

REPORT TO THE LEGISLATURE

Individual Provider Overtime Annual Expenditures

RCW 74.39A.275 enacted by ESSB 6199 in the 2018 Legislature

September 1, 2018

Aging and Long-Term Support Administration

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1 Executive Summary

This is the annual report for state Fiscal Year (FY) 2018 expenditures submitted by the Department of Social and Health Services (identified as “the Department” in this report) to meet the requirements outlined in RCW 74.39A.275 enacted by ESSB 6199 in the 2018 Legislature. It provides data on the overtime hours worked by Individual Providers (IPs) for the reporting period July 1, 2017 – June 30, 2018. The key findings include:

- The overtime hours claimed by IPs for this annual period is 4.69 percent of all hours. This is down from 6.31 percent in the last annual period and remains below the limit of 8.25 percent.
- The number of overtime hours claimed and the number of providers claiming overtime have continued to decrease.

The Department continues to monitor the number of provided hours compared to authorized hours to determine whether adjustments in operation should be made.

2 Purpose

In accordance with RCW 74.39A.275 and 2016 sp.s. c 30 s 3 as outlined in Section 26, the Department is providing the first annual expenditure report. Each annual expenditure report will contain the:

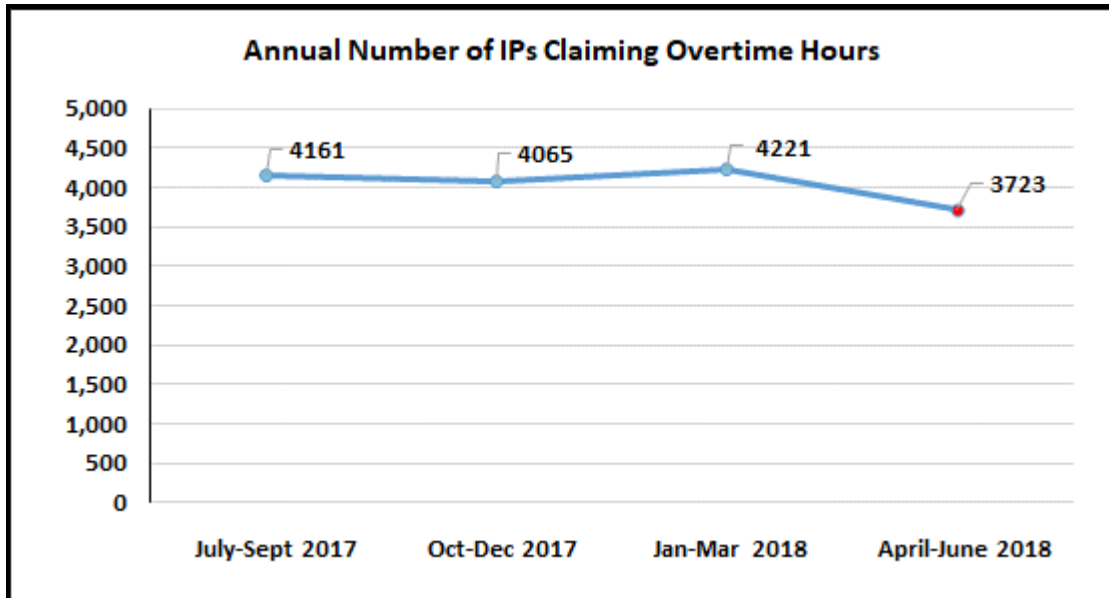
- I. Number of providers receiving payment for more than 40 hours/week
 - a. Including the number of providers who are meeting conditions of [RCW 74.39A.525](#)
- II. Number of hours paid and the amount paid for more than 40 hours in a workweek including the:
 - a. Total amounts
 - b. Averages
 - c. Display of the distribution of the amounts
- III. Display of data by:
 - a. Department Region (1, 2 or 3) of consumer
 - b. County of consumer
 - c. Department program (Aging & Long Term Services Administration, Developmental Disabilities Administration)
 - d. Specified for providers by the number of consumers they serve
- IV. Workweek Limit and Impact on Overtime Hours
 - a. IP Overtime Hours Reported Categorized by Workweek Limit
- V. Monitoring of Authorizations and Costs of Hours

See overtime data and findings section, below, for additional information.

Please Note: The data provided in this report, particularly the last two weeks of June, is still maturing. Historically, the mature data is slightly higher (less than 0.5 percent) than what appears in the initial report.

I. Number of providers receiving payment for more than 40 hours/week

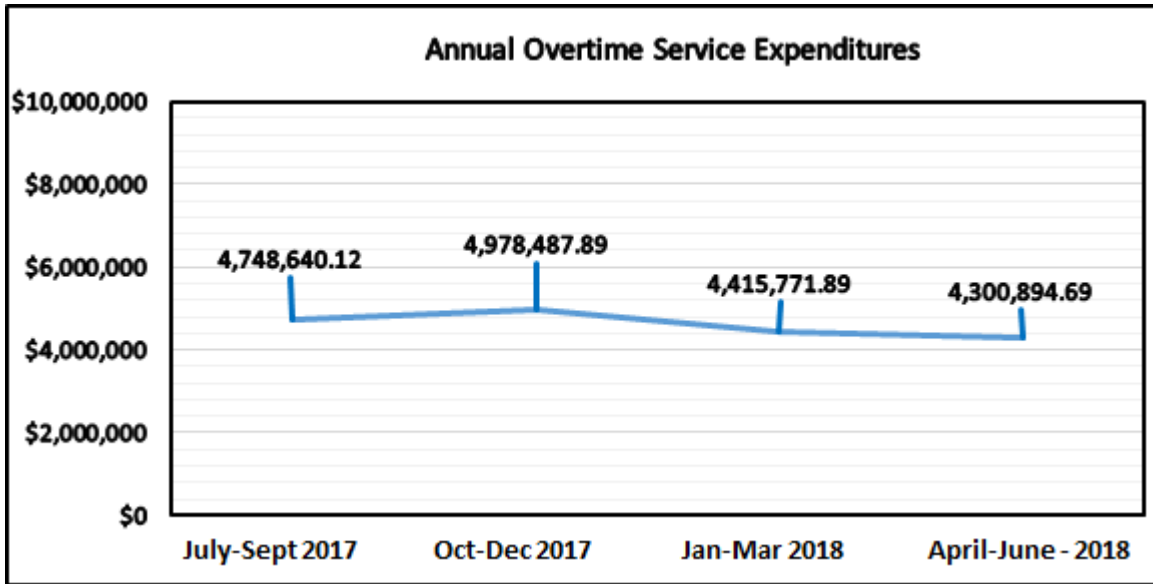
An average of 4,043 IPs claimed overtime hours each quarter for this reporting period.



II. Number of hours paid and amount paid for more than 40 hours in a workweek

A. Total Amounts

To-date, the Department has paid approximately \$49 million in overtime payments to IPs. The expenditures continue to drop each quarter due to controls put into place to ensure providers adhere to the new rules. Expenditures are 46 percent lower than those in the first quarter following implementation of the rule, and 14 percent lower than expenditures in 2017.



Note: Rate increases every July and December.

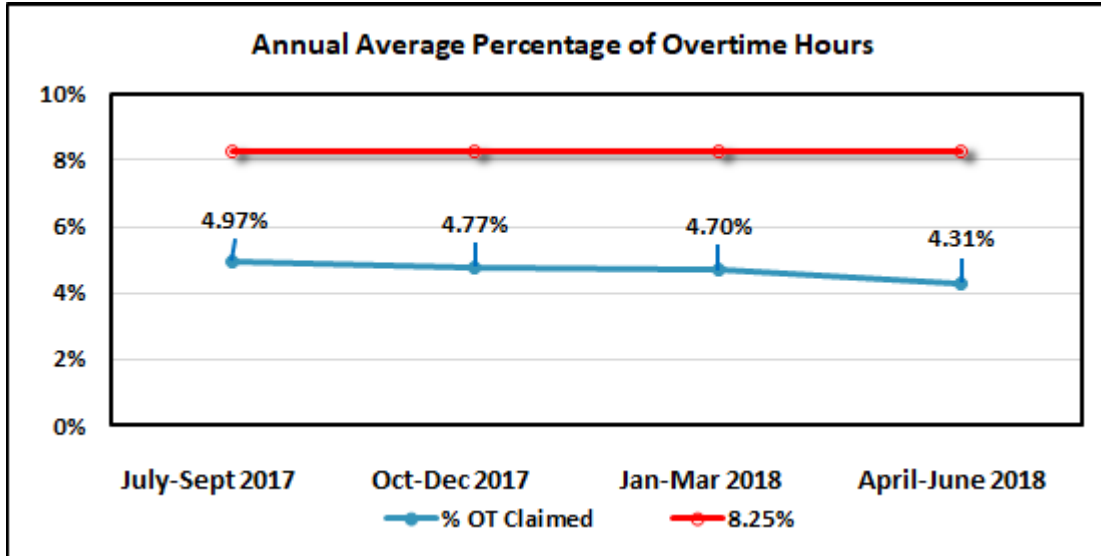
B. Averages

The chart below, illustrates that the percentage of overtime hours claimed continues to be below the 8.25 percent limit for this annual period. Note: The increase in overtime hours in February is due to fewer calendar days available to provide the total monthly authorized hours of care for the consumer.

Work Week	Total IP Hours	Total OT Hours	Average OT Hours
7/2/2017	1,001,346	57,427	5.73%
7/9/2017	982,081	53,559	5.45%
7/16/2017	950,955	47,710	5.02%
7/23/2017	909,504	42,424	4.66%
7/30/2017	948,447	46,052	4.86%
8/6/2017	986,659	51,072	5.18%
8/13/2017	937,971	44,023	4.69%
8/20/2017	920,255	41,853	4.55%
8/27/2017	874,464	36,664	4.19%
9/3/2017	999,352	51,792	5.18%
9/10/2017	977,432	49,056	5.02%
9/17/2017	981,832	50,147	5.11%
9/24/2017	934,307	44,741	4.79%
10/1/2017	1,023,275	54,801	5.36%
10/8/2017	998,953	49,519	4.96%

10/15/2017	952,716	44,339	4.65%
10/22/2017	920,973	40,315	4.38%
10/29/2017	925,170	40,912	4.42%
11/5/2017	1,008,194	51,305	5.09%
11/12/2017	980,412	47,763	4.87%
11/19/2017	962,980	46,195	4.80%
11/26/2017	950,759	44,742	4.71%
12/3/2017	1,016,720	51,997	5.11%
12/10/2017	984,519	47,274	4.80%
12/17/2017	971,147	44,522	4.58%
12/24/2017	895,612	37,526	4.19%
12/31/2017	982,361	46,588	4.74%
1/7/2018	1,004,414	47,658	4.74%
1/14/2018	955,791	41,479	4.34%
1/21/2018	933,482	38,621	4.14%
1/28/2018	911,816	36,893	4.05%
2/4/2018	1,023,946	49,126	4.80%
2/11/2018	1,030,041	53,642	5.21%
2/18/2018	1,075,295	65,337	6.08%
2/25/2018	1,054,609	59,477	5.64%
3/4/2018	1,023,220	47,115	4.60%
3/11/2018	982,763	43,377	4.41%
3/18/2018	964,121	39,981	4.15%
3/25/2018	885,525	33,682	3.80%
4/1/2018	1,046,547	50,723	4.85%
4/8/2018	1,023,032	46,298	4.53%
4/15/2018	1,004,656	45,631	4.54%
4/22/2018	978,358	42,288	4.32%
4/29/2018	1,000,519	43,816	4.38%
5/6/2018	1,015,750	44,301	4.36%
5/13/2018	958,232	38,981	4.07%
5/20/2018	943,753	37,428	3.97%
5/27/2018	879,935	31,924	3.63%
6/3/2018	997,656	44,139	4.42%
6/10/2018	961,407	40,528	4.22%
6/17/2018	904,814	39,585	4.37%

6/24/2018	859,240	35,727	4.16%
Totals	50,397,311.25	2,362,066.50	4.69%



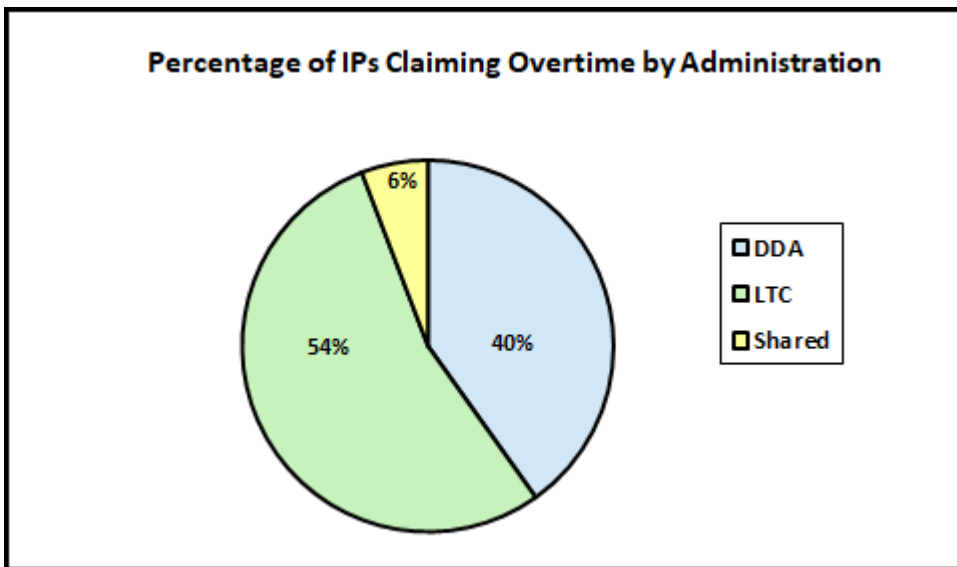
C. Distribution of the Amounts

Overtime hours worked are split across DDA and ALTSA at a rate of 40 percent to 54 percent respectively, with the remaining six percent shared by IPs who work for consumers in both administrations.

Work Week	IP OT Hours Worked for DDA	Percentage OT Hours Worked by DDA IPs	IP OT Hours Worked for ALTSA	Percentage OT Hours Worked by ALTSA IPs	IP OT Hours Worked for DDA & ALTSA	Percentage OT Hours Worked by DDA & ALTSA IPs	Total OT Hours
7/2/2017	22,113	0.94%	31,725	1.34%	3,588	0.15%	57,427
7/9/2017	20,745	0.88%	29,492	1.25%	3,323	0.14%	53,559
7/16/2017	18,914	0.80%	25,893	1.10%	2,904	0.12%	47,710
7/23/2017	17,333	0.73%	22,537	0.95%	2,555	0.11%	42,424
7/30/2017	18,470	0.78%	24,734	1.05%	2,849	0.12%	46,052
8/6/2017	20,155	0.85%	27,738	1.17%	3,179	0.13%	51,072
8/13/2017	18,053	0.76%	23,386	0.99%	2,585	0.11%	44,023
8/20/2017	17,653	0.75%	21,736	0.92%	2,465	0.10%	41,853
8/27/2017	14,823	0.63%	19,669	0.83%	2,172	0.09%	36,664
9/3/2017	20,565	0.87%	28,046	1.19%	3,181	0.13%	51,792

9/10/2017	19,302	0.82%	26,867	1.14%	2,887	0.12%	49,056
9/17/2017	19,802	0.84%	27,370	1.16%	2,975	0.13%	50,147
9/24/2017	17,778	0.75%	24,335	1.03%	2,628	0.11%	44,741
10/1/2017	20,801	0.88%	30,795	1.30%	3,205	0.14%	54,801
10/8/2017	19,432	0.82%	27,080	1.15%	3,008	0.13%	49,519
10/15/2017	17,998	0.76%	23,638	1.00%	2,704	0.11%	44,339
10/22/2017	16,797	0.71%	21,086	0.89%	2,433	0.10%	40,315
10/29/2017	16,504	0.70%	21,991	0.93%	2,417	0.10%	40,912
11/5/2017	20,170	0.85%	27,929	1.18%	3,206	0.14%	51,305
11/12/2017	18,822	0.80%	26,008	1.10%	2,933	0.12%	47,763
11/19/2017	18,889	0.80%	24,725	1.05%	2,581	0.11%	46,195
11/26/2017	17,910	0.76%	24,343	1.03%	2,489	0.11%	44,742
12/3/2017	20,543	0.87%	28,208	1.19%	3,246	0.14%	51,997
12/10/2017	18,749	0.79%	25,706	1.09%	2,820	0.12%	47,274
12/17/2017	17,732	0.75%	24,169	1.02%	2,621	0.11%	44,522
12/24/2017	15,760	0.67%	19,846	0.84%	1,920	0.08%	37,526
12/31/2017	18,550	0.79%	25,300	1.07%	2,738	0.12%	46,588
1/7/2018	19,277	0.82%	25,621	1.08%	2,760	0.12%	47,658
1/14/2018	17,343	0.73%	21,861	0.93%	2,275	0.10%	41,479
1/21/2018	16,128	0.68%	20,395	0.86%	2,098	0.09%	38,621
1/28/2018	14,976	0.63%	19,976	0.85%	1,942	0.08%	36,893
2/4/2018	19,882	0.84%	26,448	1.12%	2,796	0.12%	49,126
2/11/2018	20,769	0.88%	29,634	1.25%	3,239	0.14%	53,642
2/18/2018	24,278	1.03%	37,417	1.58%	3,643	0.15%	65,337
2/25/2018	22,868	0.97%	33,231	1.41%	3,378	0.14%	59,477
3/4/2018	18,919	0.80%	25,353	1.07%	2,843	0.12%	47,115
3/11/2018	18,020	0.76%	22,988	0.97%	2,369	0.10%	43,377
3/18/2018	16,742	0.71%	21,045	0.89%	2,194	0.09%	39,981
3/25/2018	14,186	0.60%	17,713	0.75%	1,783	0.08%	33,682
4/1/2018	19,733	0.84%	28,047	1.19%	2,944	0.12%	50,723
4/8/2018	18,667	0.79%	24,889	1.05%	2,742	0.12%	46,298
4/15/2018	18,226	0.77%	24,902	1.05%	2,503	0.11%	45,631
4/22/2018	17,534	0.74%	22,249	0.94%	2,505	0.11%	42,288
4/29/2018	17,577	0.74%	23,884	1.01%	2,355	0.10%	43,816
5/6/2018	18,222	0.77%	23,596	1.00%	2,483	0.11%	44,301
5/13/2018	16,150	0.68%	20,844	0.88%	1,988	0.08%	38,981

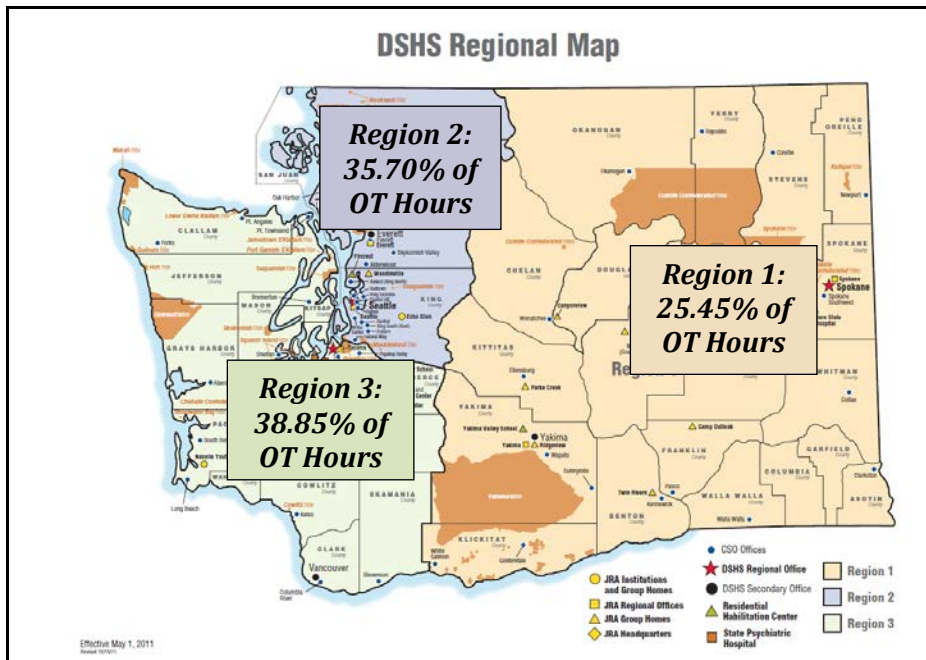
5/20/2018	15,638	0.66%	19,584	0.83%	2,206	0.09%	37,428
5/27/2018	13,003	0.55%	17,250	0.73%	1,672	0.07%	31,924
6/3/2018	17,998	0.76%	23,654	1.00%	2,488	0.11%	44,139
6/10/2018	16,638	0.70%	21,669	0.92%	2,221	0.09%	40,528
6/17/2018	16,292	0.69%	21,098	0.89%	2,195	0.09%	39,585
6/24/2018	14,747	0.62%	19,102	0.81%	1,878	0.08%	35,727
Totals	948,170	40.14%	1,276,795	54.05%	137,102	5.80%	2,362,067



III. Division Data

A. Department Region

The map below illustrates the regional organization of DSHS and the distribution of overtime hours reported in each region:



B. County of Consumer

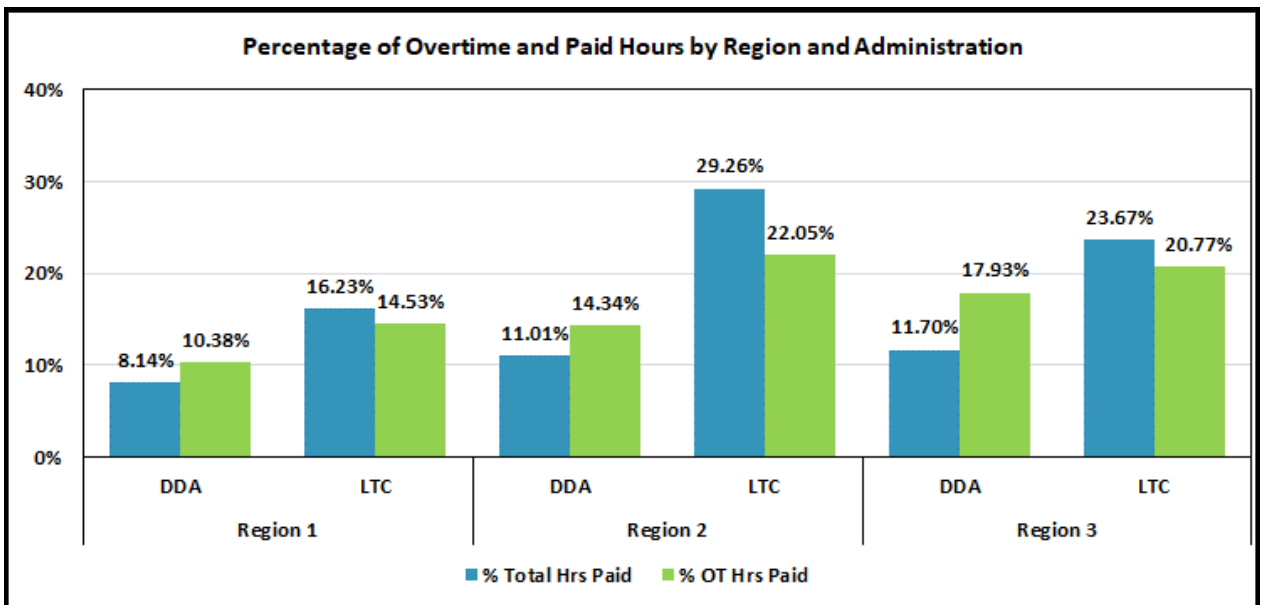
The table below illustrates a breakdown of consumer population, total hours paid, and overtime by the consumer's county of residence for this annual period. It excludes the small number of overtime hours worked by IPs with consumers in multiple counties.

County	Percent Consumer Count	Percent Paid Hours	Percent OT Hours	County	Percent Consumer Count	Percent Paid Hours	Percent OT Hours
Adams	0.32%	0.33%	0.39%	Lewis	1.20%	1.13%	1.54%
Asotin	0.27%	0.31%	0.49%	Lincoln	0.14%	0.14%	0.22%
Benton	3.23%	3.49%	3.75%	Mason	0.69%	0.71%	0.49%
Chelan	0.72%	0.76%	0.86%	Okanogan	0.88%	0.87%	0.99%
Clallam	0.85%	0.87%	0.82%	Pacific	0.48%	0.44%	0.42%
Clark	9.11%	8.94%	9.52%	Pend Oreille	0.26%	0.25%	0.22%
Columbia	0.08%	0.07%	0.13%	Pierce	12.70%	13.05%	14.49%
Cowlitz	1.75%	1.82%	1.84%	San Juan	0.05%	0.05%	0.02%
Douglas	0.28%	0.35%	0.48%	Skagit	1.57%	1.44%	1.57%

County	Percent Consumer Count	Percent Paid Hours	Percent OT Hours	County	Percent Consumer Count	Percent Paid Hours	Percent OT Hours
Ferry	0.17%	0.19%	0.15%	Skamania	0.15%	0.13%	0.12%
Franklin	1.75%	1.84%	1.84%	Snohomish	9.16%	9.10%	9.14%
Garfield	0.03%	0.03%	0.03%	Spokane	8.02%	7.76%	7.21%
Grant	1.95%	1.88%	2.11%	Stevens	0.74%	0.80%	0.92%
Grays Harbor	1.91%	1.80%	2.04%	Thurston	3.27%	3.20%	3.55%
Island	0.77%	0.82%	0.91%	Wahkiakum	0.06%	0.06%	0.13%
Jefferson	0.41%	0.37%	0.30%	Walla Walla	1.03%	0.95%	0.73%
King	26.32%	26.35%	22.16%	Whatcom	2.59%	2.24%	1.87%
Kitsap	2.57%	2.85%	3.87%	Whitman	0.21%	0.21%	0.27%
Kittitas	0.31%	0.27%	0.38%	Yakima	3.78%	3.90%	3.77%
Klickitat	0.23%	0.24%	0.28%				

C. Department Program

The percentage of overtime paid in each region is consistent with the percentages of authorized hours in each region.

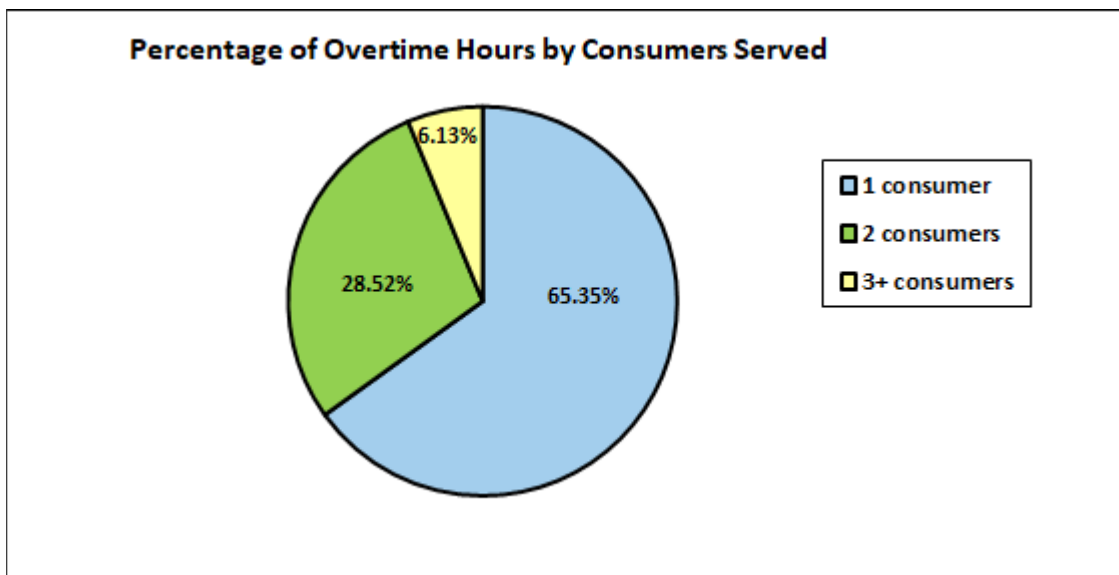


D. By Number of Consumers Served per IP

Work Week	OT Hours IPs Serving 1 Consumer	OT Hours IPs Serving 2 Consumers	OT Hours IPs Serving 3+ Consumers
7/2/2017	36,678	17,170	3,579
7/9/2017	34,320	15,752	3,487
7/16/2017	30,567	13,843	3,300
7/23/2017	27,542	12,238	2,644
7/30/2017	29,835	13,338	2,879
8/6/2017	33,368	14,505	3,199
8/13/2017	29,008	12,319	2,697
8/20/2017	27,866	11,396	2,592
8/27/2017	24,295	10,084	2,285
9/3/2017	33,579	15,126	3,088
9/10/2017	32,271	13,884	2,901
9/17/2017	32,550	14,334	3,263
9/24/2017	29,293	12,647	2,800
10/1/2017	35,501	16,078	3,222
10/8/2017	31,957	14,620	2,942
10/15/2017	28,886	12,888	2,565
10/22/2017	26,590	11,302	2,424
10/29/2017	26,688	12,038	2,187
11/5/2017	33,182	15,215	2,908
11/12/2017	30,946	14,087	2,730
11/19/2017	30,493	13,063	2,639
11/26/2017	29,472	12,780	2,491
12/3/2017	33,577	15,333	3,088
12/10/2017	31,004	13,564	2,706
12/17/2017	28,779	12,740	3,003
12/24/2017	25,073	10,357	2,096
12/31/2017	30,155	13,544	2,889
1/7/2018	31,289	13,585	2,784
1/14/2018	27,480	11,807	2,193
1/21/2018	25,621	10,928	2,072
1/28/2018	24,433	10,457	2,003
2/4/2018	31,922	14,152	3,052
2/11/2018	34,669	15,630	3,343

2/18/2018	42,732	18,581	4,024
2/25/2018	38,766	17,163	3,549
3/4/2018	30,382	13,582	3,150
3/11/2018	28,290	12,095	2,993
3/18/2018	26,113	11,074	2,794
3/25/2018	22,586	9,136	1,959
4/1/2018	32,949	14,553	3,222
4/8/2018	30,069	13,273	2,956
4/15/2018	29,965	12,715	2,951
4/22/2018	27,502	11,978	2,808
4/29/2018	28,674	12,412	2,730
5/6/2018	29,357	12,005	2,939
5/13/2018	25,918	10,721	2,342
5/20/2018	24,890	10,242	2,296
5/27/2018	21,695	8,442	1,788
6/3/2018	28,764	12,470	2,906
6/10/2018	26,740	11,329	2,459
6/17/2018	25,663	11,334	2,589
6/24/2018	23,604	9,870	2,253
<i>Averages</i>	<i>29,684</i>	<i>12,957</i>	<i>2,784</i>

65.35 percent of overtime hours paid were to an IP working with one consumer. 28.52 percent of overtime hours were paid to an IP working with two consumers. IPs serving three or more consumers each week accounted for the remaining 6.13 percent.



IV. Workweek Limit and Impact on Overtime Hours

In accordance with RCW 74.39A.525 (4) (a), the Department established and assigned permanent workweek limits to all IPs based on average hours worked in January 2016. A workweek limit is the maximum number of service hours an IP can provide in a workweek. Service hours are paid to an IP to provide personal care, relief care, skills acquisition training, and/or respite services.

Per RCW 74.39A.525 (3), an individual provider may be authorized to work more than 40 hours in a workweek:

- (a) As described in Washington Administrative Code 388-114-0080; if the Department determines it is necessary, due to a lack of available providers who are able to meet a client’s care needs, because:
 - there is an overall shortage of providers in the client’s specific geographic region,
 - the client has complex medical or behavioral needs, or
 - the client requires a provider who speaks a specific language.
- (b) If the Department established a permanent workweek limit between forty and one-quarter hours and sixty-five hours for an individual provider, based upon work performed by the individual provider in January 2016, as modified by an appeal.
- (c) For required training under RCW 74.39A.074, 74.39A.076, and 74.39A.341, and for required travel time between clients.

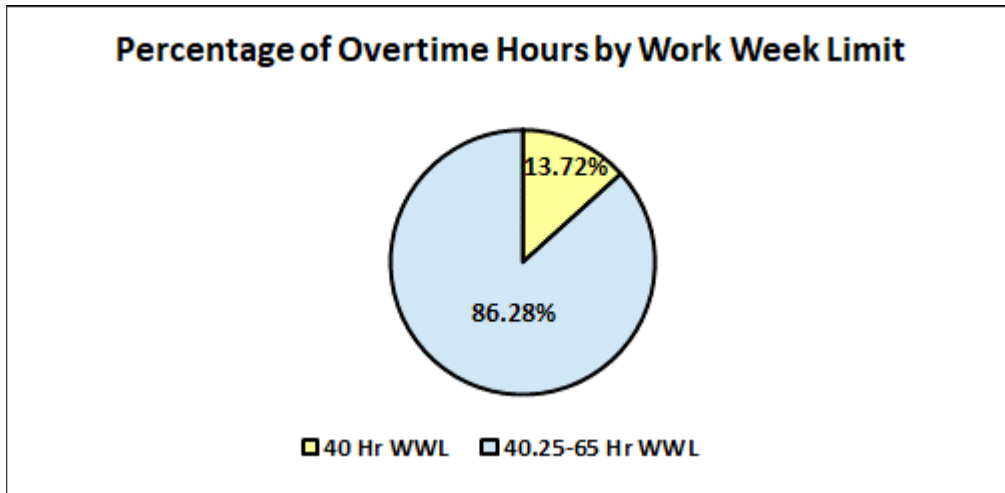
A. IP Overtime Hours Reported Categorized by Workweek Limit

About 86 percent of the overtime hours worked in this annual period were worked by IPs who, based upon the statute, have a DSHS-assigned permanent workweek limit above 40 hours. (About 14 percent of overtime hours worked in this period were by those IPs with a 40-hour workweek limit who temporarily went above their workweek limit, either with or without approval.) The chart below shows that individuals who have permanent workweek limits above 40 hours work a greater proportion of overtime. Overtime hours reported for these IPs include hours that are within their approved workweek limit as well as hours claimed that are above their limit.

Workweek	% of OT with 40 HR WWL	% of OT with 40.25 - 65 HR WWL
7/2/2017	0.40%	2.03%
7/9/2017	0.33%	1.94%
7/16/2017	0.28%	1.74%
7/23/2017	0.19%	1.61%
7/30/2017	0.30%	1.65%
8/6/2017	0.31%	1.85%
8/13/2017	0.23%	1.63%
8/20/2017	0.17%	1.60%
8/27/2017	0.17%	1.38%
9/3/2017	0.32%	1.87%

9/10/2017	0.28%	1.80%
9/17/2017	0.29%	1.83%
9/24/2017	0.21%	1.69%
10/1/2017	0.42%	1.90%
10/8/2017	0.27%	1.83%
10/15/2017	0.24%	1.63%
10/22/2017	0.16%	1.55%
10/29/2017	0.23%	1.51%
11/5/2017	0.34%	1.84%
11/12/2017	0.29%	1.73%
11/19/2017	0.23%	1.73%
11/26/2017	0.27%	1.63%
12/3/2017	0.38%	1.82%
12/10/2017	0.28%	1.72%
12/17/2017	0.26%	1.63%
12/24/2017	0.15%	1.44%
12/31/2017	0.34%	1.64%
1/7/2018	0.28%	1.74%
1/14/2018	0.22%	1.53%
1/21/2018	0.17%	1.46%
1/28/2018	0.19%	1.37%
2/4/2018	0.30%	1.78%
2/11/2018	0.38%	1.89%
2/18/2018	0.61%	2.16%
2/25/2018	0.53%	1.99%
3/4/2018	0.29%	1.71%
3/11/2018	0.23%	1.60%
3/18/2018	0.17%	1.52%
3/25/2018	0.13%	1.30%
4/1/2018	0.39%	1.75%
4/8/2018	0.26%	1.70%
4/15/2018	0.26%	1.67%
4/22/2018	0.19%	1.60%
4/29/2018	0.26%	1.59%
5/6/2018	0.22%	1.65%
5/13/2018	0.20%	1.45%
5/20/2018	0.16%	1.43%
5/27/2018	0.15%	1.20%

6/3/2018	0.26%	1.61%
6/10/2018	0.21%	1.50%
6/17/2018	0.18%	1.49%
6/24/2018	0.14%	1.37%
Grand Total	13.72%	86.28%



V. Monitoring of Authorizations and Costs of Hours

The Department continues to manage overtime utilization, including reviewing requests to temporarily increase workweek limits based upon criteria in the statute related to needs of consumers. The Department has also processed contract actions for IPs working over their workweek limit without a valid approval reason as defined in the statute and WAC.

A. Contract Actions

When an IP has claimed more hours than are allowed and approved by the Department, there is a multi-step contract action process intended to educate the IP and their consumer about the rules and support compliance with the statute. Each contract action remains active on an Individual Provider’s contract for one year from the date it was issued.

For this annual period, the following contract actions have been issued to IPS:

- **First Contract Action (6,239):** IP and consumer are notified, in writing, that continuing violations may lead to contract termination.
- **Second Contract Action (3,977):** IP and consumer are notified, in writing, that one more violation could lead to contract termination.
- **Third Contract Action/Additional Warning (1,501):** The Department considers an IP’s claiming history and severity of the excess claiming activity and determines if contract termination is appropriate. If the contract is not terminated, the IP and consumer are notified, in writing, that an additional violation may lead to contract termination.

- **Termination Notices (44)**: All IPs who receive a termination notice have 10 days from the date of their contract action notice to request a review of their termination if they believe the Department made an error. If, after the reviews are completed, it is determined that the Department did not make an error, the terminations are effective 30 days from the date of their notice and the consumer is offered assistance in locating a new, qualified care provider.

VI. Conclusion

Overall utilization of overtime has consistently decreased due to education and management practices. The Department continues to explore adjustments in practice, consistent with the law, that provide flexibility for clients and providers and assists clients to remain in the least restrictive setting of their choice.