



King County

Metropolitan King County Council

Health, Human Services and Criminal Justice Panel of the Budget and Fiscal Management Committee

Thursday, October 20, 2016 – 9:30 A.M.

Councilmembers: *Claudia Balducci, Chair; Dave Upthegrove, Vice Chair; Rod Dembowski, Larry Gossett, Jeanne Kohl-Welles, Kathy Lambert, Joe McDermott*

Greg Doss (477-0891), Panel Lead

Wendy Soo Hoo (477-0890), Budget Manager

Analysts: *Scarlett Aldebot-Green (477-0022), Renita Borders (477-5707), Mary Bourguignon (477-0873), Katherine Cortes (477-9733), Clifton Curry (477-0877), Patrick Hamacher (477-0880), Andrew Kim (477-8495), Leah Krekel-Zoppi (477-0892), Nick Wagner (477-0894)*

Panel Assistant: *Erica Newman (477-7543)*

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Analyst:	Nick Wagner
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PROSECUTING ATTORNEY

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$134,845,488	\$140,338,746	4.1%
Max FTE:	470.5	456.5	(3.0%)
Max TLTs:	4.0	4.0	N/A
Major Revenue Sources	General Fund; charges to non-General-Fund agencies to which the PAO provides legal services		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The Prosecuting Attorney's Office (PAO) is responsible for the prosecution of all felony and juvenile cases in King County and all misdemeanor cases generated in unincorporated areas of King County. The PAO serves as legal counsel to the Metropolitan King County Council, the King County Executive, all executive agencies, the Superior and District Courts, the King County Sheriff's Office, the King County Assessor, the various independent boards and commissions, and some school districts. The PAO also establishes and enforces child support obligations, is an integral part of the mental health civil commitment process, and manages or participates in several programs that provide alternatives to the mainstream criminal justice system.

ISSUES

ISSUE 1 – STAFF REDUCTIONS – EXPENDITURE: (\$2,000,000); FTE REDUCTION TO BE DETERMINED.

The Executive has set a savings target of \$2,000,000 for the PAO. To meet this target, the Prosecuting Attorney intends to eliminate positions and expenditures during the 2017-2018 biennium. He expects these reductions to reduce the PAO's capacity to bring cases to trial in a timely manner. The specific positions and expenditures have not yet been identified, but will be removed in the 2019-2020 pro forma budget, just as the 2017-2018 proposed budget includes a technical adjustment to reflect the reductions of \$2,596,943 and 11.0 FTEs that the PAO made to meet its 2015-2016 Target Reductions. If the ratio of expenditure reduction to FTEs were the same in 2017-2018 as it was in 2015-2015, the PAO would need to eliminate about 8.5 positions to meet its target of \$2 million in expenditure reductions. In his testimony before the Budget and Fiscal Management Committee on October 5, the Prosecuting Attorney said he intended to achieve the position reductions through attrition.

The PAO strenuously objects to the reductions proposed by the Executive. The PAO argues that the reductions (1) would result in substantially increased delay in the filing and processing of serious felony crimes and (2) would create a disparity of resources between the PAO and the Department of Public Defense (DPD).

Delay

The PAO makes the following points, among others, in support of its argument that the Executive's proposed reductions would result in substantially increased delay in the filing and processing of serious felony crimes:

1. No Place Left to Cut. The PAO's past success in absorbing budget cuts has been achieved in part by controlling its own workload. For example, in 2008 the PAO changed its felony filing standards so that cases of simple possession of drugs for personal use could be filed as misdemeanors rather than as felonies. Another example is the PAO's decision to change Driving While License Suspended 3 from a criminal filing to an infraction. The PAO has also collaborated with other agencies in criminal justice diversion programs, such as truancy intervention, the 180 Program, Law Enforcement Assisted Diversion (LEAD), and Family Intervention Restorative Services (FIRS). These programs have all had the effect of lessening the demand for PAO services. Now, however, according to the PAO, "there are no simple program reductions left that the PAO can make without jeopardizing public safety." (Letter from Dan Satterberg to Dow Constantine and Dwight Dively, dated July 1, 2016).
2. Fewer Attorney and Staff to Handle a Constant Workload. According to the PAO, the number of felony referrals and filings has remained relatively constant from 2015 to date. Since the number of felony referrals and filings is not expected to decline, a substantial reduction in the number of attorneys and staff can be expected to increase the workload of PAO attorneys and staff. This will manifest itself, according to the PAO, in an increase in the time it takes to file cases and bring them to trial.

In 2015, according to the PAO, Deputy Prosecuting Attorneys (DPAs) were three times more likely than public defenders to be deemed "unavailable" because they were already in trail on another matter (957 vs. 307). The number of trial continuances granted due to DPA unavailability can be expected to increase to the extent that there is a reduction in DPAs, though at this point it is unknown how many of the estimated 8.5 positions that the PAO would have to eliminate in 2017-2018 would be attorneys or what kind of delay would be created. (Of the 11 positions that the PAO had to eliminate in 2015-2016, three were attorney positions.)

3. Effects of Delay. The PAO has offered the following description of the effects of increasing the time to resolution of a criminal matter:

[Delay] "imposes added costs to both the individuals involved in the criminal justice system and to the General Fund. . . . [D]efendants wait longer for trial and some stay in jail longer. Victims and

witnesses have their lives interrupted for longer periods of time while they wait for justice. Lawyers and judges juggle more cases on every calendar when they take longer to resolve. Some defendants who are out of custody commit more crimes, resulting in longer jail terms. . . .

. . . .

Current staffing has also created a backlog of criminal cases awaiting filing decisions by an ever dwindling number of DPAs. These can be very serious cases, such as residential burglary, auto theft, major economic crimes, and DUI. These cases can sit idle for months – not because they don't matter, but because DPAs are forced to focus on the most violent cases instead.

Disparity with Public Defense

The PAO has also objected that the Executive's proposed budget fails to maintain parity between the PAO and the Department of Public Defense. In addition to the disparity in the number of continuances due to unavailability for trial (described above), the PAO argues that PAO attorneys have larger workloads than DPD attorneys; however, differences in the nature of criminal prosecution and criminal defense make it difficult to compare their workloads quantitatively.

Option 1: Approve as proposed.

Option 2: Refer to Budget Leadership Team.

ADDITIONAL FOLLOW UP FROM WEEK 1 PANEL QUESTIONS

1. What effect would the proposed \$2 million cut in the PAO budget have on ITA court?

Executive's Answer: ITA Court is funded through the state by the Behavioral Health Organization (BHO). The \$2 million cut will not impact PAO ITA Court staffing.

2. What is the current status of the space issues concerning ITA court?

Executive's Answer: The current space is too small and has been inadequate for years. A project is currently underway to reconfigure the ITA courtroom suite, which is intended to provide better utilization of existing overcrowded space used by Superior Court, the PAO, and DPD. The reconfiguration expands the current Commissioner hearing room to be used as a second courtroom with a chamber and creates additional staff space for DPD by claiming an area of currently unusable space. Programmatically, the reconfiguration provides dedicated offices for the Court Manager, a shared office for two bailiffs that is convertible to be used for gurneys, a dual-use space for either gurneys or video interviews, and improved visual and sound separations between DPD and PAO attorneys, patients, and court officials. There is also a current project to upgrade and

expand video court capabilities. These projects will allow the most efficient use of available space possible, but space will remain a challenge until ITA Court moves to Harborview Hall.

Analyst:	Nick Wagner
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DEPARTMENT OF PUBLIC DEFENSE

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$127,020,998	\$136,490,000	7.5%
Max FTE:	365.3	390.9	7.0%
Max TLTs:	0.0	1.0	N/A
Major Revenue Sources	General Fund, DPD contracts with other jurisdictions, fees		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

In keeping with federal and state constitutional requirements, state law, and the county code, the Department of Public Defense (DPD) provides public defense services to indigent and near-indigent individuals in King County in all matters in which there is a potential loss of liberty and in certain other matters, such as juvenile dependency, civil commitment, and civil contempt. DPD screens clients for financial eligibility for indigent defense services, assigns cases to attorneys, and manages the attorneys and support staff who provide legal services to a majority of the County's indigent defendants.

DPD came into existence on July 1, 2013, when the attorneys and non-attorney staff who had been providing public defense services through county contracts with four private nonprofit agencies became regular county employees following a decision of the Washington Supreme Court. DPD was then formally instituted, with characteristics designed to promote the independence of the department, through a charter amendment that was approved by voters in November 2013. In both the charter amendment and the implementing ordinance (Ordinance 17678), DPD is charged with "fostering and promoting system improvements, efficiencies, access to justice and equity in the criminal justice system."

ISSUES

ISSUE 1 – INCREASE DEPENDENCY CASELOAD – (\$598,819) (2.0 FTE)

This proposed change reflects a planned increase in the permitted caseload for dependency attorneys from 65 open cases to 72 open cases, which would enable DPD to reduce by two the number of dependency attorneys. After transmittal of the proposed budget, however, executive staff learned that a provision in the collective bargaining agreement covering DPD dependency attorneys requires DPD to maintain the caseload standard that was in effect on May 15, 2015, which was 65 open cases. Consequently,

the Executive is withdrawing this proposed change and will work on identifying a means of replacing this planned savings. Staff review of this issue is ongoing.

New Issues

The following new issues are based on funding and FTEs that were included in DPD's requested budget, but not in the Executive's proposed budget. They were not listed in the Week 1 staff report on the DPD budget, pending receipt of the budget report of the Public Defense Advisory Board (PDAB). The PDAB report, which has now been received, describes the funding and FTE requests as "critical items necessary to fully comply with applicable mandates and protect the rights of DPD's clients" (PDAB report, p. 4).

ISSUE 2 – STAFFING MODEL IMPLEMENTATION – EXPENDITURE: \$1,331,749; REVENUE: \$2,616,804; 10 FTEs. This proposed change would add 10.0 FTEs to comply with a staffing model developed jointly by DPD and the County's Office of Performance, Strategy, and Budget as a result of a recommendation of the King County Public Defense Budget Workgroup, which was established by Ordinance 17941 (the 2015-2016 biennial budget ordinance). The revenue increase is due to additional staff being assigned to Involuntary Treatment Act Court, which is reimbursed by the King County Behavioral Health Organization. Staff analysis of this proposed change, and of the staffing model in general, is ongoing. – In addition, according to the PDAB report, the staffing model used by the Executive did not adequately account for absences due to DPD attorneys being on family and medical leave. The Executive reduced, from 6.0 FTEs (and associated funding) to 2.0 FTEs, DPD's request for staffing to cover for attorneys on family and medical leave. The Board urges the Council to fund the full 6.0 FTEs. This would increase to 14 FTEs (at an additional cost of about \$1.2 million) the attorneys that would need to be added to implement the new staffing model that was jointly developed by PSB and DPD, though PSB has informed council staff that only two additional attorneys (at an additional cost of about \$600,000), rather than four, would be sufficient to provide full coverage for DPD attorneys on family and medical leave. Staff review of this issue is ongoing.

ISSUE 3 – REDUCE CLERICAL SUPPORT – EXPENDITURE: (\$651,197); (4.0 FTEs). This proposal would eliminate four clerical positions by reducing -the clerical staffing ratio from 0.25 clerical positions per attorney to 0.22. This change was based on the Executive's interpretation of the applicable standards. According to the PDAB report, this reduction would be inconsistent with the county code and with the County's collective bargaining agreement with SEIU Local 925 "and will impact DPD's service to indigent clients." Staff review of this issue is ongoing.

ISSUE 4 – COMPENSATION FOR ASSIGNED COUNSEL – EXPENDITURE: \$402,250. The hourly rate that the County pays to assigned counsel has not been raised since 2004, according to DPD, and is low in comparison with surrounding jurisdictions with which the County is competing for qualified counsel. DPD requested "a modest increase that reflects the same COLA rate that King County employees [would receive] for the 2017-18 biennium [under the proposed total compensation agreement with the King County Coalition of Unions]." This amounted would have amounted to \$402,250. ***The Executive did not include this expenditure in the proposed budget.*** – According to

the PDAB report, the County's lower compensation rate "puts DPD clients at risk, as qualified assigned counsel will be more and more difficult to attract and retain." Staff review of this issue is ongoing.

ISSUE 5 – STAFFING TO COMPLY WITH PUBLIC RECORDS ACT REQUESTS – EXPENDITURE: \$245,392; 1.0 FTE. DPD had requested funding and FTE authority for a position to respond to public records act requests, which to date have had to be managed by DPD's Policy Director. As a result of an increase in the number and complexity of such requests, this task is now impinging on the Policy Director's ability to perform her other duties. "Due to the complex nature of records within the department," DPD determined that a dedicated position was needed. ***The Executive declined to include such a position in his proposed budget.*** – According to PDAB, "A dedicated staff position is essential to respond to the PRA requests made for department records. This is work that was not required of the four non-profit agencies because the PRA does not apply to private agencies." Staff review of this issue is ongoing.

ADDITIONAL FOLLOW UP FROM WEEK 1 PANEL QUESTIONS

1. If the DPD budget is adopted as proposed, what will be the effect on DPD representation of individuals in ITA court?

Executive's Answer: The impact of adopting the budget as proposed would bring DPD in compliance with the Washington State Supreme Court Caseload Standards of 250 cases per year which is a reduction from the non-compliant standard of 330 cases per year.

ITA services are paid for 100% by the State of Washington. The increase does not affect the general fund.

2. What is the current status of the space issues concerning ITA court?

Executive's Answer: As noted in the April 1, 2016 report to the council by the Department of Public Defense "THE AMERICAN BAR ASSOCIATION'S Ten Principles for Quality Public Defense" the most challenging facilities situation is at the Mental Illness Court (often called the ITA – or Involuntary Treatment Act – Court), where civil commitment procedures take place. The ITA Court is located in the 9th & Jefferson Building. DPD has two divisions representing clients facing civil commitments, one of which was added to the practice area in 2015. Both divisions – one in the 9th & Jefferson Building, the other in the Walter Scott Brown Building across the street – have cramped, shared office spaces, inadequate to their needs when all attorneys are in the office. The full-scale renovation of Harborview Hall is expected to improve this situation; completion of that project is still two years away. The Facilities Management Division is working towards additional office space at the Walter Scott Brown Building; however, attorneys will still need to share office space.

Because of the implementation of video hearings in ITA Court, those attorneys are not often in their offices at 9th & Jefferson or the Walter Scott Brown Building. This requires public defenders to travel to four – soon to be five – hospitals. This has raised a new

and equally challenging set of issues. The hospitals have created video courtrooms, but confidential rooms – where attorneys can talk to their clients or family members – are at a premium. In some instances, the client is in a shared room, and attorneys either have to whisper to their client or ask the roommate to leave. In other instances, attorneys can go to a conference room, but those rooms – used by any number of professionals who need confidential meeting areas – are in high demand and often not available; there are no dedicated attorney/client conference rooms. The department is working with the hospitals to try to resolve these issues. DPD has been provided some additional space, and KCIT has provided network support for the department at the facilities. Even where improvements have been made, the spaces are cramped with multiple attorneys sharing offices and no confidential meeting space.

3. If the budget is adopted as proposed, will there be an unmet need for other services and/or staffing related to ITA Court (apart from prosecuting and defense attorneys)? Please explain.

Executive's Answer: No, if the Executive's budget is implemented as proposed, DPD will not have any unmet staffing needs related to ITA Court.

4. Is there anything else about the situation in ITA Court, not mentioned in response to questions 1-4 above, that DPD thinks the Council needs to know? Please explain.

Executive's Answer: At this time the biggest issues for DPD at ITA Court are the space issues and the necessity of traveling to multiple locations to meet with clients due to the implementation of video court.

Analyst:	Greg Doss
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KING COUNTY SHERIFF

SHERIFF BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$313,899,000	\$343,816,000	10%
Max FTE:	1,003.5	1011.5	0%
Max TLTs:	8	9	13%
Estimated Revenues	\$183,531,000	\$204,379,000	11%
Major Revenue Sources	N/A		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The King County Sheriff's Office (KCSO) provides law enforcement services for unincorporated King County as well as for over 40 other governmental agencies, including full service police services to 12 contract cities¹. In addition to providing patrol services, KCSO provides numerous specialty law enforcement services including an air support unit, marine unit, SWAT, major crime investigations, bomb disposal, major accident response and reconstruction and arson investigations. KCSO also performs other functions such as emergency 9-1-1 call receiving and dispatching, service of court orders related to civil court filings, issuing concealed weapons permits, and sex offender registration. KCSO is led by an independently elected Sheriff.

ISSUES

ISSUE 1 – ELIMINATE THE MARINE RESCUE DIVE UNIT (MRDU): (\$763,000)² AND (6.0) FTE

The Proposed Budget would eliminate in 2018 the MRDU, which deploys specially trained, certified, equipped and experienced Deputies that are responsible for water related law enforcement, rescue and recovery work. The Unit provides service in unincorporated Puget Sound (Vashon-Maury Island), unincorporated Lake Washington and Lake Sammamish as well as numerous other lakes ponds, rivers and streams in the unincorporated areas. The Unit provides contract services for Beaux Arts village, Bellevue (Lake Sammamish), Kenmore, Kirkland, Issaquah, Redmond, Sammamish and Yarrow Point.

¹ Beaux Arts Village, Burien, Covington, Kenmore, Maple Valley, Newcastle, North Bend, Sammamish, SeaTac, Shoreline, Skykomish and Woodinville

² This number is a net of \$945,000 in expenditures and \$182,000 in revenue.

Elimination of the MRDU would result in \$180,000 in contract revenue loss, an absence of boat accident and investigation, discontinuation of buoy coordination response and maintenance, discontinuation of invasive species education and enforcement, discontinued water-related criminal investigations, boater rescues, victim recovery, drowning prevention, investigation of derelict vehicles, oil spill responses, firefighting, dewatering, swift-water rescue and elimination of the Tactical Action Group (TAG), which responds to maritime security events (e.g. active shooters).

The MRDU is considered a regional service and, with the exception of specific contracting jurisdictions, does not collect any fees for its service. The Department has indicated that State law allows County Sheriffs to collect a portion of vessel registration fees using a formula that includes the miles of shoreline patrolled. With the loss of marine patrol, KCSO indicates that it is no longer eligible to receive this revenue, which amounts to approximately \$70,000 per year. The \$70,000 in revenue loss is captured in the \$182,000 total revenue loss noted in Table 3. Staff analysis is ongoing.

ISSUE 2 – ELIMINATE THE KCSO AIR SUPPORT UNIT (ASU): (\$1.4 MILLION) AND (5.0) FTE

This Proposed Budget would eliminate in 2017 the Air unit support that is provided to other Counties and Cities. In 2018, the Sheriff's Office Air Support Unit (ASU) is eliminated altogether. The Sheriff's Office ASU is the only full-time law enforcement rotary-wing aviation unit in Washington State. The unit provides Airborne Patrol, Tactical Operations, and Search and Rescue (SAR) in King County and throughout the region during natural disasters or emergencies.

Emergency Response: The Department has indicated that the ASU will insert SAR volunteer personnel and equipment in the backcountry to save time in a rescue operation that may involve medical emergencies. The Department has indicated that in 2015 the KCSO Air Support unit executed 15 SAR missions, rescued 25 people and recovered three bodies. About half of the rescues were in King County.

KCSO staff has indicated that RCW 38.52.400 mandates search and rescue activities to the County Sheriff, but that they are not aware of any laws requiring a helicopter to perform this function. The Sheriff's Office indicates that, in the absence of the ASU, the use of military or Coast Guard helicopters will cause delay in responding to an SAR or other emergencies:

There is no guarantee that the military is available. It can take two to four hours for an Army helicopter crew to get a decision as to whether they can even fly a SAR mission. The Army National Guard has pilots and a crew chief but no rescue specialist. They too, have to wait hours for a flight decision. In the event of a major disaster, it can take anywhere from 48 to 72 hours for authorization to respond. The Navy is often faster, but the Whidbey Island base is facing losing one of three rescue helicopters. Coast Guard helicopters are based in Port Angeles and Astoria, Oregon. Once permission is granted, their flight time alone to inland mountains is close to an hour. Another factor, Coast Guard rescue crews specialize in water rescues, not mountain hoist missions. There is no guarantee a military helicopter will not be tied up with a military task or mission

that takes precedence. The military will not hoist or help recover deceased bodies.

Additionally, in the event of a large scale or manmade disaster, the KCSO has indicated that FEMA has advised that they would not be able to respond with any federal assets until 72 hours after the event.

The Department has indicated that there is no mandate for the State's Office of Emergency Management to operate a helicopter, although the State's OEM is responsible for ensuring that all State and local air resource options are exhausted before it calls for military assistance. In the absence of the King County ASU, the OEM might call the Snohomish County ASU, which performs hoist rescue missions in nearly all of Snohomish and Skagit County. However, the King County unit is the only full-time ASU in the State of Washington. Presumably, there could be some delay for Snohomish's ASU to mobilize if it is not at the ready.

KCSO Missions: If the ASU were eliminated, the KCSO would no longer have air support during high speed pursuits or to use during high-risk law enforcement operations or searching for criminal suspects. In 2015, the Department used the ASU 799 times to assist in approximately 82 captures, which the KCSO defines as the apprehension of a suspect that is a direct result of ASU involvement. Additionally, the KCSO Air unit flew 13 missions related to Anti-Terrorism Incidents/Training.

Support of other Jurisdictions: The KCSO has indicated that the ASU flew 425 missions in 2015 to support non-contract jurisdictions. The flights aided in approximately 49 captures. Some of the higher use jurisdictions include Seattle PD (177 flights), Kent PD (51 flights) and Renton PD (30 flights). The ASU flew 130 missions to support jurisdictions that contract with the KCSO, but do not specifically pay for use of the ASU. These missions aided in approximately 13 captures.

The Department has indicated that the Sheriff made at a King County Chiefs meeting a request for financial support of the ASU, but that no support was offered. The Department has also indicated that Federal Law may prohibit a charge for the ASU as it is a public use aircraft and that any kind of reimbursement may be synonymous with commercial operation. Staff analysis is ongoing.

ISSUE 3 – IMPLEMENT NEW RECORDS MANAGEMENT SYSTEM (RMS): \$2.0 MILLION

The Proposed Budget includes \$2.0 million for a new cloud-based records management system to replace the obsolete IRIS system. The \$2.0 million is for the on-going operating and license costs. Negotiations are still underway, so a final cost estimate is not known at this time. This proposal assumes an implementation date of March 1, 2017 for a pilot that will cost approximately \$140 per officer per month, which is partially reimbursable through KCSO's contracts with cities and other jurisdictions.

The Council requires a business case, benefit achievement plan and cost benefit analysis for all new and existing IT investments seeking appropriation authority in order to ensure technology proposals are ready for Council approval. KCSO anticipates completing these documents. Additionally, the project did not participate in the

Executive IT review process required for all new and existing technology projects seeking appropriation authority in the budget. The executive's technology review process helps to improve the technology proposals prior to their transmission to the Council. As part of this process, all IT appropriation requests were prioritized and evaluated by a team of nine raters representing PSB and KCIT that evaluate the technology and business attributes of the project. Without the required documentation, it is very difficult for Council staff to evaluate the request for additional appropriation.

This project reflects a change in direction from a 2008 \$5.8 million capital project appropriation that would have implemented a software called Total Enforcement (TE). The TE software would have served as the Department's records management system as well as its property management system. The Sheriff's Office reports that a pilot of the TE software showed that officers were not able to enter data in a timely or practical manner. For this reason, KCSO decided to pursue a different approach to the RMS functionality.

The Department is able to utilize the TE software for its property management system. KCSO staff have indicated that the Property Management unit will continue to use TE as its system of record until a new, different system with a property module is implemented. The Records unit, Data unit and Communications Center have been instructed to use TE as their system of record until a new, different system is implemented. At this point in time, the property management functions are not expected to be integrated into the proposed cloud-based RMS service, but that functionality may be available by Q2 2017 at no additional cost.

To date, the Department has expended \$3.8 million on this project through June 2016 and expects that there will be \$1.2 million left at year-end. This balance of \$1.2 million is expected to be used for future project needs and is not related to the request for \$2.0 million, which is the operating component that will be used for officer subscriptions to the cloud-based service.

The County's Chief Information Officer has indicated that KCIT has been involved with the cloud-based solution and that the Project Review Board has performed an initial project review, but has not yet authorized a vendor. The CIO has indicated that this may occur at the Board's October 12th meeting. Staff are still analyzing this project and will provide more information in the Week 2 report.

ISSUE 4 – CLOSE 4TH AVE ENTRANCE TO THE KING COUNTY COURT: \$714,000 4 FTE

The Proposed Budget closes the 4th Avenue entrance to the King County Courthouse, resulting in the elimination of 2 Marshals and 2 Security Screeners. Public access to the Courthouse will be maintained via the 3rd Avenue entrance and the tunnel from the King County Administration Building.

The Sheriff's Office has indicated that the 4th Ave entrance was closed in 2011 approximately 42 times due to staffing shortages. It was closed about 18 times in 2012, and 56 times in 2013. The KCSO noted that during the 4th Avenue closures a line sometimes formed and extended up the stairs to the Admin Building during peak hours.

Additionally, the 3rd Avenue line frequently stretched to the corner of 3rd and James Street.

ISSUE 5 – ANTI BIAS TRAININGS: \$800,000

The Proposed Budget includes \$800,000 for in-service trainings conducted on overtime that will allow every King County Sheriff's Deputy to receive instruction on de-escalation techniques and how to recognize and deal with Implicit Bias. The \$800,000 is revenue backed by \$160,000 that will be collected from the Sound Transit and Metro partners. This add will allow each Deputy to receive eight hours of training, but does not account for any other costs the agency may incur. KCSO budget staff have indicated that the Department has not yet developed the curriculum or schedule for the proposed trainings.

ISSUE 6 - TRANSFER FROM THE ROADS FUND TO THE GENERAL FUND \$3.0 MILLION

The Proposed Budget transfer increases from \$12.0 million to \$15.0 million the Road Fund support of the King County Sheriff's Office. This transfer comports with State law that allows for the use of the road levy for public safety services provided in the unincorporated area.

While allowed by law, continued County Rural Arterial Program eligibility requires that all diverted funds be utilized only for road purposes. The term "road purposes" in this case means traffic law enforcement in the unincorporated area. Even though allowed by law, use of diverted road levy for anything other than traffic policing removes Rural Arterial Program eligibility. The Executive has indicated that the KCSO has transmitted to the County Road Administration Board documentation that shows that the proposed \$15 million in Road funding will be used to support traffic enforcement services.

The Proposed Budget's diversion of \$3.0 million in Road Funds to the General Fund is backfilled with REET revenue that is deposited in the Roads Fund. However, the \$3.0 million that is diverted could otherwise have boosted Road Fund expenditures over-and-above any REET backed levels.

Analyst:	Nick Wagner
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SUPERIOR COURT

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$100,095,365	\$101,965,000	1.9%
Max FTE:	330.8	324.1	(2.0%)
Max TLTs:	0.0	0.0	N/A
Major Revenue Sources	General Fund, fees, federal and state funds		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

King County Superior Court is the County's general jurisdiction trial court and the largest of the 29 superior court districts in Washington State, handling 51,000 new cases in 2015. The cases over which Superior Court has jurisdiction include felony criminal cases, civil matters involving more than \$300, unlawful detainers, injunctions, family law cases, probate and guardianship matters, juvenile offender cases, juvenile dependency cases, and mental illness and involuntary commitment matters.

The court manages or participates in three MIDD-funded therapeutic court programs: Family Treatment Court, King County Adult Drug Diversion Court, and Juvenile Drug Court.

ISSUES

ISSUE 1 – INCREASED HOURLY RATE FOR INTERPRETERS – \$230,000

The hourly rate that is paid to contract interpreters would be increased by \$10, to \$55 for certified interpreters and \$50 for non-certified interpreters, effective January 1, 2018. This would bring the compensation paid by Superior Court closer into line with the compensation paid by other courts in this area, such as Seattle Municipal Court (\$55/\$50), Pierce County Superior Court (\$60/\$60), and Snohomish County Superior Court (\$50/40 plus one-way travel) (King County does not pay for travel or parking).

The Court had requested a funding increase of \$460,000 so that the rate increase could go into effect on January 1, 2017, but the Executive reduced the requested amount by half, making it necessary for the court to delay the rate increase until January 1, 2018.

According to the Court, the current compensation rate has made it difficult for the Court to hire interpreters, which has resulted in trial delays. In response to council staff's question about whether the delays could be quantified, the Court provided the following response:

The court does not have a way to easily quantify delays due to difficulty hiring interpreters. In many cases, the initial trial schedule is based on interpreter availability, which means the trials happen later than they would otherwise.

When there are no interpreters available, hearings and trials are continued. The court does not have a systematic way of capturing all continuances related to interpreter non-availability, but has recently begun tracking continuances for criminal cases at the trial calendar level. They have tracked 24 cases continued 40 times thus far in 2016, up from 17 cases continued 24 times in 2015. This is only for a small subset of instances where interpreters are required.

Interpreter coordinators also report increasing examples of not being able to hire local interpreters in some languages, which means the court must bring in interpreters from out of state and pay travel expenses. The court has also compiled some anecdotal information regarding interpreter reluctance to work at current rates. That information does not specifically address time delays.

The Court estimates that 95% of its interpreter costs are for individuals who cannot afford to pay or are involved in a criminal matter.

The PSB reports that the rate increase for District Court interpreters, and a parallel increase for Superior Court, is justified. However, the office reports that the increase in fees is being held until 2018 because of General Fund resource issues.

Staff analysis of this issue is complete.

Analyst:	Clifton Curry
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ADULT AND JUVENILE DETENTION

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$287,016,711	\$292,678,000	2.0%
Max FTE:	893.3	892.5	(0.00)%
Max TLTs:	0	0	N/A
Major Revenue Sources	GF, city and state contracts		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

The King County Department of Adult and Juvenile Detention (DAJD) operates one of the largest detention systems in the Pacific Northwest. The adult system is responsible for more than 30,000 bookings a year and the department operates two adult detention facilities the King County Correctional Facility (KCCF) in Seattle and the Maleng Regional Justice Center (MRJC) in Kent housing about 1,890 inmates on an average daily basis (year-to-date as of September 2016). The department's Juvenile Detention Division is responsible for the operation of the county's juvenile secure detention facility in Seattle that houses 55 offender youth on an average daily basis (year-to-date as of September 2016). Medical, dental, and psychiatric services for adults in secure detention are provided by the Department of Public Health and the costs of these services are reflected in the Jail Health Services budget. (The Jail Health Services budget is presented in a separate staff report).

In 2000 (juveniles) and in 2002 (adults),¹ the Council adopted as county policy that its secure detention facilities would only be used to house offenders that present a public safety risk. As a result, the county has developed alternatives to secure detention, provides treatment resources to offenders, and provides other community services to offenders to reduce recidivism. Alternatives to secure detention and treatment programs for adults are administered through the department's Community Corrections Division that manages approximately 6,000 offenders annually. The division also provides services to the court to support judicial placement decisions for both pre-trial and sentenced inmates. Alternative programs for juvenile offenders are provided through the Juvenile Detention Division.

¹ Juvenile Justice Operational Master Plan Ordinance 13916, adopted August 7, 2000 and the Adult Justice Operational Master Plan Ordinance 14430, adopted July 22, 2002.

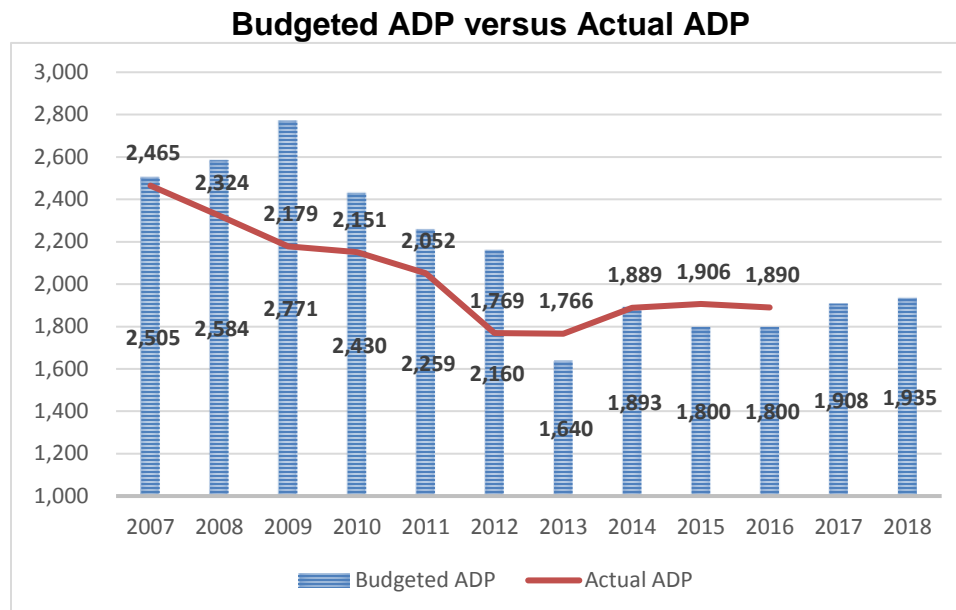
ISSUES

ISSUE 1 –JAIL POPULATION ADD \$1,012,719 & 4.0 FTEs

ADP Budget Target in 2015-16. When developing its 2015-2016 Proposed Budget, the Executive estimated that secure detention ADP would grow to 1,917 in 2015 and 1,868 for 2016. This level of ADP would have required the County to add more staff to manage an increasing population. The additional staff would have cost the County \$5.2 million over the biennium (combined DAJD and Jail Health Services costs). Instead of adding more staff, the Council adopted the Executive's proposal to manage jail population to a budgeted ADP level of 1,800. Ultimately, these population management plan was not implemented and the ADP was above the 1,800 ADP target.

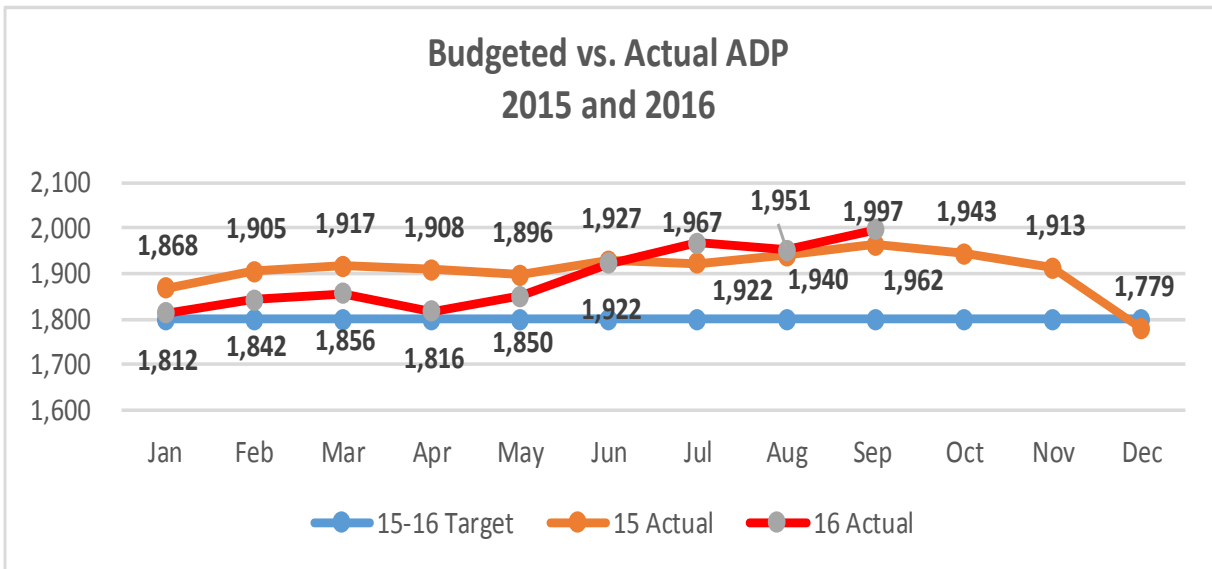
Increasing the Budgeted ADP Target in 2017-18. The department projects an increase in adult secure Average Daily Population (ADP) from 2015-16 budgeted levels, increasing the department's budgeted number from 1,800 ADP for the 2015-16 biennium to 1,908 ADP for 2017 and 1,935 for 2018. To address this increase the department is requesting an increase of \$1 million and 4.0 FTEs.

The following chart compares budgeted secure detention populations against actual population since 2007 through Year-to-Date for September 2016 compared to the adopted budgeted ADP levels through 2016 and the proposed ADP for 2017 and 2018.



Source: Department of Adult and Juvenile Detention, Line of Business Plan and Detention and Alternatives Report

The county has recently seen a general increase in its secure detention ADP, growing from a low of 1,702 ADP in January 2012 to a high of 1,997 ADP in September 2016. The following chart shows jail ADP during the biennium.



The bulk of the growth of in ADP in 2016 can be attributed to increased numbers of pre-sentenced felons (for 2016) and contract use of the jail by cities to house misdemeanants and the state to house community supervision violators (throughout 2015-16).

The Executive, in the adopted 2015-2016 Budget, had actually estimated that secure detention ADP would be 1,917 for 2015 and 1,868 for 2016. However, the Executive noted that the staff needed to manage the forecast ADP growth in 2015 and 2016 would require an additional \$5.2 million over the biennium (combined DAJD and Jail Health Services costs) and approving this additional funding would have increased the county's estimated deficit, which would have necessitated additional cuts in General Fund agencies. In essence, the proposed population cap would have required that the county develop a means to limit jail population by 150 to 165 ADP during the biennium.

The Executive informed the Council that, as part of the proposed plan for managing jail population, King County would continue to honor its existing contracts with cities and the State Department of Corrections; continuing to book and hold individuals covered by these contracts. Therefore, the jail's population management efforts would only apply to "county-responsible" inmates and not to the state or contract cities. The Council adopted the Executive's Budget proposal for DAJD, but did provide Expenditure Restrictions to provide sufficient funds if ADP targets were not met.

The Executive convened a Jail Population Management Work Group in late 2014 to review options to limit bookings, limit inmate length-of-stay through system or process changes, develop criteria for early release, or a combination of these options to provide the Executive the means to maintain ADP at or below 1,800 inmates. The Jail Population Management Work Group's initial recommendation was to use a system of arrest/release after booking—where an individual arrested for defined misdemeanors or for certain felony investigations (no charges filed) would be presented for booking at the jail, but if they had been arrested for certain offenses or were under investigation for certain offenses the individual could be cited and released rather than waiting for an appearance before a judge. Generally, the identified offenses in the plan were the

same as those on the county's "bail schedule" where, if an individual could obtain bail/bond, they could be released without going before a judge. This new policy would only have applied to "county responsible" arrestees.

The Executive had planned to implement the new policy in the first quarter of 2015; however, the Executive notified the Council in January 2015 that the county would not implement the proposed plan pending further consideration. The Executive ultimately decided not to implement the plan. Consequently, jail population was not kept at the 1,800 target level through most of the biennium and both ADP-related Expenditure Restrictions were activated and more funding provided to the department in budget supplementals.

The proposed 2017-18 Executive's Budget contains an add of \$1 million and 4.0 FTEs to address the projected secure detention population in the biennium. The department reports that it has met the demands of higher than budgeted ADP in 2015 and 2016 with the use of overtime and that the addition of the new positions to address current and projected population will reduce the overtime used to manage the differential between budgeted ADP and actual ADP. The Executive is not proposing any plans (within DAJD or for the criminal justice system as a whole) that would seek to reduce ADP either through policy or operational changes. Furthermore, the Executive is proposing to reduce the availability of two alternatives to secure detention (Work/Education Release and Electronic Home Detention), eliminating these programs in 2018. The Executive acknowledges that the elimination of these programs will contribute to increased secure detention ADP.

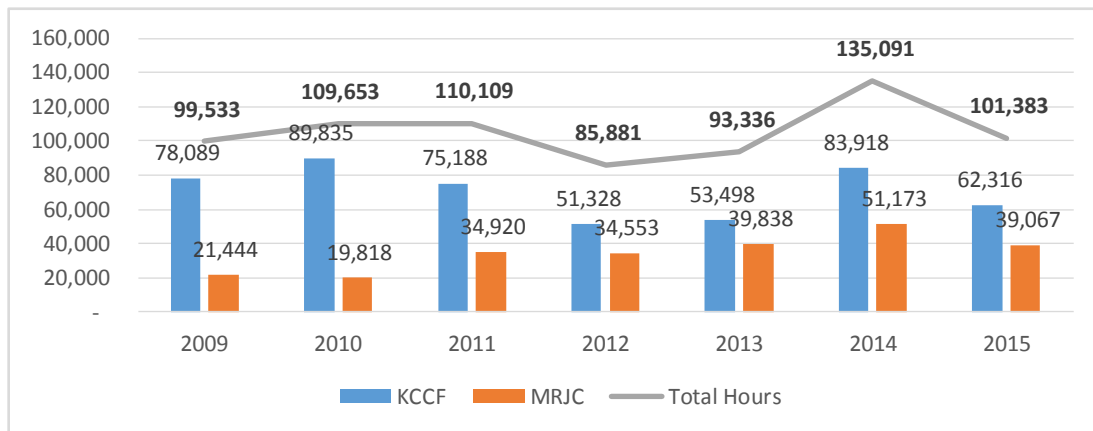
ISSUE 2 –OVERTIME ADJUSTMENTS ADD \$701,246 & 3.0 FTEs

This proposed change would increase staffing in the department's Adult Division (KCCF and MRJC) to mitigate the use of mandatory overtime. Similar to the ADP issue above, the department's overtime in the prior biennium was budgeted below the projected need. Each year, DAJD plans for some level of overtime hours to address normal variations in staffing levels without creating an excess of staff availability. Generally, DAJD targets a level of approximately eight percent of total hours worked as a desired mix. However, the Adult Division was in the last biennium budgeted at around four percent. This add of \$701k and 3.0 FTE is meant to address that differential.

DAJD Overtime While the department budget anticipates an eight percent level of overtime, the actual utilization is often higher. DAJD reports that it has had challenges in recent years maintaining a fully staffed operation due to retirements, long term medical issues, and military leave. The department also notes that it can take six months to get new hires scheduled for the mandatory academy training required for corrections officers. There are two types of overtime, regular or planned overtime and unplanned overtime. Planned (also known as voluntary) overtime is generally pre-approved and used for the coverage of planned vacations, military leave, and training. Mandatory overtime is defined in the Corrections Guild bargaining agreement as anytime an employee is directed by their supervisor not to leave work at the end of their shift or if the employee is required to stay five minutes or longer after their shift as a result of late relief. Vacancies, combined with increased inmate population, have contributed to the growth of mandatory overtime.

The department has provided the Council with two required overtime reports (required in provisos from the 2016 Budget Supplemental). Data from these reports show information for mandatory and non-mandatory overtime used at both jail facilities. The following Table shows the total overtime used in each year at each facility for 2009 through 2015.

**Correctional Officer Overtime-KCCF & MRJC
2009-2015**

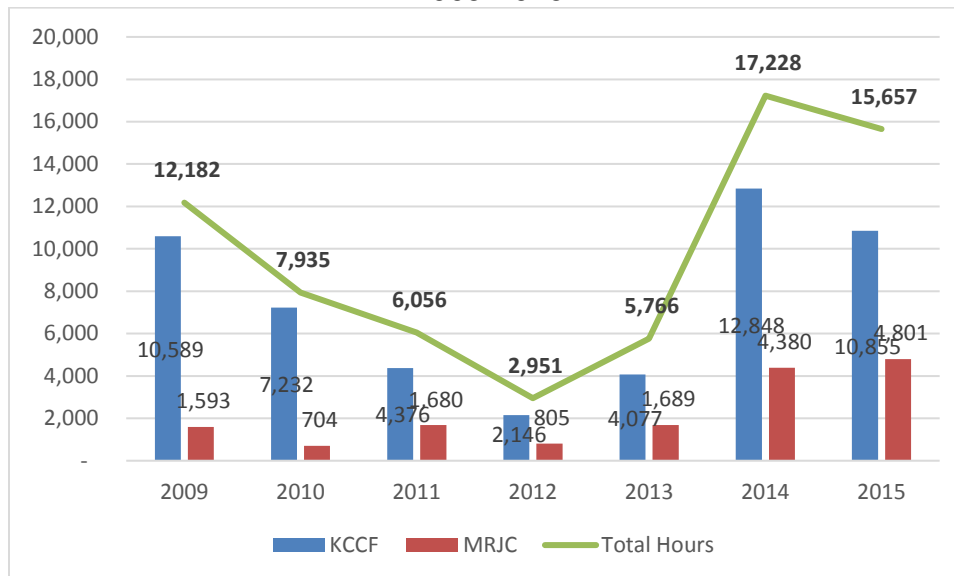


Source: "DAJD Report Detailing the Use of Regular and Mandatory Overtime, Including Primary Causes of Overtime" See Proposed Motion 2016-0229.

As the table shows, in 2014, the department used a total of 135,091 hours of overtime and a total of 101,383 hours in 2015. The use of overtime has fluctuated at each facility throughout the time shown, ranging from a high of over 89,834 hours at the KCCF in 2010 to 21,443 hours at the MRJC in 2009.

The following table shows that number of mandatory overtime hours for Correctional Officers for each year since 2009 through 2015.

Correctional Officer Mandatory Overtime-KCCF & MRJC 2009-2015



Source: "DAJD Report Detailing the Use of Regular and Mandatory Overtime, Including Primary Causes of Overtime" See Proposed Motion 2016-0229.

The following table from the proviso response shows the percentage of mandatory overtime as compared to the total number of overtime hours for Correctional Officers at both facilities.

	2009	2010	2011	2012	2013	2014	2015
Percentage of OT total	21.0%	11.6%	10.6%	6.5%	11.9%	23.9%	29.7%

According to DAJD, the need to use mandatory overtime can have a significant impact on employee morale and productivity. To address the concerns over the use of mandatory overtime, DAJD established a project team to identify root causes of high mandatory overtime use based on a recommendation of the King County Continuous Improvement Team (CIT). This included an extensive analysis of data extracted from the Roster Management System (RMS), the computer system which is used to track DAJD staff schedules and hours worked. An analysis of the data found the most significant causal factor related to overtime use was the difference between hours worked and staff available. Another causal factor identified was the significant increase in employee's use of unscheduled leave. According to the department, the data, along with the growing overtime deficit, showed that the DAJD has insufficient staffing to meet current levels of operations. In addition, high levels of mandatory overtime due to staffing shortages may be creating additional morale and leave related problems which compounds the original staffing problem.

This proposal to add 3.0 FTEs, along with 4.0 FTEs added for secure detention population growth (see Issue 1) would add a total of 7.0 new correctional officer positions. The total for the proposed overtime request is \$701,246, which, when added to the secure detention population request, makes for a total of \$1,713,965 for new staff requested for the biennium.

ISSUE 3 – ELIMINATION OF BOOKING AT THE MRJC: (\$932,133) & (8.0 FTEs)

The Proposed Budget would close the MRJC to bookings from law enforcement on January 1, 2018 with a reduction of \$932,133 and 8.0 FTEs (any potential associated layoffs would not occur until 2018). The closure of the MRJC to bookings would require that all law enforcement agencies use the KCCF in downtown Seattle to book individuals. The DAJD notes that the proposed elimination of booking at the MRJC could have impacts on the law enforcement agencies in south King County, Department of Corrections, King County Courts, as well as the Cooperative Transportation Systems that use the MRJC.

At both the KCCF and the MRJC, the department operates an Intake, Transfer, and Release (ITR) program. Intake includes the “booking” of arrestees from law enforcement officers and the acceptance of inmates being transferred throughout the state. In 2015 there were a total of 34,939 bookings at both facilities of which 6,423 were at the MRJC or 18 percent of total bookings. Through September 2016 there have been 22,485 total bookings, averaging 3,070 bookings a month (571 average bookings per month at the MRJC). Of these 2016 bookings, 5,145 have been at the MRJC about 23 percent of the total. The MRJC also serves as the booking and release center for a number of different inmate transport systems.²

In operating the intake or booking function, the department operates the ITR as a “counter function” and must maintain staffing for all hours of operations, regardless of the volume of arrestees. To meet constitutional requirements and ensure proper safety within the facility, the department must ensure that it has a full complement of staffing available to handle multiple services for each individual when the counter is open, to include DAJD staff, Jail Health Services staff, and AFIS (KCSO) staff. Staffing and associated costs can be reduced in proportion to the number of hours that the “counter” is open, but generally cannot be reduced when arrest volumes decline. The ITR function at the KCCF operates 365 days a year, 24 hours each day.

In 2001, the department was facing significant budget challenges and, as a consequence, the MRJC ITR booking operations hours were reduced from operating 24 hours a day--7 days a week, to Monday through Friday 6:30 AM - 10:00 PM. In subsequent years, hours were further reduced to 8:00 AM - 10:00 PM Monday through Friday. In 2010, the department considered eliminating all booking operations at the MRJC. As part of the Executive’s Proposed 2011 Budget, the department’s budget included closing the MRJC to all bookings and redirecting all county bookings to the KCCF in Seattle. The proposal would have only closed the booking portion of the program to law enforcement, while maintaining the staff necessary for transfers and releases.

² The state DOC operates a transportation system to move inmates to and from state prisons. The KCSO operates a section of the Interstate Prisoner Transportation System. The Snohomish County Sheriff operates the Cooperative Prisoner Transport. The other transfer function is the movement of inmates from the KCCF and MRJC either between the two facilities, or to allow inmates to appear in court.

The council, during its budget deliberations, heard from south county law enforcement agencies concerning the impacts of this proposal. These agencies told the council that closing the booking function at the MRJC and requiring agencies to use the KCCF would take “officers of the street” for extended periods of time and negatively affect these agencies’ ability to answer calls for service. In adopting the final budget, the council restored \$500,000 and 5.0 FTEs and added a budget proviso requiring that the department review options for maintaining booking operations at the MRJC.

The 2011 review of the ITR function at MRJC recommended that DAJD continue with the operational model that it implemented on January 16, 2011. This model kept ITR open for limited hours, 10:00 AM and 4:00 PM Monday through Friday, excluding holidays (the hours were extended in 2012 to 10:00 AM to 5:00 PM). While the reduced hours have had an impact on south county law enforcement agencies, many of the cities in the MRJC area either own or contract with local providers of detention services (primarily SCORE) and have operated within the constraints of the county’s booking hours either by booking individuals in Seattle, or locally holding inmates until MRJC booking is available.

The Council included in the 2015-2016 Adopted Budget a proviso requiring that the Executive report on what resources would be necessary for extending booking hours at the MRJC. The report, accepted as Motion 14607, contained detailed information on MRJC booking operations. In the report, the department estimated that in 2015, there were 4,446 bookings at the KCCF that might have gone to the MRJC if its booking operation had been open (bookings between 5:00pm and 10:00am). The DAJD also estimated about 1,000 of these “off-hour” bookings were from south county law enforcement agencies (the remainder were from the Sheriff’s Office, State Patrol, or state Department of Corrections). Based on the department’s analysis, any increase in the hours of operations would have a significant cost to the county’s General Fund, while any benefits in the extension of hours would only appear to accrue to local police agencies.

ISSUE 4 - WORK/EDUCATION RELEASE AND ELECTRONIC HOME DETENTION REDUCTIONS: (\$1,215,022) & (5.56 FTEs)

The Proposed Budget would eliminate in 2018 two alternative to secure detention programs operated by the Community Corrections Division.

The first program, Work and Education Release (WER), allows offenders to keep jobs while still serving a portion of their sentence in confinement. WER programs generally benefit the offender by improving reentry along with reducing disruption for families and the government by providing a less costly alternative to secure detention. WER participants pay a portion of the programs costs to participate in WER (in 2015 DAJD collected \$617,450 from WER participants and projects \$566,465 for 2016). The program is currently offered to employed offenders and Adult Drug Court participants. Program capacity is 109 beds, including: 87 for men, with 79 beds in the Courthouse and eight operated by the state Department of Corrections (DOC); and 22 beds for women also operated by the state DOC. In 2016 (through October), the average number of WER placements was 65 persons (57 men and 8 women). The 2015-2016 Adopted Budget reduced this program by cutting WER population by approximately half.

The reduction was achieved by limiting the court's ability to use the alternative to only employed offenders and Drug Court participants—it had previously been open to any person. The Executive noted in 2015, that DAJD would work with the Facilities Management Division to find a new location for the program because the current courthouse space is inadequate. The Executive said at the time, that the intent was to combine a relocation with transitioning the program from a detention-based model to a community-based model to better meet the needs of program participants. This has not occurred.

The second alternatives program slated for elimination is the Electronic Home Detention (EHD) program. EHD allows offenders to serve all or some portion of their pre-trial and/or sentenced time at home. Offenders are monitored electronically and are confined to their homes, except when following a set schedule that may include attendance at work, school, medical appointments, or treatment. To ensure compliance, the offender is equipped with an electronic bracelet or a cellular device in order to allow remote monitoring by a contractor. The department is immediately alerted if the equipment has been tampered with or the offender is not within the required distance of the monitoring device. Similar to the WER program, EHD participants pay a portion of the programs costs to stay on EHD (in 2015 DAJD collected \$114,844 from EHD participants and projects \$130,932 for 2016). In 2016, there were an average of 34 EHD participants daily.

Elimination of these programs would lead to a net reduction of \$2.1 million and 17.0 FTEs, along with the projected loss of \$511,000 in revenue from program participants. According to the department, the elimination of WER and EHD reduces the number alternatives to jail which are available to the courts. DAJD notes that approximately 400 persons would not be served and would need to be placed elsewhere “either in jail or another program.” According to the Executive, based on the population served, and the fact that most of them are sentenced, they would not simply be released from secure detention. In answer to staff questions, DAJD reported that the elimination of these programs could add 84 ADP to secure detention population in 2018 (this increase appears to be included in the DAJD's secure detention population estimates for 2018). According to the Executive, this number was calculated by assuming that 80 percent of current participants would be in secure detention if WER and EHD were not available.

ISSUE 5 – IT PROJECT Jail Management System

Prior appropriation	
2017-18 Request	\$12,189,034
Future Request	
Total Project Cost	\$12,189,034
Fund Source	GF

Project Summary: The project will acquire and implement a modern, comprehensive, and integrated Jail Management System (JMS) which replaces the current 40 year old legacy system which has over 50 separate subsystems.

The department currently uses a system for most jail operations that have operated since 1974 (SIP/SeaKing). The current system contains 57 separate subsystem applications which have been characterized as disjointed and require that the department conduct many processes manually (where staff have to manually transcribe data from hand-written forms into the computer applications—often having to repeat manually inputting with each of several applications). In addition, because of the age and the lack of integration between systems, the department has identified significant inefficiencies in its business operations and is unable to generate management information for both operational use and for policy development.

The proposed new system would be used to replace between 38 and 43 of the existing subsystem applications. During the recently completed mainframe re-host (moving DAJD off of the county's mainframe), the department identified over 300 business processes that could be improved with a new system. These include systems related to inmate data ranging from inmate classification, location, movements, property, trust fund, and diet. In addition, the systems proposed for replacement support employee management activities such as quartermaster inventory, lockers, and access. The applications planned for replacement also will improve systems for tracking a variety of management information on inmates, community corrections participants, juvenile offenders, and staff.

The appropriation request of \$12.2 million includes \$4.6 million for vendor costs (hardware, software, and consulting), \$4.8 million in staffing costs—which includes “subject matter experts” in DAJD to ensure system quality—and a contingency of \$2.8 million. The proposed funding would be the IT Capital Fund.

Review of the Benefit Achievement Plan: The primary anticipated benefits of the JMS system replacement will be mostly related to increased staff efficiency, accuracy of departmental data, and access to improved management information. Council staff are working DAJD staff to better enumerate how the department will measure the anticipated benefits of the new JMS.

Staff analysis is on-going and will look at expenditure projections, project plan and timelines, and required business process changes.

Analyst:	Clifton Curry
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JAIL HEALTH SERVICES

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$59,953,100	\$67,440,000	12.5%
Max FTE:	145.3	160.9	10.7%
Max TLTs:	0.0	2.0	200.0%
Major Revenue Sources	General Fund		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

Jail Health Services (JHS), a program of the Department of Public Health, provides medical, mental health, and dental services to inmates incarcerated in the Department of Adult and Juvenile Detention's secure detention facilities for adults (juvenile health services are provided by the University of Washington), evaluating all inmates booked into the facilities and providing direct services to those who require them. The JHS workload is driven by both the number of adult inmates in the jails and by the acuity of their health needs. The recent stability in secure detention population in the county's adult jails have set JHS's workload; however, the nature of the population that remains in the jails is more challenging than in the past where inmates now have more serious and chronic medical issues when compared to prior years and the number of mentally ill inmates has also risen. In addition, JHS operates under multiple legal and regulatory mandates, including National Commission for Correctional Health Care, the U.S. Department of Justice settlement agreement, the Washington State Board of Pharmacy regulations, and the "Hammer" Settlement Agreement.

ISSUES

ISSUE 1 – ACCREDITATION-ADD PSYCHIATRIC EVALUATION SPECIALIST \$343,412 & 1.0 FTE AND DISCONTINUE HEALTH ASSESSMENTS AT MRJC (\$289,700) & (1.0 FTE)

King County Correctional Facility (KCCF) in Seattle has the county's primary jail infirmary and clinic, mental health unit, and pharmacy. Consequently, inmates with significant physical and/or mental health care needs generally receive these services at the KCCF. While medical and mental health services are available to inmates at the Maleng Regional Justice Center (MRJC); inmates with emergent or chronic needs are transferred to KCCF. In late 2014, the National Commission for Correctional Health Care (NCCHC) withdrew its accreditation of the county's jail facilities. The KCCF had been accredited since 1992 and the MRJC had been accredited since 1998. KCCF is required to be accredited by the NCCHC, pursuant to a 1998 King County lawsuit

settlement (the “Hammer” Settlement Agreement). Compliance with the settlement is monitored by the ACLU.

The NCCHC accreditation process affirms compliance with a set of 67 jail standards and 324 compliance indicators covering a wide range of service areas. During the 2014 NCCHC re-accreditation review, examiners found a variety of non-compliance issues at both the KCCF and MRJC that resulted in the “withdrawal” of NCCHC accreditation. At the KCCF, examiners determined that JHS did not meet 10 of 40 “essential standards” and six of 22 “important standards.” Similarly, at the MRJC examiners determined that JHS did not meet seven of 39 “essential standards” and four of 22 “important standards.” Based on the examiner’s findings, JHS and DAJD created “Corrective Action Plans” based on the NCCHC report and submitted the plans along with a request for reconsideration of the withdrawal of accreditation. In February 2015, the NCCHC denied the appeals, but noted that while it “applauded the efforts towards corrective action” that the short-timeframe after the initial review did not allow for the NCCHC to validate the implementation of corrective action and reinstate accreditation. According to the Executive, a re-accreditation application for KCCF has been submitted to NCCHC. The Executive has chosen to only seek reaccreditation for the KCCF because it has the jail’s primary health facilities and that the “Hammer Agreement” only requires accreditation for the KCCF. The Executive noted that county is likely to seek accreditation in the future for MRJC.

In preparing for re-accreditation, JHS determined that it would need to add another Psychiatric Evaluation Specialist (PES) (add of \$343,412 and 1.0 FTE) in order to meet the NCCHC standards related to expanded mental health screening of newly booked inmates. JHS screens all inmates that are booked into the KCCF or MRJC in the booking areas of the facilities. In the past, health care screenings took place after the inmate had been transferred from booking to a living unit (or the infirmary). This change allowed JHS to rely on health care worker screenings in booking rather than information provided to a booking officer for a later assessment. The changes were made as a result of the JHS/DAJD Psych Services Array Lean project that resulted in significant improvements and efficiencies in the provision of services for mentally ill inmates. Under the current practice, when a health screening indicates a mental health problem, inmates are referred to a psychiatric evaluation specialist (PES) for further evaluation. Because more inmates are now being screened, more mental health evaluations are now required. The authorized PES staff were not able to absorb this additional workload, requiring the addition of 1.0 FTE. JHS hired a TLT employee to begin performing this additional work in early June of 2016. According to the Executive, this add of a permanent FTE and its funding is needed in order to meet accreditation standards.

In contrast to addition of staffing at the KCCF for accreditation purposes, the Executive is requesting the reduction of one nurse position at the MRJC (-\$289,700 and -1.0 FTE). According to materials provided by the Executive, the DAJD and JHS have agreed not to pursue accreditation at this time for the MRJC, since the Hammer settlement only requires it for KCCF. This decision eliminates the need to perform certain types of post-booking health assessments at the MRJC (14 day assessments), reducing overall workload by the equivalent of one nurse. The Executive noted that JHS

is likely to seek accreditation in the future for MRJC, and at that time, JHS will need to restore this position and this function.

The net 2017-2018 impact of re-accreditation budget requests is an add of \$53,712. Members have asked questions about the costs and benefits of attaining re-accreditation at the MRJC. Staff is working with JHS and will provide a response when it is available.

Option 1: Approve as proposed.

Option 2: Move issue to BLT.

Councilmembers asked about Medicaid Eligibility for Inmates:

Medicaid does not pay for services for a person who is incarcerated in jail or prison in accordance with 42 C.F.R. Part 435.1009(a)(1). The expansion of Medicaid eligibility allowed under the Affordable Care Act has resulted in increased eligibility among inmates, but federal law still prohibits states from obtaining federal Medicaid matching funds for health care services provided to inmates—except when inmates are patients in medical institutions, such as hospitals. In King County, inmates generally receive eligible hospital medical care at Harborview, but the county does not pay for these services (and as a result cannot seek Medicaid reimbursement). Instead, Harborview has the ability to seek reimbursement for any eligible inmate whose hospital stay is longer than 24 hours even if they are under DAJD custody. While the law prohibits federal payment for services furnished to anyone incarcerated in jail or prison, it does not require that individuals lose their Medicaid eligibility while incarcerated.

In most states, Medicaid eligibility is automatically terminated upon an individual's detention or incarceration in a county jail. The Centers for Medicare and Medicaid Services (CMS) encourages states to suspend rather than terminate Medicaid eligibility to limit long delays in access to healthcare services upon release. SB 5593 Chapter 267, 2015, Laws established that the State of Washington would allow inmates to maintain eligibility while incarcerated.

Nevertheless, for individuals receiving SSI, payments are suspended while in jail (after thirty consecutive days of detention). Payments can be reinstated in the month after release. However, if an individual's confinement lasts for 12 consecutive months or longer, eligibility for SSI benefits will terminate and the individual must file a new application for benefits. For those whose Medicaid eligibility is tied to SSI and have their cash payments suspended while in jail, they will have to have a "redetermination" to determine if the person qualifies for Medicaid under another eligibility category.

Similar to Medicaid requirements, incarcerated veterans do not forfeit their eligibility for medical care. However, current regulations restrict the VA from providing hospital and outpatient care to an incarcerated veteran who is an inmate in an institution of another government agency—such as DAJD. Veteran's pensions and disability payments are curtailed or discontinued for veterans convicted of a felony, generally after 60 days of incarceration.

Analyst:	Clifton Curry
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DISTRICT COURT

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$64,337,404	\$67,081,000	4.3%
Max FTE:	248.5	247.3	(0.4%)
Max TLTs:	0.0	0.0	N/A
Major Revenue Sources	GF, Fines, Fees, & City Contracts		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

The District Court is the county's court of "limited jurisdiction" and has responsibility for traffic infractions, certain civil matters, and misdemeanor criminal offenses in the county's unincorporated areas, cities that contract with the court, and for the adjudication of "state" offenses (violations of state statute in the county or when the arresting agency is the Washington State Patrol or other state law enforcement agency). The King County District Court is the largest court of limited jurisdiction in the State. The county has as adopted policy that the county, under state law, is a unified, countywide District Court. Nevertheless, the county has adopted electoral divisions to allow for a more "local" election of judges. The court currently has 25 judges that operate out of five divisions at multiple locations throughout the county. Under state law, incorporated cities can operate courts of limited jurisdiction (Municipal Courts) to enforce city ordinances. However, state statute also allows cities to contract with District Court for local city court services. Presently, 13 cities contract with King County for District Court services and plan on continuing to contract with the county. However, the City of Woodinville is not renewing its agreement with the County and the number of cities served will drop to 12 during the biennium. The court processes more than a quarter million new filings per year.

ISSUES

ISSUE 1 –INCREASE IN HOURLY RATE FOR INTERPRETERS ADD \$159,220

The District Court's budget request includes funding of \$159,220 to increase the Hourly Rate paid to court interpreters. U.S. Department of Justice standards for Limited English Proficiency (LEP) access require that courts provide interpreters for all court hearings, including civil hearings and administrative proceedings, at no cost to the court user. Between 1980 and 2010, the population of non-majority King County residents grew from 13 to 35 percent. Currently, there are over 129 different languages spoken in King County, and it is estimated that 11 percent of the population has limited-English

proficiency. The court reports that it has seen continuing increases in its need for interpreters.

The Court requested funding for both years of the biennium. Although, the proposed increase would take effect January 1, 2018, and the funds requested would be for just one year of the biennium. The request would increase fees by \$10 to \$50 per hour for non-certified interpreters and \$55 per hour for certified interpreters. According to materials provided by the court, the City of Seattle and many other courts in the region already pay interpreters at the proposed level or at a higher rate. As a result, the court must compete with these other jurisdictions for the limited number of interpreters in the region. The court has reported that it is difficult to quantify the impact of the differential in interpreter fees upon the court's access to interpreters.

The PSB reports that the rate increase for District Court interpreters, and a parallel increase for Superior Court, is justified. However, the office reports that the increase in fees is being held until 2018 because of General Fund resource issues.

Staff analysis of this issue is complete.

Analyst:	Aldebot-Green
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DEPARTMENT OF COMMUNITY AND HUMAN SERVICES ADMINISTRATION

BUDGET TABLE

	2015-2016 Revised	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$11,545,000	\$11,679,000	1.2%
Max FTE:	22.3	25	12.1%
Max TLTs:	3.9	0	N/A
Estimated Revenues	\$11,937,000	\$11,393,000	(0.6%)
Major Revenue Sources	Departmental Overhead, Housing Funds		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

Department of Community and Human Services Administration (DCHS Admin) houses the department's director and, as of the 2015/2016 biennium, All Home (formerly the Committee to End Homelessness). The office provides oversight for all of the programs and services within the Department of Community and Human Services (DCHS). It also provides leadership for planning and implementation of county priorities such as the Health and Human Services Transformation Plan (HHSTP), the Youth Action Plan, participation in King County's Accountable Community of Health, and the state required Physical/Behavioral Health Integration.

The work of DCHS is fundamentally integrated with the County's equity and social justice goals, as its programs and services are provided primarily to the most vulnerable county residents.

ISSUES

ISSUE 1 – INCREASE IN CHARGE BACK RATE TOTAL TO OTHER DCHS FUNDS: \$919,186

The addition of the ESJ Equity and Inclusion Manager, the Supported Employment Loan in Labor position and the transfer of the Strategic Policy Advisor from Housing and Community Development to the Director's Office, combined with central rate increases, have a total effect of increasing the charge back rate to other DCHS funds by \$459,593 per calendar year. Executive staff indicate that the addition of Best Starts for Kids and additional appropriation for the Behavioral Health fund will mitigate larger increases to all DCHS funds. Consequently, specific funds may have had either increases or decreases to their charge back rates in the Executive's proposed budget based on the weighed formulas used to calculate these rates.

Councilmembers asked for more discussion on these rates.

There are two formulas used to calculate these rates:

- The HR/Payroll formula is calculated using a weighting of the currently appropriated FTEs for each DCHS fund and is used to charge back for DCHS HR/Payroll staff
- The Admin formula is calculated using a weighting of the actual expenditures by each fund for the most recent fiscal year. For new funds or funds that have been heavily changed by ordinance, the current annual estimate may be used instead of actual expenditures in calculating the Admin rate. This rate is used to charge back for DCHS fiscal, management, and communications personnel.

At the beginning of each biennium, the initial rate structure is created and used for budgeting. As the biennium progresses, the charge back rates are re-examined on a quarterly basis, with adjustments made where ordinances have resulted in substantial changes to a fund.

Staff analysis on this issue is complete unless Councilmembers have questions.

Analyst:	Scarlett Aldebot-Green
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COMMUNITY SERVICES OPERATING FUND

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$11,014,000	\$11,459,000	4.0%
Max FTE:	11.5	11.6	.8%
Max TLTs:	0	0	N/A
Estimated Revenues	\$10,204,000	\$10,657,000	4.4%
Major Revenue Sources	General Fund, Fees to Other Community Service Division Funds, Document Recording Fees		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

This fund is operated by the Department of Community and Human Services (DCHS) and is used to gather and distribute revenue to other divisions, funds, or appropriation units in support of a wide variety of human service activities and contracts. Prior to the 2015-2016 budget, this fund was known as the Children and Family Service Fund.

ISSUES

ISSUE 1 – EMERGING NEEDS FUNDING: \$100,000

The Executive has proposed \$100,000 in appropriation authority that is revenue-backed by the General Fund for “emerging human services needs in the 2017-2018 biennium.” Council Staff asked for clarity about the purpose of these funds. The Executive has responded that “the Executive heard requests from County Council members for various needs, and decided to include this small amount of flexible funding in the proposed budget.”

Follow-up to Councilmember Questions from Week 1 Panel Questions:

Councilmembers asked what needs had been identified to the Executive for which he decided to include this funding in the proposed budget.

Executive staff have responded that there is not a specific list of needs for which the Executive has decided to provide these funds.

Option 1: Approve as proposed.

Option 2: Direct staff to write an ER delineating a specific use for these funds.

Option 3: Direct staff to delete funding.

ISSUE 2 – HUMAN SERVICES CONTRACTS CHANGES

The proposed budget for 2017-2018 includes over \$7.2 million in support for human services contracts, which is an estimated \$24.8% increase, of which all but an estimated 0.4% is attributable to the Shelter Expansion proposal discussed in Issue 2. The proposed budget for 2017-2018 proposes to reduce General Fund-related expenditures by 10% from each of three categories of human services contracts, Domestic Violence Abuse Survivor Services, Legal Services and Sexual Assault Services in order to create Pool for Emerging Needs funding in those same categories. Older Adult Services will experience no such changes in 2017-2018. These funds would be used to fund new providers or emerging needs in line with Council-adopted policy in the 2015-2016 biennium.¹ The budget does provide for an inflation adjustment to providers in these categories. However, providers who received funding in the 2015-2016 biennial budget will experience a net funding reduction proportional to their amount of 2015-2016 funding revenue-backed by the General Fund. For providers whose total proposed funding amount includes CSO Fund revenue, the impact will be to the portion of their funding that is General Fund-backed. The following table summarizes:

Table 2.

Service Area	Inflation Adjustments	Pool for Emerging Needs Total Created through Weighed Reduction Adjustment	Providers with CSO Funding Supplementing General Fund
Domestic Violence Survivor Services	Yes	\$250,600	Domestic Abuse Women's Network
Sexual Assault Services	Yes	\$134,400	no providers
Legal Services	Yes	\$48,200	Team Child
Older Adult Services	Yes	To be addressed in 2019-2020 biennium	no providers
Women's Homeless Winter Shelter	Yes	N/A	N/A

Follow-up to Councilmember Questions from Week 1 Panel Questions:

Councilmembers asked about the location of the women's homeless winter shelter and for additional information on funding.

The Women's winter shelter is at Angeline's (Third & Lenora, operated by YWCA). It is a 40-bed downtown winter shelter for single women.

The County had funds in the 2015-2016 budget to operate 40 beds there from Jan 1 – April 15 and from Nov 1 – Dec 31.

¹ See Motions 14588 and 14727.

The County kept the shelter open after April 15, intending to cover the additional cost through May 31 with internal savings. Executive staff have indicated that at some point this past summer, the City of Seattle offered to fund the cost of the 40 beds from April 16 – Oct 31; during the time that the County had not originally planned on keeping the shelter open. Executive staff indicate that the City has done this. We do not yet have daily occupancy figures but Executive staff have reported that the shelter operated all summer, continues to operate, and has been at 105% - 120% occupancy.

Because the City of Seattle paid for shelter operations during the “non-winter” time period, funding for this shelter is not included in the emergency appropriation ordinance.²

The table below shows that Angeline’s operated above capacity all winter. The numbers are from an earlier staff report, which is why May 19-31 are not included.

Women’s Downtown Winter Shelter Average Occupancy, 2015-2016

Month	Angeline’s (40 beds)	Angeline’s %
November	45	113%
December	47	117%
January	48	120%
February	47	119%
March	49	124%
April	49	122%
May 1-19	48	119%

The Executive’s proposed 2017-2018 CSO budget includes \$138,410 for the Women’s Winter Shelter.

Staff analysis on this issue is complete unless Councilmembers have questions.

² Proposed Ordinance 2016-0460, which was transmitted in advance of the budget legislation, would provide emergency appropriation authority for 2016 for the year-round operation of the 50-bed Administration Building shelter during 2016, the operation of 50 beds in the Administration Building lobby through August 31, 2016, the operation of 50 beds in the County-owned 420 Fourth Avenue building through (anticipated) October 31, and the proposed opening of the County-owned White Center Public Health clinic building as a 70-bed shelter on November 1. Proposed Ordinance 2016-0460 covers only 2016 spending.

Analyst:	Scarlett Aldebot-Green Katherine Cortes
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BEST STARTS FOR KIDS FUND

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$8,619,000	\$132,040,000	1,432%
Max FTE:	8.0	26.0	225%
Max TLTs:	N/A	N/A	N/A
Estimated Revenues	\$59,567,000	\$127,259,000	113.6%
Major Revenue Sources	Best Starts for Kids Levy		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The Best Starts for Kids Fund funds programs and services as allowable under the Best Starts for Kids Levy including providing funds to plan, provide and administer a youth and family homelessness prevention initiative, and funds to plan, provide and administer a wide range of strategies to improve health and well-being outcomes of children and youth, as well as their families and the communities in which they live. These include, but are not limited to programs and services that would seek to: ensure adequate services and supports for pregnant women and newborns; ensure access to safe and healthy food; provide support for hospitals and other mental health providers in King County to provide children and youth with access to mental health services and developmental screening; prevent and intervene early on negative outcomes (e.g. chronic disease, mental illness, substance abuse, homelessness, domestic violence and incarceration); reduce inequities in outcomes for children and youth in the county; and strengthen, improve, better coordinate, integrate and encourage innovation in health and human services systems and agencies, organizations and groups addressing the needs of children and youth, their families and their communities.

Out of the first year's levy proceeds, \$19 million of levy collections were set aside for administration of the Youth and Family Homelessness Prevention Initiative, the Implementation Plan. Council approved by ordinance the Youth and Family Homelessness Prevention (YFHP) Initiative Implementation Plan in May 2016. The BSK levy ordinance allocates the use of the remaining levy proceeds¹ as follows: 50 percent the Invest Early Allocation (serving prenatal to 5 year-olds); 35 percent for Sustain the Gain Allocation (serving 5 to 24 year-olds); 10 percent for the Communities of Opportunity Allocation; and five percent for the Data and Evaluation Allocation, which

¹ Amounts necessary to pay for elections costs related to the levy were also set aside from the first year of collections per the levy ordinance.

includes potential amounts for metropolitan park districts and fire districts for lost revenue resulting from pro-rationing as mandated by state law. Council approved the Best Starts for Kids Implementation Plan by ordinance in September 2016. A related supplemental appropriation for the remainder of 2016 was adopted by Council on October 3, 2016.²

ISSUES

Note that due to the timing of the October 3, 2016 supplemental appropriation from the Best Starts for Kids Fund, that appropriation is not part of the base budget in the Best Starts for Kids Fund. Consequently, many of the FTEs proposed in this budget and in the Public Health Fund, were approved positions in 2016.

ISSUE 1 – BEST STARTS FOR KIDS EXPENDITURES IN PUBLIC HEALTH SEATTLE-KING COUNTY: \$42,625,499 AND 27.5 FTE

These expenditures should align with the BSK Implementation Plan approved by Council on September 19, 2016, as an attachment to Ordinance 18373.

- **Amount of BSK levy revenue vs. expenditure appropriation in 2017-2018 in Public Health**

The proposed 2017-18 budget reflects \$55,646,221 in BSK revenue to the Public Health appropriation unit (and an additional \$641,429 to Environmental Health) to support BSK expenditures across the biennium. These revenues are components of the base budget adjustments and in two separate decision packages (which also include \$555,000 in patient-generated revenue associated with the programming).

The proposed budget includes approximately \$42 million in new expenditure appropriation authority for BSK activities in Public Health (and the additional \$641,429 in Environmental Health). The \$13.6 million difference between the total BSK revenue and these Public Health expenditures consists primarily of previously approved expenditures, which are now part of the base budget. These include health services such as Maternal and Child Health services, as well as some overhead and IT expenditures that will be allocated to BSK programs in Public Health.

- **Amount of BSK expenditure in 2017-2018 toward \$42.8 million in health services defined in Ordinance 18088**

BSK levy ordinance 18088 Section 5.C.1 required that a minimum of \$42.8 million in levy revenues be used “to provide health services, such as maternity support services and nurse family partnership home visiting program services.” This number approximated the six-year costs of a package of Public Health programs which had no revenue backing in the 2015-16 adopted budget. The 2017-18 Executive Proposed budget anticipates spending \$14,187,000 towards health services which were part of the package used to model the number included in the levy ordinance.

² Ordinance 18378.

In addition, the proposed budget includes funding for programs identified as health services to be supported by BSK levy funding in prior appropriations: \$1,459,000 for Kids Plus (which was shifted to the BSK portfolio in mid-2015, following the loss of state grant funding) and \$444,750 for two employment specialists in DCHS who support the Nurse-Family Partnership program (added to the BSK portfolio by Ordinance 18207 prior to approval of the Implementation Plan). The 2.00 FTEs supporting the NFP program and Kids Plus are part of the base budgets in the BSK Fund and the Public Health Fund respectively.

- **FTE Balance**

Councilmembers have expressed a desire to strike a sound balance between appropriately staffing the initiative to ensure sustainable management, strategy and oversight capacity while maximizing funds for direct services and ensuring a majority of levy proceeds go to community partners. The 27.5 FTE positions requested by Public Health are summarized below. Most of these positions have been approved as part of a prior supplemental appropriation. Due to timing, they are not included in the BSK base budget and are appropriated as new FTE in the 2017-18 Proposed Budget. There would be a total of 39.50 FTE Public Health positions for BSK including the base if the Executive's proposal is approved as transmitted.

Public Health: Proposed Full-Time Equivalents (FTE) and FTE Costs
(Expenditure Authority in BSK Fund and FTEs in Public Health Fund and Environmental Health Fund)

Public Health Positions	Strategy	Program	FTE	"New" position not approved in a prior appropriation	2017- 2018 Approp. Request
Prenatal-5 Help Me Grow Strategic Advisor	Prenatal to 5	Split among Prenatal-5 strategies	1.50	No	\$442,591
Prenatal-5 Help Me Grow Outreach Manager (coordinator?)	Prenatal to 5	Split among Prenatal-5 strategies	2.00	No	\$607,524
School-based Health Center Program Manager	Five to 24	School Based Health Centers	1.00	No	\$337,492
Home Visiting Program Manager	Prenatal to 5	Home Based Services	1.00	No	\$340,992
NFP Nurses	Prenatal to 5	Home Based Services	2.00	No	\$1,060,000
Child Care Health Program Manager	Prenatal to 5	Child Care	1.00	No	\$340,992
Finance Accountant	Prenatal to 5	Maternal & Child Health	0.50	No	\$166,500
CPRES Contract Specialist	Prenatal to 5	Maternal & Child Health	0.50	No	\$166,500
Medical Officer	Prenatal to 5	Maternal & Child Health	0.50	No	\$359,000
Parent & Caregiver Supports Program Manager	Prenatal to 5	Community-based parent supports	1.00	No	\$340,992
Environmental Toxins Public	Prenatal to 5	Env toxins trainers &	1.00	No	\$331,975

Health Planner		provider outreach			
Environmental Toxins Monitoring Trainer and Provider Outreach	Prenatal to 5	Env toxins trainers & provider outreach	1.00	No	\$331,975
BSK Policy & Program Manager	All	All	1.50	No	\$511,489
HR Analyst	Prenatal to 5	Maternal & Child Health – Infrastructure	1.00	Yes	\$279,000
PPM3 (FP Support)	Prenatal to 5	Maternal & Child Health – Infrastructure	1.00	Yes	\$323,000
HIT Reporting Needs	Prenatal to 5	Maternal & Child Health – Infrastructure	1.00	Yes	\$186,000
AS2 – HIT Support	Prenatal to 5	Maternal & Child Health – Infrastructure	5.00	Yes	\$617,050
COO Lead	COO	COO	1.00	No	\$295,061
COO Subject Matter Experts working with COO communities	COO	COO	2.00	No	\$581,617
Communications	All except MCH and Eval.	All	1.00	No	\$270,138
Admin Support for BSK & COO	All except MCH and Eval.	All	1.00	No	\$228,288

**Requested Public
Health Department**

FTEs 27.5 \$8,118,176

- **Additional appropriation needed for vaccination/immunization program added in Implementation Plan**

Following Council approval of the BSK Implementation Plan including the addition of the Adolescent Vaccination Program, Executive staff have indicated that \$400,000 in funding and 1.00 FTE for this program should be added to the BSK transfer to Public Health and to the Public Health appropriation for 2017-2018.

Option 1: Approve as proposed.

Option 2: Direct staff to add FTE and expenditure authority in relation to the vaccination program.

ISSUE 2 – BEST STARTS FOR KIDS EXPENDITURES IN THE DEPARTMENT OF COMMUNITY AND HUMAN SERVICES: \$75,752,538 AND 18.0 FTE

These expenditures should align with the BSK Implementation Plan approved by Council on September 19, 2016, as an attachment to Ordinance 18373.

- **Communities of Opportunity employment navigator position.**

The EER fund includes a decision package for loan-in labor from the BSK Fund. The position description in the decision package is incorrect because it was prepared prior to Council action on the BSK Implementation Plan. The Employment Navigator position approved by Council in the October 2016 supplemental appropriation ordinance is the same as the position in the decision package.

Executive staff provide the following position description: "Residents within COO areas have requested assistance finding employment. This position will create sustainable employment and education programs to ensure that businesses/employers and job seekers in COO have information, services and access to economic and workforce opportunities. This position will positively impact the economic health of these communities through linking financial empowerment strategies and employment and education opportunities to COO."

No further analysis is needed unless Councilmembers have questions.

- **FTE Balance**

Councilmembers have expressed a desire to strike a balance between appropriately staffing the initiative to ensure sustainable management, strategy and oversight capacity while maximizing funds for direct services and ensuring a majority of levy proceeds go to community partners. The 18.00 FTE positions requested by DCHS are summarized below. These positions have all been approved as part of a prior supplemental appropriation. However due to timing, they are not included in the BSK base budget. There would be a total of 26.00 FTE DCSH positions for BSK including the base if the Executive's proposal is approved as transmitted.

DCHS BSK Positions	Strategy	Program	FTE	2017-18 Approp Request
Children and Youth Psychiatrist	Prenatal to 5	Infant Mental Health	1.00	\$536,281
Infant Mental Health Specialist	Prenatal to 5	Infant Mental Health	1.00	\$247,781
Early intervention specialists (Developmental Disability)	Prenatal to 5	Dev Scr/Early	2.00	\$558,212
Skill-building, first teachers	Prenatal to 5	Dev Scr/Early	2.00	\$495,562
School based Project Manager, SBIRT	Five to 24	Screening	1.00	\$247,781
School based Coordinator, SBIRT	Five to 24	Screening	1.00	\$279,106
Program Coordinator, EDIPPP	Five to 24	Screening	1.00	\$279,106
Prevention Project	Five to 24	Screening	1.00	\$247,781

Manager, EDIPPP				
Pipeline Program Manager	Five to 24	S/P (school)	1.00	\$184,359
Employment & Education Professional	Five to 24	S/P (school)	1.00	\$184,359
Employment Navigator for COO	COO	COO	1.00	\$363,842
Admin support for BSK & COO	COO/All	COO/All	1.00	\$169,472
KCIT / BSK Integration	Data/Eval	Data/Eval	1.00	\$282,440
Communications	All	All	1.00	\$247,562
Program Manager to Support CYAB	All	All	1.00	\$279,106
Contract Monitor	All	All	1.00	\$247,781

Requested DCHS

BSK FTE 18.00 \$4,850,531

The proposal to add these FTEs is consistent with the Council's approval of Ordinance 18378 in October 2016. Staff has not identified any further analysis to be completed unless Councilmembers have questions or concerns.

ISSUE 3 – BALANCE OF CONTRACTS TO COMMUNITY BASED PROVIDERS

Both the BSK levy ordinance and the BSK Implementation Plan note the intent to have the majority of levy proceeds from the BSK levy go to community partners to provide services in the community. The following charts summarize the tally of contracted vs. non-contracted expenditures in the Executive's 2017-2018 proposal:

Prenatal to 5 Contracts	DCHS	PHSKC
Innovation Fund Programs	\$2,798,148*	-
Home-Based Services	-	\$13,824,811
Direct Services and System Building to Assure Healthy Development	\$9,272,567	-
Community-based Parent Supports	-	\$3,553,832
Caregiver Support for Healthy Development	-	\$1,125,000
Childcare Consultants with City of Seattle & DEL	-	\$3,535,975
Child Development Provider Training (Workforce)	-	\$1,105,815
Help Me Grow Framework	\$2,671,237	
TA, Outreach, and Capacity Building (0-5)	-	\$615,032
Total Prenatal to Five	\$14,741,952	\$23,760,465

*Note that subsequent to transmittal, Executive staff have asked that appropriation authority in the BSK Fund be reduced by \$2,798,148 to comply with the implementation plan requirement in re the Innovation Fund

Five to Twenty Four, COO, Data and Evaluation, and YFHP

Contracts	DCHS	PHSKC
Trauma Informed Schools and Organizations	-	\$ 5,841,343
Create Healthy and Safe School Environments	-	\$1,707,438
School Based Health Centers	-	\$2,552,381
Adolescent Vaccination	-	\$462,508
Build Resiliency of Youth and Reduce Risk Behavior	\$11,849,611	-
Meet the Health and Behavioral Needs of Youth	\$2,686,724	-
Help Youth Stay Connected to Families and Communities	\$4,541,613	-
Helping Young Adults Successfully Transition into Adulthood	\$2,450,469	-
Stop the School-to-Prison Pipeline	\$7,361,168	-
TA, Outreach, and Capacity Building (5-24)	\$895,920	
Total Five to Twenty Four	\$29,785,505	\$10,563,670
Communities of Opportunity Contracts	\$11,674,934	
Data and Evaluation Contracts	\$3,065,904	
Youth and Family Homelessness Prevention Contracts	\$5,499,140	

Non-contractual Expenditures

Communities of Opportunity	\$858,154	\$1,154,913
Youth and Families Homelessness Prevention	\$834,860	-
0-5 and 5-24 Non-Contracts	\$27,845,669	
Evaluation and Data Collection	\$1,694,486	\$958,610
Metropolitan Park Districts	-	-
Metropolitan Fire Districts	-	-
Non-Contract Totals	\$33,3011,692	

Including the Executive's 2017-2018 proposal, Executive staff provide the following initiative-wide tally through 2018.

	2016-2018 Total Appropriation				
	County Costs	% KC Costs	CBO Contracts	% CBO Costs	Total
Total Prenatal to Five	27,027,686	40.58%	39,573,417	59.42%	66,601,102
Total Five to 24	4,996,440	10.78%	41,374,175	89.22%	46,370,615
Communities of Opportunity	2,215,132	15.95%	11,674,934	84.05%	13,890,066
Evaluation/Improvement/Accountability	3,159,501	46.32%	3,661,904	53.68%	6,821,405
Youth and Family Homelessness Prevention	1,113,367	11.72%	8,387,633	88.28%	9,501,000
Totals	38,512,125	26.90%	104,672,063	73.10%	143,184,188

Option 1: Approve as proposed.

Option 2: Direct further analysis.

Option 3: Direct changes.

ISSUE 4 – INNOVATION FUND RESERVE

The approved Best Starts for Kids Implementation Plan required that a reserve be created for Innovation Fund expenditures and that when appropriation of those funds was sought, the transmitted legislation be accompanied by specific information on the strategy or work to be funded. The Executive has requested that the total appropriation in the BSK Fund be reduced by \$2,798,148, which would be placed into a reserve fund; Note that this would leave \$126,653 in the appropriation under this expenditure category to cover this strategy's allocation of department-wide administration which represents staff time for planning and implementation. However, this would be reasonable if the Council anticipates that it would appropriate the remaining \$2,798,148 during the biennium.

Option 1: Reduce the appropriation authority by the requested amount.

Option 2: Reduce the appropriation authority by the total amount of Innovation Fund allocation in the Executive's proposed budget, \$2,924,801 (with no carve-out for administrative costs). This may challenge the ability of Executive staff to conduct planning and community engagement to develop the supplemental information requested by the implementation plan.

ISSUE 5 – YOUTH AND FAMILY HOMELESSNESS PREVENTION INITIATIVE – HCD \$6,334,000

The Youth and Family Homelessness Prevention Initiative Implementation Plan includes aspirational language related to the aim of achieving an initiative-wide split of 50% allocated funds for flexible funding and 50% allocated funds for case management. There has been community-wide concern that 50% of funds for case management, depending on the number of providers with which the County contracts, might not provide enough funding for providers to hire experienced, high-quality case management staff. On the other hand, depending on how many providers the County contracts with, an increase in funding for case management would likely impact the overall spend-down rate of this initiative.

Executive staff indicate that under the current RFP process, to address provider concerns about insufficient funds for case management, they will allow \$75,000 for case management and \$75,000 for flexible funds per provider. The RFP responses for the YFHPI are currently being reviewed by the review panel, so DCHS does not yet know how many agencies will be awarded funds. Rather than address this issue now, Executive staff note that they would request to work with Council on a supplemental during 2017 if necessary.

Option 1: Approve as proposed.

Option 2: Direct staff to work with the Executive to alter the appropriation amount.

ISSUE 6 – PARKS AND FIRE DISTRICT SUPPRESSION

The requested appropriation authority in the Executive's proposed budget does not include funds for parks or fire districts that may experience prorationing during the biennium. There is a reserve in the BSK financial plan for this purpose, set at \$647,479 for the proposed 2017-18 budget. Using August 2016 OEFA forecasts of assessed value, Executive staff indicate that:

- They do not estimate any prorationing impacts for fire districts in 2017-2018
- They estimate the following prorationing impacts for metropolitan parks districts in 2017-2018:
 - Fall City Metropolitan Park District: \$0 to \$25,000
 - Si View Metropolitan Park District: \$0 to \$100,000

Actual prorationing impacts will not be known until levy rates for 2017 and 2018 are certified by the assessor. According to Executive staff, at that point, DCHS will coordinate with impacted districts to discuss eligible services.

Option 1: Approve as proposed.

Option 2: Direct staff to increase the appropriation amount to account for possible prorationing and to draft an ER to restrict expenditures for this purpose.

ADDITIONAL FOLLOW UP FROM WEEK 1 PANEL QUESTIONS

Councilmembers asked about the breakdown of funds in the Executive proposed budget by implementation plan categories.

This chart summarizes:

Prenatal to Five	Total Executive Proposed Budget
Innovation Fund Programs	\$2,925,000
Home-Based Services	\$17,066,000
Community-Based Parent Supports	\$4,225,000
Information for Parents/Caregivers on Healthy Development	\$1,125,000
Child Care Health Consultation	\$4,190,000
Direct Services and System Building to Assure Healthy Development	\$12,366,285

Workforce Development	\$2,589,000
Investment in Public Health's Maternal/Child Health Services	\$14,187,000
Help Me Grow Framework-Caregiver Referral System	\$2,829,902
TA, Outreach and Capacity Building	-
Total Prenatal to Five	\$61,503,187
Five to Twenty Four	
Trauma-Informed Schools and Organizations	\$6,566,000
Build Resiliency of Youth and Reduce Risky Behaviors	\$12,942,919
Help Youth Stay Connected to Families and Communities	\$5,170,639
School Based Health Centers	\$3,026,000
Healthy and Safe Environments	\$1,796,000
Meet the Health and Behavior Needs of Youth	\$4,525,876
Helping Young Adults Successfully Transition into Adulthood	\$2,585,798
Stop the School to Prison Pipeline	\$8,182,768
TA, Outreach and Capacity Building	-
Total Five to 24	\$44,796,000
Communities of Opportunity	\$13,688,001
Total Communities of Opportunity	\$13,688,001
Evaluation/Improvement/Accountability	
Evaluation and Data Collection	\$5,719,000
Metropolitan Park Districts	-
Fire Districts	-
Evaluation/Improvement/Accountability	\$5,719,000
Total	\$125,706,188

Councilmembers asked about how the Executive intended to work with Council during and after the RFP process for BSK funded work to ensure Council remained informed of this initiative.

Executive staff is still working on a response to this question. Council staff will provide this response, if obtained, when this item is briefed.

Analyst:	Andrew Kim
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VETERANS SERVICES

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$6,341,641	\$6,173,000	(2.7%)
Max FTEs:	9.0	10.0	11.1%
Max TLTs:	0.0	0.0	0.0%
Major Revenue Sources	Veteran's Aid Property Tax Levy		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The Veterans Program provides services to low-income, homeless, disabled, and at-risk veterans and their families, as required by RCW 73.08.010. Veterans, current service members, National Guard members, Reserve members, and dependents of these military personnel may be eligible for Veterans Program services, provided that the individuals meet the applicable residency requirements, length of service standards, and income guidelines. Veterans Program services are provided directly by the Community Services Division (CSD) of the Department of Community and Human Services (DCHS) at two main offices and eight satellite offices in King County. Services provided include emergency financial assistance, housing assistance, employment guidance and assistance, case management, life stability, veterans' benefits counseling, and mental health referrals. Veterans Services is funded by a dedicated portion of the County's Regular Property Tax Levy at a rate of 0.668 cents per \$1,000 of assessed value. Other services provided by the Veterans Program are also funded by a dedicated portion of the Veterans and Human Services Levy and accounted for in the Veterans and Family Levy fund appropriation unit.

ISSUES

Staff have identified no issues with this budget.

ADDITIONAL FOLLOW UP FROM WEEK 1 PANEL QUESTIONS

Councilmembers asked about the number of Veterans in King County and the number of Veterans served through the County's Veterans Program:

The total number of veterans in King County is between 113,000 and 117,855 depending on sources. In 2015, the King County Veterans Program served 1,975 clients and through September 2016, the Program has served 1,893 clients. The agency is predicting that the final number in 2016 for the King County Veterans Program will exceed the number served in 2015.

Councilmembers requested additional details on the Veterans Homeless Housing Program Project Manager and to identify any programs that will not be funded or cut due to the funding of this additional FTE:

One of the primary proposals for the new biennium is an increase of \$279,106 for a Veterans Homeless Housing Program Project Manager. This expenditure proposes to convert an existing TLT to a FTE. The new FTE proposes to continue the current work on coordinating resources and services available to homeless veterans and expand the scope of work by overseeing \$1.5 million in contracts and agreements with federal, state, and local partners to house homeless veterans. The Executive has stated that this new position proposes to establish efficiency by consolidating the management of contracts to a single point of contact, in hopes that the efficiency gained will provide opportunity to serve more homeless veterans. The new position also proposes to analyze data, produce reports and make recommendations on how to develop a rapid response system to ensure homeless Veterans and those at-risk of homelessness connect to the best resource in the fewest steps thus making contracted services more efficient.

The agency has stated that utilizing a TLT for this ongoing body of work is not sustainable and may lead to uncertainty and instability in contract management of current homeless services contracts. The agency has also stated that funding this position does not cut any services but rather decrease the use of more expensive deeper-end services. The agency has also proposed that this position will be able to increase access to other funding resources not managed by DCHS.

Analyst:**Katherine Cortes****PUBLIC HEALTH**

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$338,163,430	\$376,696,000	11.4%
Max FTE:	841.0	800.1	(4.9%)
Max TLTs:	11.2	6.5	(42.0%)
Estimated Revenues	\$345,318,259	\$378,255,000	9.5%
Major Revenue Sources	Grants, Patient Generated Revenues, County General Fund, State Flexible Public Health Funds, City of Seattle Contract Funds, Best Starts for Kids and other levy funds, Medicaid Administrative Claiming		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

Public Health – Seattle & King County (Public Health) seeks to protect and improve the health and well-being of people in King County, and employs strategies, policies and interventions to reduce health disparities. Public Health is organized into five operating divisions and two additional sections.

The divisions are Community Health Services, Emergency Medical Services, Environmental Health Services, Jail Health Services, and Prevention Services. (Prevention is further divided into Communicable Disease and Healthy Communities-Chronic Disease and Injury Prevention sections). The Cross-Cutting Foundational Services and Administrative Services sections include public health analytic, policy and communications functions, and the department's core business infrastructure.

Of these, this \$376.7 million appropriation includes the funding for the Community Health Services division and the Prevention Services division (except for the Medical Examiner's Office) and the Cross-Cutting Foundational Services section. The other divisions and section are appropriated separately within the 2017-18 proposed budget.

ISSUES**ISSUE 1 – BEST STARTS FOR KIDS EXPENDITURES: \$41,984,070 AND 25.0 FTE**

The proposed budget for 2017-18 includes expenditures intended to conform to the BSK Implementation Plan approved by Council on September 19, 2016, as an attachment to Ordinance 18373. Analysis of proposed expenditures and issues are provided in the staff report for the Best Starts for Kids levy fund.

ADDITIONAL FOLLOW UP FROM WEEK 1 PANEL QUESTIONS

In the discussion of the Department of Community and Human Services' Behavioral Health and Recovery Division (BHRD) budget, Councilmembers asked about the status of Medicaid Administrative Claiming (MAC) revenue to King County. The response to this question is discussed in the BHRD staff report for this panel. MAC is a significant revenue to Public Health (about \$6 million annually from 2015 into 2016) but is not found in BHRD or other DCHS funds.

Analyst:	Katherine Cortes
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ENVIRONMENTAL HEALTH

	2015-2016 Revised*	2016-2017 Proposed	% Change 2015-2016 v 2017-2018
Budget Appropriation	\$46,593,887	\$51,733,000	11.0%
Max FTE:	143.5	148.5	3.5%
Max TLTs:	1.0	4.5	350.0%
Estimated Revenues	\$48,237,040	\$51,789,000	7.4%
Major Revenue Sources	Fees, grants, charges for services, King County General Fund		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

Environmental Health Services (EHS) is one of five divisions within Public Health – Seattle & King County. The EHS Division provides fee-based, grant-based and regional services focused on prevention of disease through sanitation, safe food and water, proper disposal of wastes and toxics, and promotion of safe and healthy environmental conditions. Sections include Community Environmental Health (community toxics, solid waste management, rodent and zoonotic disease control, local hazardous waste management, wastewater systems, and plumbing and gas piping); Food and Facilities Protection; and Planning and the Built Environment, Code Enforcement, and Emergency Preparedness.

ISSUES

ISSUE 1 – ON-SITE SEPTIC PROGRAM CHANGES: \$112,431

Responding to the end of Marine Recovery Area and Pollution Identification and Control grant funding in 2016, the Executive proposed budget makes changes to maintain some on-site septic (OSS) program functions that comply with state requirements for County public health authorities.

Environmental Health's budget assumes:

- investing OSS reserves (fund balance) in TLT staffing to pilot a homeowner outreach program to increase homeowner compliance with the existing \$28 Operation & Maintenance fee, to improve customer service and to provide technical support for the Quartermaster Harbor program; and
- increasing the Title Transfer Fee from \$111 to \$185, pending Board of Health approval. Executive staff report that property sellers pay an OSS maintainer (septic professional) to inspect their OSS at the time of sale, and pays the maintainer for the service and the Title Transfer Fee. The maintainer submits this fee and a report to Public Health. (This is different from the \$40 Time of Sale Transfer Fee,

which is paid for by the buyer during closing through the escrow account. The Time of Sale Transfer Fee is not proposed to change in this budget.) If the Title Transfer Fee is not approved, Environmental Health would have to reduce staffing by 1.0 FTE.

The net impact of the proposals would be an addition of \$112,431 to the program budget and a reduction of \$397,000 in revenues with no net change in permanent (FTE) staffing. Executive staff characterize the proposed homeowner outreach pilot program as “education-based” with objectives including reducing premature failures and finding and repairing failures, both through homeowner and OSS professional outreach and increased inspections and through improvements in data management.

Follow-up to Councilmember Questions from Week 1 Panel Questions:

Councilmembers asked about the definition of failure of an on-site septic system, and what information is available about failing systems in King County.

Board of Health Title 13.08.152 defines failure as “a condition of an on-site sewage system or side sewer that threatens the public health by inadequately treating sewage or by creating a potential for direct or indirect human contact between sewage and the public,” and provides examples of failure types. Executive staff acknowledge that example E, “Inadequately treated effluent contaminating ground water or surface water,” could be clarified, which would require a change to the Board of Health Code.

Executive staff report that Public Health data on failing systems is incomplete due to low inspection rates and limited capacity of Public Health staff to track sources of OSS pollution. They state: “Existing data is limited to those septic systems for which we have current inspection reports or for those that have generated applications for repair or replacement. King County also identifies failing septic systems through complaints, which are verified by OSS professionals and/or Public Health inspectors.”

Councilmembers asked about the likely impact and implications of language regarding OSS in the King County Comprehensive Plan update now in Council review.

Executive staff cited two relevant passages in the pending KCCP update:

- **E-499i:** King County should work with landowners, other jurisdictions, the state Department of Health, sewer districts, and the Puget Sound Partnership to develop more effective strategies and additional resources for addressing address failing septic systems in constrained shoreline environments.
- **F-261:** King County should monitor onsite wastewater systems that have shown evidence of failure or potential for failure. The data should be used to correct existing problems and prevent future problems. King County should analyze public funding options for correcting on-site wastewater system failures and only as a last resort in Rural and Natural Resource Lands, which may include, where feasible and as otherwise consistent with this plan, conversion to community sewage systems or installation of public sewers.

They indicate that current and proposed OSS program activities are consistent with these KCCP statements but insufficient to fully achieve them, given current revenue levels. Executive staff state: “additional activities that would identify failing septic systems and generate inspection fee revenue include countywide implementation of a homeowner outreach program, increased OSS pollution source tracking and dye testing, increased enforcement capacity, and improvements to data systems.”

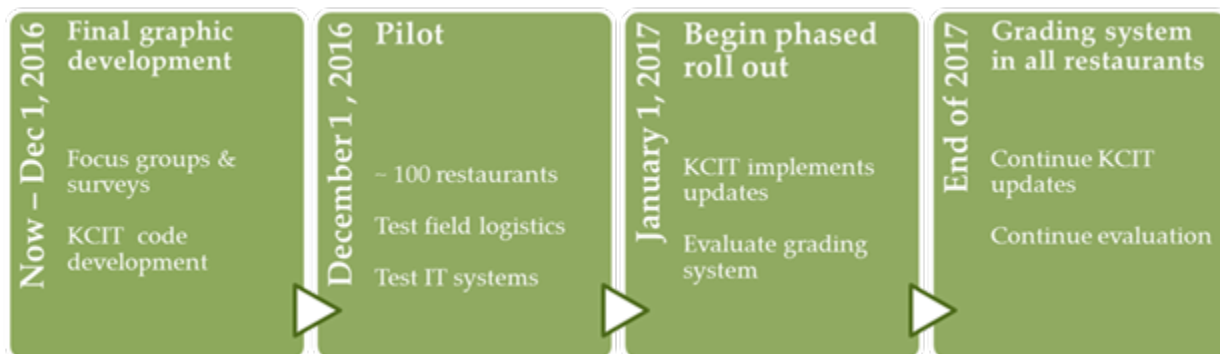
Option 1: Direct staff to reduce appropriation and 1.0 FTE, based on an assumption of no action by the Board of Health to approve the Title Transfer Fee increase.

Option 2: Approve as proposed.

ADDITIONAL FOLLOW UP FROM WEEK 1 PANEL QUESTIONS

Councilmembers asked about the status and funding level of Environmental Health’s restaurant grading project.

Public Health provided the following current implementation plan timeline graphic for the project. No new funding is requested in the Proposed 2017-18 budget; this work is expected to be accomplished out of the existing base budget for the Food Program.



Analyst:	Mary Bourguignon
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HOUSING & COMMUNITY DEVELOPMENT

BUDGET TABLE

	2015-2016 Revised*	2016-2017 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$35,152,972	\$170,572,000	385%
Max FTEs:	31.8	32.8	3.1%
Max TLTs:	3.0	0.0	(100%)
Major Revenue Sources	Federal, state and local housing and community development funds		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The Housing & Community Development budget proposes to combine two formerly stand-alone housing funds:

- **The Federal Housing and Community Development Fund** was established to administer federal funding programs that support homeless prevention, housing repair, low-income and special needs housing development, and community development. The federal funds include Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Emergency Solutions Grant (ESG), and others.
- **The Housing Opportunity Fund** was created in 1990¹ to acquire, purchase, renovate, and construct housing for low-income families, seniors at risk of displacement and homelessness, homeless individuals and persons with special housing needs. The HOF was funded with state and local dedicated funds, including the King County Veterans & Human Services Levy (VHSL), dedicated document recording fees, homeless housing funds, the Mental Illness and Drug Dependency (MIDD) Levy, and other funding sources.

ISSUES

ISSUE 1 – FUND CONSOLIDATION

The proposed budget would consolidate the Federal Housing and Community Development Fund and the Housing Opportunity Fund into the new Housing and Community Development Fund. Proposed Ordinance 2016-0480, which was transmitted with the budget legislation, would effectuate this change.

¹ Ordinance 9368

Executive staff note that the consolidation has been proposed to simplify reporting and accounting and to make housing and homelessness spending more transparent.

Consolidating the funds would not change the requirements or limitations of the federal, state and local revenue sources, and would not change the types of projects and services that are funded.

Proposed Ordinance 2016-0480 will be considered during budget reconciliation.

ISSUE 2 – EXPANDED SHELTER

In light of the continuing homelessness crisis, the proposed budget would expand emergency shelter options, with a proposed expenditure of \$1.47 million in the Housing and Community Development budget above the 2015-2016 baseline.² The proposed expenditure in this budget would be funded from document recording fees.

The proposed allocation from the Housing and Community Development budget would be supplemented by approximately:

- \$300,000 from the Community Services Operating budget (\$225,590 from the General Fund and an estimated \$75,000 from other CSO funds, all of which Executive staff state are included in DCHS' existing appropriation authority); and
- \$714,462 (of which Executive staff note there is existing expenditure authority for \$140,462) from the Facilities Management Division (FMD) for security and building operations.³

The proposed shelter expansion would:

- Expand the existing 50-bed downtown winter shelter in the King County Administration Building beyond what is provided in the base budget to a year-round shelter, expand hours in this shelter from 9.5 hours to 11 hours per night, and change to an “enhanced” model to link clients with housing navigation services, mental health counseling, and employment assistance.

² Proposed Ordinance 2016-0460, which was transmitted in advance of the budget legislation, would provide emergency appropriation authority for 2016 for the year-round operation of the 50-bed Administration Building shelter during 2016, the operation of 50 beds in the Administration Building lobby from January 1 through August 31, 2016, the operation of 50 beds in the County-owned 420 Fourth Avenue building through (anticipated) October 31, and the proposed opening of a new shelter (potentially at the County-owned White Center Public Health clinic building) for approximately 70 beds on November 1. Proposed Ordinance 2016-0460 covers only 2016 spending. The proposed 2017-2018 budget would cover spending above the base 2015-2016 budget for shelter operations for 2017 and 2018.

³ This amount assumes prior Council approval of \$180,000 in capital expenditures for FMD to make tenant improvements to the White Center shelter space. Executive staff indicate that this proposed capital expenditure will be transmitted as part of the 2016 fourth quarter supplemental budget ordinance.

- Operate a proposed shelter with up to 70 beds (primarily for men, but with some space for couples) at the County-owned White Center Public Health clinic site. (Executive staff note that the existing shelter at the County-owned 420 Fourth Avenue building would remain open until this new shelter is operational.) Like the proposal for the Administration Building shelter, this new shelter is proposed to be year-round, to operate for 15 hours each night, and to use an enhanced model to link clients with services.

This would be a policy change for Council consideration, as the proposal would extend operations of the winter shelter to year-round, extend the hours open each night, add services, and add a new, non-downtown location.

Staff analysis of the proposed budget and shelter model is ongoing.
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ADDITIONAL FOLLOW UP FROM WEEK 1 PANEL QUESTIONS

Councilmembers asked about County funding for family shelters.

In 2016 King County devoted \$574,424 to shelters for families. These shelters included 633 beds. Of these beds:

- 593 were year-round
- 40 were seasonal (winter-only)

In terms of the location of County-funded family shelters:

- 343 beds were located in Seattle
- 162 beds were located in South KC
- 128 beds were located in North/East KC

Councilmembers asked about the cost effectiveness of the King County Administration Building as a shelter location.

This issue was studied in response to a Council proviso as part of the 2015-2016 biennial budget.

The Executive's responded to that proviso by analyzing alternative locations for a winter shelter in and near downtown, including in the SODO area. The report concluded that the Administration Building and the 420 Fourth Avenue Building were the most viable locations for a shelter due to the lack of other suitable facilities either owned by King County or available for rent.

The Council approved this report via Motion 14440. The Council's decision to open the 420 Fourth Avenue Building as a temporary shelter⁴ was made following the Council's deliberations on this report.

⁴ Ordinance 18189

Councilmembers asked about the status of the 420 Fourth Avenue Building as a shelter.

The County-owned 420 Fourth Avenue Building is currently being used as a 50-bed emergency shelter. The Executive is proposing to close that shelter by October 31, 2016, or potentially somewhat later, if the new shelter location proposed at the White Center Public Health Clinic Building is not open by then.

The Executive has not included any funding for shelter operations at 420 Fourth for 2017-2018, and has expressed the intent of evaluating 420 Fourth for office space once the shelter currently operating there closes.

By way of background, the County's adopted biennial budget for 2015-2016 included funding for 50 beds at the County-funded men's winter shelter in the Administration Building.

In December 2015, following the City and County declaration of emergency regarding homelessness, the City of Seattle made a \$225,000 contribution to the County to expand the number of beds in the Admin Building to 100 (in the building lobby).

At the same time, the Council adopted Ordinance 18189, which made an emergency appropriation of \$214,000 to fund 50 beds of emergency winter shelter at the 420 Fourth Avenue Building, for a total of 150 winter shelter beds in County-owned buildings downtown.

That emergency appropriation ordinance included \$92,000 for life-safety capital improvements to 420 Fourth so that it could be opened as a temporary shelter. At the time, the Executive indicated that the use of 420 Fourth as a shelter would be only temporary, as the building had been purchased with the goal of expanding the County's downtown office campus.

Funding for all 150 beds (50 beds in Admin Building, 50 beds in Admin Lobby, and 50 beds at 420 Fourth) was sufficient to operate until April 15, 2016.

However, in light of the homelessness crisis, the Executive chose to keep all 150 beds operating past April 15. The HHHS Committee was briefed on this situation on June 7 (Briefing #2016-B0113). To fund these extended operations, the Executive has proposed the following:

- Operations for all 150 beds from April 16-May 31 were funded by a combination of DCHS internal savings and "pre-spending" the winter shelter budget for Nov-Dec 2016
- An emergency appropriation ordinance (PO 2016-0460) has been transmitted requesting \$435,000 of General Fund plus accepting a contribution of \$300,000 from the City of Seattle (for a total of \$735,000) to fund:
 - 50 beds in the Admin Building from June 1 – December 31, 2016

- 50 beds in the Admin Lobby from June 1 – August 31, 2016 (*these beds were actually kept open until September 15 when the Seattle-funded SHARE shelters re-opened, but there is no funding proposed at this time for those additional 2 weeks*)
- 50 beds at 420 Fourth Avenue from June 1 – October 31, 2016
- Up to 70 beds at a new location (tentatively White Center Public Health Clinic Building) from November 1 – December 31, 2016

The Executive has expressed the intention of closing the 420 Fourth Building as a shelter on October 31, or as soon after that as a new shelter location (White Center or elsewhere) can be opened.

The proposed 2017-2018 budget includes an expanded, year-round shelter model that would include 50 beds at the Admin Building and up to 70 beds at the White Center location. The 2017-2018 budget does not propose any additional shelter use at 420 Fourth.

Analyst:	Aldebot-Green
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BEHAVIORAL HEALTH FUND

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$487,885,000	857,917,000	75.8%
Max FTE:	125.1	137.8	10.2%
Max TLTs:	1	0	-100%
Estimated Revenues	\$505,253,000	\$861,390,000	70.5%
Major Revenue Sources	Medicaid, State Non-Medicaid, State-Other (proviso funding in state non-Medicaid contract, funding from other state agencies), MIDD, General Fund		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The Behavioral Health and Recovery Division (BHRD), formerly the Mental Health, Chemical Abuse and Dependency Services Division or MHCADSD, in the Department of Community and Human Services provides oversight and management of the publicly funded behavioral health services for eligible King County residents. In Washington State, as of April 1, 2016, Behavioral Health Organizations are the administrators of the public behavioral health, which includes mental health and substance use disorder, system. The Behavioral Health and Recovery Division is the Behavioral Health Organization for the King County region. The Behavioral Health and Recovery Division is also responsible for enacting behavioral health policies, establishing local procedures, financial management, and ensuring the quality of behavioral health services.

ISSUES

ISSUE 1 – PHYSICAL AND BEHAVIORAL HEALTH INTEGRATION IT PROJECT

Prior appropriation	N/A
2017-18 Request	\$5,257,634
Future Request	N/A
Total Project Cost	\$5,257,634
Fund Source	Behavioral Health Fund (Medicaid and non-Medicaid as well as potential other revenue from benefiting partners)

Project Summary: This project would create the technical infrastructure to allow King County to operate as a fully integrated managed care organization; this includes

creating mechanisms for providers to submit, in specific and required formats, all necessary health and behavioral health service data for reporting, payment and quality management. The project would also create a way to exchange physical and behavioral health data with other managed care entities for billing, payment, quality management, and client coordination purposes.

Background: Washington State Senate Bill 6312 called for the full integration of physical and behavioral health care by January 1, 2020; this includes aspects of both clinical integration and financial integration for the state Medicaid program. Presently, Medicaid physical health care services are purchased through five Managed Care Organizations (MCOs) while Medicaid behavioral health services are purchased through regional Behavioral Health Organizations.¹ King County has significant pending decisions related to what the financial infrastructure for fully integrated care will be and what the County's role will be in that model. Among these decisions is a decision about the timeline for the potential move to fully integrated managed care, which includes start date options of: July 1, 2017, July 1, 2018, or January 1, 2020. King County is considering the latter two of these options.

The proposed project assumes the most complex full integration scenario, whereby the County would operate as a fully integrated managed care organization that assumes the risk and responsibility for the Medicaid physical and behavioral health care programs for the region. The proposed project also assumes the earlier timeline of full integration by July 1, 2018, at which point the proposed project would need to be very close to completion.

Given these assumptions, the project aims to create all of the necessary mechanisms to enable providers to submit all necessary health and behavioral health services data for reporting, payment, and quality management. The project would also create ways for physical and behavioral healthcare data to be seamlessly exchanged in order to allow other managed care entities to access this data for purposes of billing, payment, quality management, and client coordination. Given the uncertainty around this project, it is not yet clear what providers would need to be able to interface with the new system. Providers would likely need access to hardware and software, on which training would be provided per the project proposal.

The appropriation request of \$5,257,634, with a 20% contingency, includes the following amounts and major project milestones:

Start Date	End Date	Milestone	Estimated Cost
1/1/2017	2/1/2017	Planning & Initiation	\$60,596

¹ Washington State Senate Bill 6312 also directed the state Dept. of Social and Health Services (DSHS) to restructure how it purchases chemical dependency and mental health services by April 1, 2016. Washington State began purchasing these services via a managed care structure, or integrated purchasing, from the Behavioral Health and Recovery Division (BHRD) in King County's Department of Community and Human Services, the Behavioral Health Organizations for the King County region, on April 1, 2016.

2/1/2017	6/1/2017	Analysis & Architecture	\$363,576
4/1/2017	6/1/2018	Design & Development	\$3,118,564
1/1/2018	7/1/2018	External Provider Testing	No cost as it overlaps with other phases where cost is accounted for
4/1/2018	10/1/2018	Training	\$104,182
6/1/2018	12/31/2018	Deployment (6/1/2018 – 7/1/2018)	\$140,741
		Stabilization (7/1/2018-12/31/2018)	\$320,796

In large part, the estimated cost of this project is contingent on the ultimate scope of the project, which hinges on the County's pending decisions with regards to full integration outlined above. Should the county determine that all Medicaid behavioral health funding should flow through managed care organizations, the project, as it is currently conceptualized, would not need to be completed.

However, Executive staff note that it is likely that some data modifications may still be needed, likely on a smaller scale, regardless. For example, the county may choose to maintain the crisis system and may need additional interoperability functions to coordinate with the managed care plans. Similarly, should the county choose to continue to invest local funding in the behavioral health continuum this may also require additional data system modifications, also on a much smaller scale.

Executive staff further note that while this project will not be undertaken until they have a written agreement between the County and the State on a path forward for full integration, they estimate a need to be able to undertake the project, if required, within approximately six months of making a decision and would likely need to have completed the project or be ready to "go live" approximately 18-24 months after beginning the project. DCHS staff has been working with KCIT in setting the estimated project cost but they note no models exist that would provide an accurate comparison basis and the complex range of factors that could affect the design of the system.²

Review of the Benefit Achievement Plan: The primary anticipated benefits of this project would be accurate and timely payment to providers, which would be measured by the percent of providers paid within 60 days of a valid encounter data submission. The division's goal is 100% payment within 60 days of submission. BHRD would track the reasons providers are not paid within that timeframe and adjust accordingly. Secondly, this project aims to improve coordination of care. While no baseline data exists for this, BHRD's target is that at the first scheduled site visit, 50% of contracted behavioral health providers will demonstrate evidence of coordinated services for individuals with co-occurring mental health and substance abuse disorders. The goal is that this target will increase by 25% in the subsequent years.

² To serve as the BHO for the King County region, BHRD upgraded its system for managing mental health services to allow for client record-keeping, billing and payment for Substance Use Disorder (SUD) providers contracting with the county through the DCHS Behavioral Health IT Project.

Contingencies, Project Scope and Cost Estimate

As noted in the analysis, this project has several contingencies. First, the County does not yet know the role it will play in the clinical or financial components of fully integrated physical and behavioral health care. Relatedly, the County does not know precisely what the technology requirements around this role will be. Third, while DCHS has been working with KCIT to estimate the cost of the project, without knowing the scope of the County's role, the actual cost of the project will likely deviate, perhaps significantly, from the estimate provided, which assumes the most complex scenario and tightest timeline.

Option 1: Approve as proposed. This option would give DCHS the most flexibility on project timing and scope, including making the decision on whether to undertake any portion of this project during the biennium following decisions about the County's role in physical and behavioral health integration.

Option 2: Approve as proposed and direct staff to draft a proviso for the proposed IT project requiring DCHS to transmit a status and progress report after the planning & initiation phase of the project and before undertaking any additional work on the project.

Option 3: Direct staff to delete funding. While this would reduce the risk of unnecessary project expenditures, it could increase risks that the system would not be operational in time if the County chooses the most complex full integration scenario and begins to operate as a fully integrated managed care organization.

ISSUE 2 –DATA INTEGRATION DCHS & DPH

Prior appropriation	N/A
2017-18 Request	\$2,000,000
Future Request	N/A
Total Project Cost	\$2,890,380
Fund Source	Behavioral Health Fund

Project Summary: This proposed project would integrate client-level data that is already stored within the Department of Community and Human Services (DCHS), Public Health – Seattle & King County (PHSKC), and the Department of Adult and Juvenile Detention (DAJD) with the aim of enabling providers to access client housing, health and behavioral healthcare utilization data to make appropriate and efficient care decisions. Executive staff note that while King County serves as the repository of cross-sector health and human services data, the lack of integration of these data sets leads to missed opportunities in the development of treatment plans and in care coordination, and results in the duplication and misalignment of clinical efforts.

According to Executive staff, out of the relevant data sets, the only County datasets that are currently integrated and available to users are the behavioral health care provider connections datasets (mental health, sobering center, outpatient substance use treatment). This project would seek to integrate and make available to users at least the following three additional datasets, which would show connections to additional health, behavioral health and housing providers: 1) Medicaid eligibility files, which would show MCO and healthcare provider connections; 2) Jail Health Services; 3) HMIS, which

would show connection to housing providers. Executive staff note that individual client “lookup” will promote whole person care, avoid care gaps that could present health risks, avoid duplication of effort and alert providers when they might need to take action for sentinel events such as loss of housing, incarceration or hospitalization. Executive staff note that the new system’s ability to identify high risk groups would help the County: 1) meet state managed care/behavioral health organization requirements for care coordination; 2) further the aims of the related federally-required performance improvement project; and 3) further the aims of planned MCO-Jail Health collaboration to conduct care coordination.

The cost of the proposed project is an estimated \$2,261,780 with a 20% contingency and includes the following amounts and major project milestones:

Start Date	End Date	Milestone	Estimated Cost
1/2/2017	2/1/2017	Planning & Initiation	\$23,010
2/1/2017	6/1/2017	Analysis & Architecture	\$302,980
6/1/2017	4/1/2018	Design & Development	\$1,222,321
7/1/2017	7/1/2018	Testing	\$633,078
4/1/2018	7/1/2018	Training	\$80,393
7/1/2018	7/1/2018	Deployment	0

The Executive’s proposed budget requests \$2,000,000 in DCHS expenditure authority in the 2017-2018 biennium, against the total project cost of \$2.9 million. DCHS, PSB and KCIT have agreed that DCHS will transfer funding for the remainder of the project cost during the 2019-2020 biennium to manage cash flow in the Behavioral Health Fund in this biennium. During the 2017-2018 biennium, the portion of the project not paid for by DCHS will be covered through interfund borrowing.

Review of the Benefit Achievement Plan: The primary anticipated benefits of this project would be to expand the County datasets that are currently integrated and available to users to: 1) enable individual client “lookup” for direct care coordination and 2) identify high risk groups, based on flexible criteria, for system-level care coordination. The Benefits Achievement Plan notes two measurable outcomes. The first will be user (the clinical staff accessing the integrated data platform) reported satisfaction with the integrated data system in accessing relevant data sources for care coordination. Prior to implementation, a baseline measure of user satisfaction via a satisfaction survey of intended clinical staff users will be undertaken. The target user satisfaction survey will be a 60% rating of “satisfied” or “very satisfied” with their ability to access relevant data for care coordination during the first year of project implementation, 70% during the second year, and 80% during the third year. The second measurable outcome will be the number of datasets integrated and available to users. The target number of datasets integrated to support users will be the three datasets described in the project summary. The baseline for this measure are the presently integrated and available behavioral health care provider connections data sets.

Protected Healthcare Data and Integration. This project would involve the integration of protected healthcare data. Executive Staff note that whenever a data integration project is initiated with protected health information, PHSKC and DCHS work with their respective Privacy Officers to ensure that the legal authority, both in the federal and state regulatory environments, exists to implement the project. Executive Staff further note that Privacy Officers have been involved in the proposed Data Integration Project from its earliest conceptualization and that they will continue to be involved throughout the planning phase. Lastly, Executive Staff note they are confident that the legal authority to integrate the proposed datasets exists and that they will continue to be guided by the advice of the Privacy Officers.

Individual Client-Level Consent, Data Sharing Agreements and Project Timeline.

Depending on the requirements around the data contained in each data set, data integration projects may require individual client-level consent. Additionally, amendments to or new data sharing agreements may be needed to effectuate this project. Executive staff indicate that they do not anticipate the proposed project will involve the need for individual-level client consent or waivers of consent. However, they do indicate that some existing data sharing agreements may need revision and some may need to be developed. Because data sharing agreements typically take months to develop, Executive Staff have involved key stakeholders in the conceptualization and planning phase to reduce the risk of this process altering the project timeline.

For data predating the integrated module, Executive staff note that the proposed use of the integrated data (care coordination at the individual and sub-population level and secondary population health analysis and program evaluation) would not be negatively impacted if it is determined that integrating data that predates the integrated module is ultimately deemed unfeasible.

Integration of DAJD Data. Executive staff note that DCHS has received daily jail bookings data from DAJD for over a decade and that, when needed, DCHS modifies that data sharing agreement in consultation with DAJD. Executive staff note that this same process will occur for the proposed project and that they anticipate no barriers to the work as the proposed uses are the same as current uses of the data (individual-level care coordination, subgroup analysis, program evaluation).

Integration of Data not Owned by King County. The proposal contemplates integrating Medicaid claims data that is provided to King County but owned by Washington's Health Care Authority. Executive staff do not note anticipating this to be a challenge. Staff is also considering integration of King County and Seattle Housing Authority data that is currently provided by those entities under the auspices of a federally-funded grant. Executive staff note that they will continue to work to define the scope of the project, including whether this set of data would be integrated and what would be required to do so.

Option 1: Approve as proposed.

Option 2: Direct further analysis.

Option 3: Direct staff to delete funding.

ADDITIONAL FOLLOW UP FROM WEEK 1 PANEL QUESTIONS

Councilmembers asked about the status of Medicaid Administrative Claiming (MAC) revenue to King County, given recent changes and reductions, and the impact on this budget.

Medicaid Administrative Claiming (MAC) is revenue from the federal Centers for Medicaid and Medicare Services (CMS) to support administrative activities that improve access to the Medicaid program; improve the use of Medicaid services by Medicaid-eligible populations; and improve the overall delivery of Medicaid services. Examples of these activities include, but are not limited to, outreach regarding Medicaid benefits, application assistance, program planning, arranging transportation and providing interpretation for Medicaid services, and linkage to Medicaid services. MAC is a significant revenue to Public Health – Seattle & King County; it is not earned by BHRD.

CMS controls the eligible costs and amounts that participating entities (like Public Health) may claim for reimbursement through contracts with the state Health Care Authority (HCA). CMS decided to change the rules governing MAC in Washington state (critically reducing the level of revenue that Public Health had historically received) and suspended claiming in mid-2012 pending Public Health's agreement to the new program plan on offer.

With the support of King County leadership and its Congressional delegation, Public Health was able to negotiate with HCA and CMS to resume the program at viable levels for supporting important eligible activities, at an annual level of approximately \$6M from 2015 into 2016. Claiming was restored under a new, negotiated set of rules effective April 2015. However, pending reconciliation of past expenditures (through Q1 2015) to the new program rules, Public Health was only allowed to bill a discounted rate.

Public Health will complete the reconciliation in 2017, which should allow full reimbursement of eligible costs from Q1 2013 through Q1 2015. (These revenues are already counted as accrued in the Public Health financial plan.) Public Health has been able to bill at the full reimbursement rate since Q2 2015, and Executive staff characterize the \$7.6 million in MAC revenue budgeted for 2017-18 as a conservative estimate.

	Amount Paid	Reimbursement Rate
2013 Q1-2	\$1.8 M	75%
2013 Q3-4	\$1.8 M	50%
2014	\$4.4 M	50%
2015 Q1	\$0.6 M	50%
2015 Q2-Q4	\$4.7 M	100%
2016 Q1	\$1.3 M	100%

2017 Budget	\$3.8 M
2018 Budget	\$3.8 M

Analyst:	Wendy K. Soo Hoo
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MENTAL ILLNESS AND DRUG DEPENDENCY (MIDD), DISTRICT COURT MIDD, DEPARTMENT OF JUDICIAL ADMINISTRATION MIDD, PROSECUTING ATTORNEY'S OFFICE MIDD, DEPARTMENT OF PUBLIC DEFENSE MIDD, SUPERIOR COURT MIDD

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
MIDD Budget Appropriation	\$94,930,852	\$116,305,000	22.5%
Max FTEs:	13.0	17.0	30.8%
Max TLTs:	0.0	0.0	N/A
District Court MIDD Budget Appropriation	\$2,114,917	\$2,778,000	31.3%
Max FTEs:	8.5	9.8	15.3%
Max TLTs:	0.0	0.0	N/A
Dept. of Judicial Administration MIDD Budget Appropriation	\$3,763,059	\$3,342,000	-11.2%
Max FTEs:	12.5	11.6	-7.2%
Max TLTs:	0.0	0.0	N/A
Prosecuting Attorney's Office MIDD Budget Appropriation	\$3,329,723	\$3,013,000	-9.5%
Max FTEs:	7.9	10.9	38.0%
Max TLTs:	0.0	0.0	N/A
Dept. of Public Defense MIDD Budget Appropriation	\$3,646,065	\$5,406,000	48.3%
Max FTEs:	12.4	15.9	28.2%
Max TLTs:	0.0	0.0	N/A
Superior Court MIDD Budget Appropriation	\$3,687,827	\$3,810,000	3.3%
Max FTEs:	15.6	14.7	-5.8%
Max TLTs:	0.0	0.0	N/A
Major Revenue Sources	MIDD Sales tax		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

The Mental Illness and Drug Dependency (MIDD) fund is comprised of sales tax revenue dedicated by state law to supporting new or expanded chemical dependency or mental health treatment programs and services and for the operation of therapeutic court programs and services.

The MIDD sales tax was renewed this year by the King County Council.¹ Legislation that would approve a Service Improvement Plan (Proposed Ordinance 2016-0427) and revise the policy goals (Proposed Ordinance 2016-0428) for the renewed MIDD (MIDD 2) have also been transmitted and will be described in the discussion of the MIDD 2017-2018 proposed budget. Note that the Council passed Motion 14592 in March 2016 stating its intent to complete its deliberations on the MIDD Service Improvement Plan (SIP) in November 2016, concurrent with its review of the 2017-2018 Proposed Budget.

ISSUES

ISSUE 1 – 21 NEW INITIATIVES PROPOSED FOR MIDD FUNDING: \$23,822,000 AND 14.9 FTE

2017/2018 MIDD Proposed Budget for New Initiatives	
MIDD Initiative Title	Proposed 2017-2018 Budget
Zero Suicide Initiative Pilot	\$1,013,000
Mental Health First Aid	\$405,200
Law Enforcement Assisted Diversion	\$3,589,500
Youth and Young Adult Homelessness Services	\$607,800
South County Crisis Diversion Services/Center	\$2,039,000
Multipronged Opioid Strategies	\$2,289,000
Behavioral Health Urgent Care-Walk In Clinic Pilot	\$506,500
Family Intervention Restorative Services – FIRS	\$2,203,655
Involuntary Treatment Triage Pilot	\$303,900
Youth Behavioral Health Alternatives to Secure Detention	\$1,276,000
Young Adult Crisis Facility	\$1,430,000
Rapid Rehousing-Oxford House Model	\$1,013,000
Behavioral Health Risk Assessment Tool for Adult Detention	\$954,043
Recovery Café	\$706,500
Peer Support and Peer Bridgers Pilot	\$1,557,488
Jail-based SUD Treatment	\$900,000
Deputy Prosecuting Attorney for Familiar Faces	\$192,602
Community Driven Behavioral Health Grants	\$709,100
Behavioral Health Services In Rural King County	\$709,100
Emerging Needs Initiative	\$1,316,900
Community Court Planning	\$100,000

¹ Ordinance 18333

The new initiatives, as well as existing MIDD programs, are described in detail in SIP Appendix H.

Note that several of the new initiatives were added to the SIP by the Executive and were not recommended by the stakeholder/community process to review the new concept proposals:

- Jail-based Substance Use Disorder Treatment;
- Young Adult Crisis Facility;
- Planning for a New Therapeutic Community Court; and
- Deputy Prosecuting Attorney for Familiar Faces.

These additional initiatives were proposed largely based on increased MIDD sales tax projections and scaling back the costs for some new initiatives that will need ramp-up time to implement. Note that Jail-based Substance Use Disorder Treatment and Community Court were initially proposed as new concepts, but were not advanced through the stakeholder/community process.

Also, as noted last week, a number of the new MIDD initiatives would support programs in the county's criminal justice agencies: Jail-based Substance Use Disorder Treatment; Law Enforcement Assisted Diversion (LEAD); Family Intervention Restorative Services; Familiar Faces Deputy Prosecuting Attorney; Behavioral Health Risk Assessment Tool for Adult Detention; and Planning for Community Court. With the exception of LEAD, staff analysis has been completed and no major issues identified. Analysis is provided below.

Jail-based Substance Use Disorder Treatment – this strategy would allocate \$900,000 in MIDD funding budget to expand substance use disorder (SUD) treatment at the Maleng Regional Justice Center. This initiative is expected to serve 200 to 300 individuals annually. **Note:** The Executive's proposed budget inadvertently added \$900,000 in appropriation authority to the DAJD budget; PSB indicates that this was an error.

Law Enforcement Assisted Diversion (LEAD) – This strategy would allocate \$2.7 million in MIDD (and a new 1.0 FTE Lead Program Manager) for contracting for case management with Public Defender Association, and \$840,000 to the Prosecuting Attorney's Office to support two attorneys and one paralegal. The LEAD program diverts individuals who are engaged in low-level crimes related to drug involvement, bypassing prosecution and jail time. The program provides street-based outreach by case managers and coordination of prosecution and contacts with the criminal justice system for cases that are not eligible for diversion. This program was initiated with funding from grants and the City of Seattle and one-time 2016 MIDD funding. The intent is to expand the program to other cities. According to the SIP, the proposed level of funding would support delivery of the program to approximately 500 participants. Staff is analyzing the proposed staffing for the program.

Family Intervention Restorative Services (FIRS) – This strategy was initiated in 2015 with one-time MIDD and city of Seattle funding. The 2017-2018 proposal would allocate \$900,000 to Housing and Community Development and \$1.3 million to Superior Court to

divert youth 16 years of age or older involved in a domestic violence situation. The funding would support the non-detention 24/7 respite and reception center (currently staffed by Pioneer Human Services via contract) and improved access to Step-Up with two new Juvenile Probation Counselors and two Step-Up social workers in Superior Court. This program was expected to serve about 300 individuals annually.² According to Executive staff, from January 1, 2016 through October 11, 2016, FIRS had received 303 referrals and demand has exceeded the capacity of the 4.0 Step Up counselor FTE dedicated to FIRS – some work is being absorbed by other FTE. **Note:** The Office of Performance, Strategy and Budget (PSB) identified a technical error – the proposed budget inadvertently excluded appropriation authority associated with \$500,000 in revenue from the City of Seattle for 2017-2018 in the Housing and Community Development budget and PSB requests that the Council correct this error.

Familiar Faces Deputy Prosecuting Attorney – This strategy would allocate \$193,000 in the Prosecuting Attorney's Office to support a Deputy Prosecuting Attorney (DPA) to divert individuals who have been booked in the county jail four or more times within a one-year period. According to the MIDD SIP, 94 percent have one or more behavioral health conditions and 93 percent have at least one acute medical condition. The DPA would consult and collaborate with defense attorneys, law enforcement, and the community on cases and provide prosecutorial authority to help divert individuals from further criminal justice contact. Note that the total amount in the Prosecuting Attorney's Office for the Familiar Faces DPA is proposed at \$288,000, which includes \$193,000 from MIDD and \$95,000 in unspent 2015-2016 Health and Human Services Transformation Plan General Fund support.

Behavioral Health Risk Assessment Tool for Adult Detention – This strategy would allocate \$954,000 to implement an assessment tool to help guide case management and services placement for incarcerated individuals. This amount would support a Release Planner FTE (\$242,000) in Jail Health Services and three intake FTE (\$712,000) in the Department of Adult and Juvenile Detention. The program is anticipated to assess 2,460 individuals per year.

Planning for Community Court – This strategy would allocate \$100,000 to District Court to develop an implementation plan for a new Community Court. District Court plans to use the funding to retain a consultant to assist the court in developing the plan. The plan would identify necessary resources for successful implementation. Community court is identified as a therapeutic court under Revised Code of Washington 2.30.010.

As noted earlier, unless the Council has any further questions, staff analysis is complete with the exception of continuing work to understand the staffing model for LEAD.

² The SIP indicates that under current state law, when law enforcement has probable cause of domestic violence in a home involving a youth they must make an arrest if the suspected perpetrator is 16 years or older. The SIP further indicates that this state law is slated to change on July 1, 2016 so that parents can determine if the youth should be detained.

ISSUE 2 – EMERGING ISSUES INITIATIVE PROPOSED TO BE APPROPRIATED: \$1.3 MILLION

The proposed 2017-2018 MIDD budget includes \$1.3 million (\$650,000 for 2017 and \$667,000 for 2018) for the Emerging Issues initiative. According to the SIP, this initiative is intended to provide flexible, short-term funding for initiatives for up to two years. The SIP does not specify criteria for the use of Emerging Issues funds, but recommends that the MIDD Oversight Committee and Department of Community and Human Services develop criteria, including examples, such as being allowable under RCW 82.14.460, furthering MIDD's continuum of care, being based on best or promising practices; reflecting a recovery-oriented system of care, and demonstrating financial sustainability outside of MIDD.

Because the funds are proposed to be included in the MIDD appropriation, these funds could be expended without Council approval. This would enable funds to be awarded and services to address emerging needs provided quickly. However, it would also mean less oversight from the Council on how these funds are expended. Another option could be to require as part of the annual reporting process information on how Emerging Issues funds are expended. Note that depending on the Council's policy direction, amendments to the Service Improvement Plan (Proposed Ordinance 2016-0427) may also be appropriate.

Option 1: Direct staff to remove \$1.3 million in appropriation authority.

Option 2: Direct staff to remove a portion of the appropriation authority.

Option 3: Direct staff to draft an amendment to Proposed Ordinance 2016-0427 to add language regarding reporting on the Emerging Issues initiative.

Option 4: Approve as proposed.

ISSUE 3 – HEROIN AND PRESCRIPTION OPIOID ADDICTION TASK FORCE RECOMMENDATIONS: \$1.96 MILLION AND 1 FTE

The 2017-2018 proposal for the Multipronged Opioid Initiative strategy includes \$1.96 million (\$667,000 for 2017 and \$1.46 million for 2018) and 1.0 FTE to support the task force's recommendations.³ The strategy also includes \$166,000 to support the existing needle exchange program, bringing the total for the Multipronged Opioid Initiative strategy to \$2.3 million.

The Executive provided recommendations on prioritizing MIDD 2 funding to support the recommendations. In some areas, funding is assumed to be less in 2017 than 2018 due to phasing and ramp-up assumptions.

³ The Heroin and Prescription Opioid Addiction Task Force issued its report on September 15, 2016: http://kingcounty.gov/~media/depts/community-human-services/behavioral-health/documents/herointf/Final-Heroin-Opiate-Addiction-Task-_Force-Report.ashx?la=en

Priority Activity	Description	Funding		
		2017	2018	2017-2018 Total
Expand medical office-based medication-assisted treatment (MAT) locations	Expand to multiple sites where a person can start buprenorphine medication; provide care managers, doctors and non-Medicaid reimbursable medication in order to increase access to buprenorphine in the community.	\$200,000	\$583,000	\$783,000
Add 1.0 FTE strategy lead for opiate initiatives in Behavioral Health Division.	This staff member will manage multiple projects that were recommended by the Heroin and Opiate Task Force and coordinate the county's opioid work internally and with external entities.	\$150,000	\$150,000	\$300,000
Primary prevention activities, including targeted educational campaigns	Implement opiate prevention campaigns along with leveraging existing initiatives such as secured medication return, enhanced screening for opiate disorder and educating the community on opiate use disorder and overdose prevention.	\$20,000	\$100,000	\$120,000
Expand availability and use of naloxone	This funding continues MIDD Supplemental support that is estimated to provide over 1000 naloxone kits to the community by the end of 2016.	\$100,000	\$100,000	\$200,000
Continue support for existing social worker FTE at the needle exchange.	Provides continued social worker staffing at the Needle Exchange funded in MIDD 1.	\$83,000	\$83,000	\$166,000
Public Health Evaluation and Surveillance	Provides monitoring of the opiate epidemic in King County and evaluation of proposed strategies recommended by the Opiate Task Force	\$50,000	\$100,000	\$150,000
Total Proposed Funding		\$603,000	\$1,116,000	\$1,719,000

Based on the proposed allocation for the Multipronged Opioid Initiative strategy, approximately \$570,000 remains to be allocated for funding other recommendations from the Task Force. Executive staff indicate that the Executive is still considering options and continuing discussions on how to program the remaining funding. Items under discussion include:

- Increasing funding for one or more of the items listed in the table above, or
- Implementing other recommendations in the task force report, such as the Community Health Engagement Locations supervised consumption areas, treatment on demand, or safe medication storage.

Note that the Council could also choose to specify how to allocate the remaining \$570,000 or to reallocate a portion of the funding to other MIDD priorities. If the Panel wishes to accept the Executive's recommended approach, staff would propose the following options.

Option 1: Direct staff to reduce the appropriation authority by \$570,000, which would require the Executive to transmit a supplemental appropriation request when ready with a proposal on how to spend the funds.

Option 2: Approve as proposed.

Follow-up to Councilmember Questions from Week 1 Panel Questions:

During Week 1, Councilmembers asked about whether other cities would be participating in providing funding to support implementation of the task force recommendations. Executive staff indicate that the intent is to work with the City of Seattle, Sound Cities Association, philanthropic organizations and community organizations. Executive staff indicate that the County and the three convening cities (Auburn, Renton and Seattle) have expressed ongoing interest and commitment to addressing the opioid epidemic. Executive staff also indicate that there has been interest expressed from other public and private entities, as well as national organizations, in the work of the task force.

ISSUE 4 – PROPOSED INCREASES IN MIDD ADMINISTRATION

The proposed budget increases MIDD administration costs from \$6.8 million in 2015-2016 to \$8.4 million in 2017-2018. After accounting for salary and benefit and central rate adjustments, the net increase is about \$900,000.

This increase would support two new positions for MIDD administration and evaluation activities to support stakeholder engagement, data improvements and new strategies proposed in the SIP 2017-2018 budget:

- Administrative PPM II - \$248,000: According to Executive staff, this position would support and facilitate ongoing community involvement, communication, and access for MIDD services and programs; provide dedicated staff for MIDD

Oversight Committee and its subcommittees and perform other community engagement activities.

- Administrative PPM III - \$279,000: According to Executive staff, this position would conduct high level community and stakeholder engagement for MIDD services and programs. The position would help develop and implement a data dashboard for MIDD and revise the MIDD 2 evaluation approach. It would develop and implement processes needed for implementation of certain MIDD 2 programs, such as the Community Driven Behavioral Health Grants, Behavioral Health Services in Rural King County, and the Emerging Issues initiatives.

In addition, the administrative cost increase would support:

- \$250,000 to support a new Consumers and Communities Council as outlined in the Service Improvement Plan, which would provide input to the MIDD Oversight Committee. The Service Improvement Plan discusses contracting with 12 to 20 individuals for up to \$5,000 annually. Information provided last week indicates that the \$250,000 would actually support payments of \$5,000 per year for 20 to 25 individuals. The Executive indicates that “paying participants for their time and expertise enacts in a tangible way the County’s Equity and Social Justice principles.”
- \$200,000 for technical assistance contracts with community agencies or contracts for consultants to advise on process development and support the new Consumers and Communities Council that would provide input to the MIDD Oversight Committee as described in the Service Improvement Plan.

Staff analysis is ongoing regarding the 20 to 25 individuals serving on the Consumers and Communities Council, as reflected in the Executive’s 2017-2018, and why this differs from the proposed Service Improvement Plan, which states 12 to 20 individuals would serve in this capacity. Note that staff is inquiring about whether the County has previously paid any individuals to participate on task forces, boards or commissions.

ISSUE 5 – MIDD FUND PROPOSED RESERVE POLICY

During the Week 1 Panel, Councilmembers asked about the MIDD fund’s reserve policies. As noted during the discussion, the MIDD Service Improvement Plan proposes that the MIDD fund should maintain a 60-day reserve and that amount of reserve is intended to mitigate volatility in sales tax revenues. The proposed MIDD financial plan would set aside \$11.2 million in a 60-day Rainy Day Reserve. (Note that the financial plan currently shows \$70,000 in ending undesignated fund balance.)

As noted last week, the Service Improvement Plan does not address how reductions would be prioritized in the case of a significant reduction in sales tax revenue. The intent of the 60-day reserve is to sustain MIDD services during a revenue decline for up to two years, so input on prioritizing reductions could be provided by the Oversight Committee and then acted on by the County Council through the biennial budget process. The Department of Community and Human Services indicates that it would consider delaying the start of initiatives that have not yet been launched; examine

historical under-expenditures and reduce spending; analyze potential impacts to clients and providers and consider performance measures; and assess across-the-board reductions.

If the Council wished to increase the reserve to a 70-day reserve (as an example), an additional \$1.9 million would need to be set aside – so reductions would need to be made elsewhere and appropriation authority would need to be reduced. If the Council wishes to explore increasing the reserves, staff would work with Executive staff to discuss potential reductions to proposed strategies or administration costs.