</b> 2247 E 2S HB AMS HLTC S5107.1	<b>Title</b> Behavioral health providers	<b>Agency</b> 303 Department of Health
-----------------------------------------------------	---------------------------------------------	-------------------------------------------

This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

## Estimates

**No Cash Receipts**
                 
  **Partially Indeterminate Cash Receipts**
                 
  **Indeterminate Cash Receipts**

## Estimated Cash Receipts

Name of Tax or Fee	Acct Code	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Fiscal Year 2033	2024-33 TOTAL
Behavioral Health Associates	02G		3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	27,000
Psychological Associates	02G			46,000	42,000	43,000	45,000	47,000	49,000	51,000	53,000	376,000
Substance Use Dependency Professional Trainee	02G		7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	63,000
<b>Total</b>			<b>10,000</b>	<b>56,000</b>	<b>52,000</b>	<b>53,000</b>	<b>55,000</b>	<b>57,000</b>	<b>59,000</b>	<b>61,000</b>	<b>63,000</b>	<b>466,000</b>
<b>Biennial Totals</b>			<b>10,000</b>	<b>108,000</b>	<b>108,000</b>	<b>108,000</b>	<b>116,000</b>	<b>124,000</b>	<b>124,000</b>	<b>124,000</b>	<b>124,000</b>	<b>466,000</b>

## Narrative Explanation (Required for Indeterminate Cash Receipts)

Current law, RCW 43.70.250 (License fees for professions, occupations, and businesses.), requires that each professional, occupational, or business licensing program be fully self-supporting, and that sufficient revenue collected through fees to fund expenditures. The department will monitor the fund balance and will adjust fees over a six (6) year period to ensure that fees are sufficient to cover all program expenditures.

As of July 1, 2023 the following programs impacted have a positive fund balance:

- Psychologists - \$431,000
- Social Workers - \$1,311,000

As of July 1, 2023 the following programs have a negative fund balance and costs to implement this bill will be taken into account when setting their fee:

- Marriage Family Therapist & Associate – (\$11,000)
- Mental Health Counselor & Associate – (\$505,000)



# Ten-Year Analysis

Bill Number	Title	Agency
2247 E 2S HB AMS HLTC S5107.1	Behavioral health providers	303 Department of Health

This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

## Narrative Explanation (Required for Indeterminate Cash Receipts)

Substance Use Disorder Professionals & Trainee - (\$400,000)

Section 5: The board will establish a psychological associate license.

For the purpose of this fiscal note, a license fee is estimated at \$190 for applications and renewals which is consistent with the Psychologist application fee. During the rulemaking process, a fee study will be prepared with proposed fees and provided for stakeholder input. The department will monitor the fund balance and will adjust fees a six (6) year period to ensure that fees are sufficient to cover all program expenditures. Revenue collection will start July 1, 2025.

The department received 140 psychologist examination license applications from January 1, 2023, to December 31, 2023. While this license is optional it does allow for billing, so the department assumes 50% of eligible people will apply (70). This license allows applicants to be in school while pursuing full licensure and with three years being the minimum number of years needed to meet the psychologist educational requirement, the department assumes 210 initial applications (70 x 3 years). Based on mental health counselor associate, the department assumes a 57% renewal rate, ongoing renewals are based on the profession's current renewal rate of the previous year applications and renewals.

FY 2026 - \$46,000 (210 Applications 30 Renewals)  
 FY 2027 - \$42,000 (90 Applications 120 Renewals)  
 FY 2028 - \$43,000 (103 Applications 125 Renewals)  
 FY 2029 - \$45,000 (107 Applications 130 Renewals)

Section 13: The department will remove the renewal limit for substance use disorder professional trainees.

Based on the number of trainee credentials that expired between FY 2020 and FY 2023 as a result of the renewal limit, the department anticipates seeing an additional Substance Use Disorder Professional Trainee (\$90) renewing their trainee license in FY2026 and each year thereafter.

FY 2025 - \$7,000  
 FY 2026 - \$7,000  
 FY 2027 - \$7,000  
 FY 2028 - \$7,000  
 FY 2029 - \$7,000



# Ten-Year Analysis

Bill Number	Title	Agency
2247 E 2S HB AMS HLTC S5107.1	Behavioral health providers	303 Department of Health

This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

## Narrative Explanation (Required for Indeterminate Cash Receipts)

Section 15: The department will remove the renewal limit on mental health counselor associates, marriage and family therapist associates, social worker associate advanced, and social worker associate independent.

Based on the number of associate credentials that expired between FY 2020 and FY 2023 as a result of the renewal limit, the department anticipates seeing an additional 14 Marriage Family Therapist Associates (\$50), 41 Mental Health Counselor Associates (\$25), and 55 Social Worker Associates (\$25) renewing their associates license in FY2026 and each year thereafter.

FY 2025 - \$3,000  
 FY 2026 - \$3,000  
 FY 2027 - \$3,000  
 FY 2028 - \$3,000  
 FY 2029 - \$3,000

Total Revenue:

FY 2025 - \$10,000  
 FY 2026 - \$56,000  
 FY 2027 - \$52,000  
 FY 2028 - \$53,000  
 FY 2029 - \$55,000

Agency Preparation: Donna Compton	Phone: 360-236-4538	Date: 3/4/2024 11:09:00 am
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 3/4/2024 11:09:00 am
OFM Review:	Phone:	Date: