



Agency Recommendation Summary

The Department of Social and Health Services (DSHS), Aging and Long Term Support Administration (ALTSA) requests \$46,220,000 (\$22,989,000 GF-State) for start-up costs, nursing home services, and emergent building costs at the Transitional Care Center of Seattle (TCCS). As part of the COVID-19 response, DSHS purchased this building to provide care for difficult to place residents from acute care hospitals, creating more hospital capacity to treat COVID-19 patients.

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 001 - 1	\$11,512	\$11,477	\$22,989	\$11,508	\$11,477	\$22,985
Fund 001 - C	\$11,598	\$11,633	\$23,231	\$11,665	\$11,633	\$23,298
Total Expenditures	\$23,110	\$23,110	\$46,220	\$23,173	\$23,110	\$46,283
Revenue						
001 - 0393	\$11,598	\$11,633	\$23,231	\$11,665	\$11,633	\$23,298
Total Revenue	\$11,598	\$11,633	\$23,231	\$11,665	\$11,633	\$23,298

Decision Package Description

PROBLEM STATEMENT:

There are several hundred Medicaid recipients admitted to hospitals each year who cannot return to their original living situation due to medical complexity, challenging behaviors, or other circumstances that make it difficult to place them in another residential setting. These people no longer need hospital level of care, but remain in acute care hospitals because other facilities cannot or will not take them. This limits the hospital's capacity to serve others that need hospital level of care. Hospitals are also unable to provide the rehabilitative services needed to help these patients transition to lower cost care options. These individuals need the rehabilitative services that a nursing home provides to be able to return to a home or community setting.

PROPOSED SOLUTION:

As part of the COVID 19 response, DSHS purchased a building to be operated by a contracted nursing facility provider to accept and provide care for 150 difficult to place residents from acute care hospitals. ALTSA requests \$46,220,000 (\$22,989,000 GF-State) to pay for facility remodel start-up costs, nursing home client service costs, and emergent maintenance needs at this DSHS-owned facility. This funding will:

- Support the contract that DSHS entered into with a vendor to run the facility.
- Provide nursing facility services to difficult to place residents from acute care hospitals. The contract provides staffing at levels needed to support the clients with complex medical conditions and one-on-one staffing to support clients with challenging or aggressive behaviors.
- Support the maintenance and operations of this DSHS owned facility. This includes funding for updates to the building that were necessary to pass state and federal certification requirements as well as updates needed to provide the appropriate level of care for medically complex clients. This construction will be complete by October of 2020. Also included in this request is funding to support emergent building maintenance and repair costs.

This request assumes the above costs will be partially offset by rental income to be received from the contracted vendor.

EXPECTED RESULTS:

DSHS will be able to safely and more quickly transition hundreds of people a year out of acute care hospitals. This will avoid acute care hospital stays beyond what is medically necessary and free up hospital beds for those who need them. It will also decrease costs that hospitals must absorb which are passed on to other Washingtonians through increased hospital rates. This facility will provide significant relief to the Washington hospital system. Having a facility dedicated to serving residents who are difficult to place will ensure these residents do not spend

excessive time in acute care hospitals.

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Assumptions and Calculations

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

N/A

Detailed Assumptions and Calculations:

		Avg Cost		Client Svc	Est Bldg	Rental	Total	
SFY	# of Beds	per Bed/Per Day	Bed Days	Cost	Costs	Income	Cost	GF-State
2022	150	422.10	365	23,110,000	462,000	(462,000)	23,110,000	11,512,000
2023	150	422.10	365	23,110,000	792,000	(792,000)	23,110,000	11,477,000
2024	150	422.10	366	23,173,000	792,000	(792,000)	23,173,000	11,508,000
2025	150	422.10	365	23,110,000	792,000	(792,000)	23,110,000	11,477,000

Workforce Assumptions:

None

How is your proposal impacting equity in the state?

N/A

Strategic and Performance Outcomes

Strategic Framework:

AL TSA 1.1 - Serve individuals in their homes or in community-based settings

Governor's Result Washington Goals:

Goal 4: Healthy & Safe Communities - Support People - Quality of Life - 3.2.a Percent of long-term service and support clients served in home and community-based settings (AAH.1).

Investing in, and operating this facility supports Goal 4 by helping people transition out of the hospitals, receive the rehabilitative care they need, and transition to more community based living.

Performance Measures	Incremental Changes 2022	Incremental Changes 2023	Incremental Changes 2024	Incremental Changes 2025
001345 - Percent of long-term services and support clients served in home and community-based settings	0%	0%	0%	0%

Performance Outcomes:

See expected results.

Other Collateral Connections

State Workforce Impacts:

None

Intergovernmental:

None

State Facilities Impacts:

This is a new state owned facility with start-up costs, ongoing maintenance needs, and rental income generated from the contracted provider operating the nursing facility.

Changes from Current Law:

None

Puget Sound Recovery:

N/A

Legal or Administrative Mandates:

None

Stakeholder Response:

None

Reference Documents

[050 - PL - EU - Transitional Care Center of Seattle.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. N	\$23,110	\$23,110	\$46,220	\$23,173	\$23,110	\$46,283

Agency Contact Information

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