



Department of Health
2025-27 Regular Budget Session
Policy Level - BN - WABON WHPS SUD Stipend Program

Agency Recommendation Summary

The current appropriation for the Washington Health Professional (WHPS) Substance Use Disorder (SUD) stipend program is insufficient to adequately fund the program and meet the intent of the law. RCW 18.79.440 (SHB 1255 (Chapter 141, Laws of 2023)) aims to reduce stigma and financial hardships that prevent healthcare professionals licensed by the Washington State Board of Nursing (WABON) from participating in the WHPS program. The legislature appropriated \$50,000 (GF-S) ongoing per biennium to implement the stipend program. WABON is requesting additional program funding to increase access for nurses who would otherwise be unable to participate in the WHPS monitoring program due to financial hardship.

Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2026	2027	2025-27	2028	2029	2027-29
Operating Expenditures						
Fund 001 - 1	\$423	\$423	\$846	\$423	\$423	\$846
Total Expenditures	\$423	\$423	\$846	\$423	\$423	\$846

Decision Package Description

Problem Statement

The legislature appropriated \$50,000 GF-S ongoing per biennium to implement Substitute House Bill (SHB) 1255 (Chapter 141, Laws of 2023). The fiscal note identified this amount through initial calculations for administration and implementation costs, but minimally included program distribution costs. Further research has shown that the anticipated costs identified in the fiscal note are misaligned with actual costs. Additional ongoing GF-S funding is necessary to appropriately operationalize the stipend program and effectuate the intent of RCW 18.79.440.

The stipend program is intended to defray the out-of-pocket expenses incurred in connection with participation in WHPS in an effort to assist nurses who would otherwise be unable to participate in the program due to personal financial limitations. Out-of-pocket expenses incurred during the first two years in WHPS significantly impact nurses due to requirements for treatment services and other program related costs including evaluations, drug and alcohol testing, and participation in peer support groups. The out-of-pocket costs for participation in WHPS range from \$2,000 to \$75,000 depending on contract length and treatment requirements.

Insurance companies frequently do not cover expenses incurred while participating in WHPS or have high deductibles, resulting in many nurses paying up to 100% of out-of-pocket related costs of program. These costs are a significant barrier to entry and continued participation in WHPS.

WHPS, and similar programs from many other states, have experienced a significant decrease in enrollment over the past three years. Nurses are unable to enter WHPS due to financial hardship and/or the stigma associated with SUD and treatment. This decrease in program enrollment has resulted in several states no longer offering monitoring programs as an alternative for nurses with SUD.

Proposed Solution

WABON is requesting ongoing GF-S funds in the amount of \$423,000 per year or \$846,000 per biennium. This additional funding will enable WABON to defray 80% of out-of-pocket expenses for evaluations, alcohol and drug testing, and peer support groups for qualifying WHPS program participants.

1. The stipend will be used to support new nurses in WHPS by defraying 80% of the fees of the SUD evaluation. The average cost of an evaluation is \$350; using stipend funds will lower the out-of-pocket cost for an evaluation to \$70.00.
2. The stipend will be used to defray 80% of drug and alcohol testing costs. WHPS requires nurses in the program to test an average of 24

times annually. Testing costs vary depending on the type of panel and substances being tested for. The average test costs \$75; using stipend funds will lower the out-of-pocket costs to \$15 per test on average.

3. The stipend will be used to defray 80% of the cost of the required Peer Support Group (PSG) meeting fees. The average PSG meeting fee is \$80.00 per month; using stipend funds will lower the out-of-pocket costs for PSG meeting fees to \$16 per month.

This work will be administered and supported using existing agency resources and FTEs. The requested funding in this proposal is needed in 2025-27 biennium to sufficiently implement the SUD stipend program as intended by RCW 18.79.440 and adequately address the growing financial support needs for qualifying WHPS program participants. The stipend program alleviates the financial burden on nurses who may otherwise not be able to afford to participate in WHPS or complete the program and return to safe practice.

Expected Outcomes

This program is designed to help support nurses with SUD. Nurses in WHPS will be able to return to safe practice through monitoring, treatment, and testing which improves patient and public safety. Washington has experienced a nursing shortage over the last three years. Nurses that successfully complete WHPS experience better employment opportunities which significantly increases workforce retention.

There are over 140,000 nurses licensed in Washington State. It is estimated that 12-14% of nurses may suffer from SUD based on the general population estimates with SUD. As of June 1, 2024, there were only 229 nurses in WHPS; it is likely that the number of nurses with SUD could be as many as 14,000 to 19,000. If this package is funded at the requested amount, WABON expects an outcome of 20% growth year-over-year in program participation between 2025 and 2027.

Nurses, facilities, hospitals, patients, and the public will be affected by this decision package. Appropriately funding the stipend program will incentivize and encourage participation in WHPS for nurses who are impacted by SUD but go untreated. This may lead to increased access to care and enhanced public and patient safety as nurses return to safe practice. All nurses who participate in WHPS will have 80% of their initial SUD evaluation cost covered. Qualifying nurses may receive financial support with out-of-pocket expenses for required alcohol and drug testing and peer support group participation.

Alternatives

RCW 18.79.440 mandates that WABON establish and implement the stipend program to defray the out-of-pocket expenses incurred in connection with a license holder's participation in WHPS. WABON considered reducing the total percentage of costs defrayed for out-of-pocket expenses to align with the number of eligible WHPS program participants and the current appropriation. However, this would provide for a very limited and minimal impact to WHPS program participants and fail to meet the intent of RCW 18.79.440. Maintaining the status quo would neither incentivize participation in the WHPS program nor alleviate the financial burden of current program participants.

WABON also explored requesting a higher level of funding to cover a wider range of costs associated with participation in the program. This included defraying costs for inpatient, intensive outpatient (IOP), and outpatient treatment services, and alcohol and drug information school.

Partial funding of this package would allow for limited implementation of planned activities and an expansion of services, albeit at a reduced scale and scope from the proposal.

Assumptions and Calculations

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

The current level of funding for this program is \$25,000 per year or \$50,000 per biennium in ongoing GF-S. The WHPS and SUD stipend programs are directly administered by WABON. If this package is funded, the SUD stipend program would see an expansion of services as additional funding would be available to defray 80% of the cost of out-of-pocket expenses for evaluations, alcohol and drug testing, and peer support groups for all qualifying WHPS program participants.

Detailed Assumptions and Calculations:

Total costs for the SUD stipend program were calculated by multiplying the number of qualifying nurses participating in the program by the number of occurrences for each required service. This number was then multiplied by the average cost of each service to calculate the subtotal. These subtotals were then added together to calculate the total cost of all required program services.

The proposed funding amount of \$417,192 was calculated by taking 80% of the total cost of the program which reflects the maximum defrayable amount allowed by the SUD stipend program. An additional \$6,258 was then added per fiscal year to cover division and agency indirect costs.

Workforce Assumptions:

There is no anticipated need for additional FTEs to support this program at this time.

Historical Funding:

See “Historical Funding” tab in “Assumptions and Calculations Workbook”.

Strategic and Performance Outcomes

Strategic Framework:

This program is designed to help support nurses with SUD. Nurses in WHPS will be able to return to safe practice through monitoring, treatment, and testing which improves patient and public safety.

Washington has experienced a nursing shortage over the last three years. Nurses that successfully complete WHPS experience better employment opportunities which significantly increases workforce retention.

Performance Outcomes:

WABON will be monitoring several outcomes to determine the success of this stipend program. WHPS will track and compare the following data with previous year numbers:

1. The number of nurses who enter the program.
2. The number of nurses who drop out of the program for financial reasons.
3. The number of nurses who successfully complete the program and are in recovery.
4. The number of nurses who need financial assistance and use the stipend program.
5. The expenditures by each service the stipend program paid.
6. Total costs and funds remaining in the account.
7. The number of nurses employed while in the WHPS monitoring program.
8. The number of nurses in the program with insurance who apply and receive stipend assistance.

WABON anticipates an increase in the number of nurses who enter WHPS which will increase the number of nurses who safely practice and reduce the number of nurses who are practicing while impaired.

Equity Impacts

Community Outreach and Engagement:

WABON has recently instituted an outreach program that targets healthcare facilities, healthcare providers, human resource managers, and educational institutions to explain the benefits of WHPS to encourage participation of nurses with SUD and encourage employment of nurses who are in WHPS.

Disproportional Impact Considerations:

The stipend program impacts the entire nursing and patient population across Washington state. This program is intended to increase equity by reducing financial barriers to participating in WHPS.

Stipend funds will not be used to financially support nurses who are participating in another SUD monitoring program.

Target Communities and Populations:

Funding this request will meet the intent of RCW 18.79.440 and will positively impact nurses and public health in Washington state. Nurses who complete WHPS will experience a significant increase in employment opportunities which may reduce the current nursing shortage and improve access to care throughout the state, including underserved rural communities. Reducing the prevalence of active SUD in the profession through increased participation in WHPS will support workforce retention and improve the quality of care provided to patients.

Community Inputs and Incorporation:

WABON plans to address potential equity impacts by implementing strategies that promote fairness, inclusivity, and opportunities for all individuals, regardless of their background.

Financial Accessibility: SUD treatment often involves significant costs. These costs can be prohibitive for many nurses. By defraying the cost of out-of-pocket expenses, more nurses can access the necessary treatment regardless of their financial means. This promotes equity by ensuring that treatment is not only available to those who can afford it.

Reducing Disparities: Access to treatment for SUD is often unequal across different demographic groups, including racial and ethnic minorities. Defraying costs can help reduce these disparities by making treatment more accessible to marginalized communities who may face barriers such as discrimination, lack of insurance coverage, or inadequate financial resources.

Promoting Health Equity: By ensuring that cost is not a barrier to treatment or participation in the WHPS program, defraying costs can contribute to improving health outcomes and reducing the health disparities experienced by marginalized groups.

Other Collateral Connections

HEAL Act Agencies Supplemental Questions

N/A

Puget Sound Recovery:

N/A

State Workforce Impacts:

No impacts are anticipated.

Intergovernmental:

This program will be available to all nurses credentialed in Washington. There are no anticipated impacts to other state agencies.

Stakeholder Impacts:

This program will have a significant and positive impact on nurses and health care facilities (hospitals, senior living facilities, healthcare provider offices). A majority of stakeholders, including nurses and facilities, have expressed support for the stipend program.

State Facilities Impacts:

No impacts are anticipated to facilities, workplace needs, or capital budget.

Changes from Current Law:

There are no changes to existing statutes. WABON has adopted rules to implement the stipend program and were made effective July 1, 2024.

Legal or Administrative Mandates:

N/A

Governor's Salmon Strategy:

N/A

Reference Documents

[Assumptions and Calculations_Nursing SUD Monitoring.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
	2026	2027	2025-27	2028	2029	2027-29
Obj. E	\$6	\$6	\$12	\$6	\$6	\$12
Obj. N	\$417	\$417	\$834	\$417	\$417	\$834

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