

Maintenance Level

M2-EJ SEBB Implementation

Agency Recommendation Summary Text

The Health Care Authority (HCA) requests an increase of \$12,599,000 and 37.9 FTEs in the 2018 Supplemental to establish, organize, and implement the School Employees Benefits Board (SEBB) and the SEBB program.

Fiscal Summary

Operating Expenditures	FY 2018	FY 2019	FY 2020	FY 2021
418-1 State HCA Admin Account	\$1,474,000	\$11,125,000	\$20,043,000	\$10,153,000
Total Cost	\$1,474,000	\$11,125,000	\$20,043,000	\$10,153,000
Staffing	FY 2018	FY 2019	FY 2020	FY 2021
FTEs	27.2	48.5	53.3	50.0
Revenue	FY 2018	FY 2019	FY 2020	FY 2021
418-1 State HCA Admin Account	\$1,474,000	\$11,125,000	\$20,043,000	\$10,153,000
Total Revenue	\$1,474,000	\$11,125,000	\$20,043,000	\$10,153,000
Object of Expenditure	FY 2018	FY 2019	FY 2020	FY 2021
Obj. A – Salaries	\$328,000	\$3,434,000	\$3,655,000	\$3,433,000
Obj. B – Benefits	\$108,000	\$1,185,000	\$1,279,000	\$1,201,000
Obj. C – Contracts	\$373,000	\$2,400,000	\$2,150,000	\$1,900,000
Obj. E – Goods & Services	\$659,000	\$4,065,000	\$12,917,000	\$3,578,000
Obj. G – Travel	\$6,000	\$41,000	\$42,000	\$41,000

Package Description

HCA is requesting additional funds and FTEs in order to implement PL.HB 2242 Part VIII. The HCA fiscal note for this bill contained the required funding and personnel needed to establish, organize, and implement the SEBB and the SEBB program.

PL.HB 2242 establishes a new employee purchasing system under the SEBB Program within HCA that is comparable in size to the PEBB program, and requires additional resources in various HCA operational divisions in the areas of program leadership, finance and accounting, procurement and contract management, policy and rules, information technology services, legal, and actuarial analysis and consultations, etc.

The PEBB Program currently serves 118,921 funding units. The PEBB Program currently has 104 FTEs. With the creation of the SEBB Program, HCA anticipates an increase in funding units of approximately 118,594. These figures do not account for the possibility that SEBB Program offerings may encourage increased enrollment from eligible employees and their household.

While there is a need for additional FTEs, HCA anticipates cost efficiencies between the PEBB and SEBB Programs. At this time, HCA cannot estimate savings for PEBB in relation to the creation of SEBB Program as the SEB Board needs to be created and establish the new benefit offerings. Once the SEBB Program has been fully established, HCA will be able to better determine what cost efficiencies have been created and request an adjustment to funding for both PEBB and SEBB; this will ensure that expenses specific to one program can be borne solely by the program, whereas expenses that impact both programs can be shared by the programs. In addition, depending on the benefits authorized by the SEB Board, there may additional expenditures and staffing needed for SEBB Program implementation beyond those identified in this decision package.

HCA will be impacted by the consolidation of purchasing of health benefits for all school districts, educational service districts, and charter schools in a variety of ways. Impacts include but are not limited to:

- Procurement and portfolio management of SEBB Program benefits
- Significant increases in the number of publications to serve the expanded population of covered lives
- Increases to the volume of appeals and administrative hearings
- Significant operational impacts due to the expanded population of covered lives including:
 - Increased continuation coverage administration;
 - Outreach and Training communications to all school district personnel, payroll and benefit officers;
 - Increased K-12 retiree enrollment in PEBB benefits (due to higher visibility of PEBB retiree benefits eligibility to K-12 employees);
 - Increase in call volumes to phone staff; and
 - The possibility of expanded reporting requirements under the ACA
- Budgetary impact to HCA related to:
 - Initial implementation expenses (to be reimbursed by the SEBB insurance administrative account)
 - Increases in administrative expenses;
 - Increases in staffing levels;
 - Actuarial expenses related to various reports to the legislature mandated in the bill; and
 - Project management expenses related to the implementation of health benefits for school district, educational service district and charter school employees
- Promulgation of WACs specific to the SEBB Program and creation of SEBB Program specific policies
- Impacts to the PAY 1 system for data interfacing with school district systems
- Assuming that a single payroll system is used by most districts, HCA anticipates the following impacts to our Accounting unit due to an increase in the number of accounts:
 - Increase in the number of direct payments received from subscribers who are continuing coverage under continuation coverage; and
 - Increase in the number of subscribers paying for coverage through the electronic debit service under continuation coverage
 - Additional impacts to finance include but are not limited to:
 - Increased volume in managing accounts receivables;
 - Input of payments and invoices into the employer database; and
 - Separate rate-setting and financial modeling for a third risk pool

David Iseminger, Public Employees Benefits Division: 360.725.1108 or david.iseminger@hca.wa.gov

Decision Package Justification and Impacts

Performance Measure Detail:

What specific performance outcomes does the agency expect?

As part of Goal 4: Healthy & safe communities – Healthy People. HCA and SEBB will provide quality health care services and benefits to about 300,000 additional covered lives.

What alternatives were explored by the agency and why was this option chosen?

To stand up a new program providing health care benefits and services to about 300,000 covered lives without any personnel assigned to work on that task and with a fraction of the resources needed, required that we request additional resources to implement and sustain this new program.

What are the consequences of not funding this request?

If additional funding for staffing is not provided for this new program, HCA and SEBB will be unable to implement the intent of PL.HB 2242. If the funding requested is not provided, HCA assumes that work related to the creation of the SEB Program will cease by April 2018, if not sooner, and work cannot continue into fiscal year 2019.

How has or can the agency address the issue or need in its current appropriation level?

HCA doesn't currently have sufficient funding or staffing levels necessary to implement this new board and program without drastic reductions to existing programs. If required, these cuts would have a negative effect on customers within those programs. Further, HCA cannot use current appropriations to create and maintain the SEBB Program as existing funding is necessary to maintain existing programs.

Provide references to any supporting literature or materials:

None

Base Budget

If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service.

The enacted 2017-2019 biennium operating budget, Substitute Senate Bill 5883 section 213 (2)(f) appropriates \$8 million of the HCA Administrative Account for implementation of the SEBB. Although the enacted budget provides funding, it does not provide sufficient funding for staffing, which is needed to implement this new board and program. Therefore, this proposal requests the funding needed to implement and sustain the program.

Expenditure, FTE and Revenue Assumptions, Calculations and Details:

Below is a summary of the staff and resources that would be required to support the School Employees' Benefits Board Program. HCA requires \$20,599,000 in the 2017-2019 biennium to implement SEBB; the total request is reduced by the \$8 million allotted in the 2017-2019 biennial budget. HCA requests that the 2017-2019 biennium budget be increased by \$12,599,000 to allow for the full implementation of the SEBB Program.

Program Leadership:

The staff in this work stream will provide executive support, leadership, and organizational visions for the program.

- 1.0 FTE WMS 3 beginning July 2017 (on-going)
 - This position provides executive level leadership and is responsible for management oversight, structuring, procurement, and administration. This position interacts with legislative committees and staff, the board, special interest groups, and may be part of the HCA executive team.
- 2.0 FTE WMS 2, one beginning July 2017, one beginning November 2017 (on-going)
 - One of these staff will provide leadership and management for the outreach and training team, which will now provide support to approximately 800 separate personnel, payroll, and benefit offices in the state. This position will also oversee change management efforts in this area.
 - One of these staff will provide leadership and management for the integrated customer service center serving all covered lives in the PEBB & SEBB Programs.
- 1.0 FTE Administrative Assistant 4 beginning July 2017 (on-going)
 - This position will provide administrative support to program leadership and the board.

Procurement and Medical/Dental Plan Contract Management:

This unit requires increased staffing levels to manage the design and delivery of the new suite of self-insured and fully-insured SEBB Program plans. To accomplish this task, procurement and portfolio management will need the following increase in staffing levels:

- 3.0 FTEs WMS 2, one beginning October 2017, two beginning January 2018 (on-going)
 - Three staff will work as senior account managers on the initial procurement of SEBB Program plans and the on-going management thereafter.
- 2.0 FTEs Program Specialist 5 beginning July 2018 (on-going)
 - One staff will provide procurement implementation support for the suite of new SEBB Program plans

Operations:

This unit requires increased staffing levels to provide agency and employer support, marketing presentations, Fuze (a secure email communication tool used by registered employers to communicate with staff at HCA) responses, agency phone calls, drafting communication materials, web content, and web-based enrollment forms, informational messaging, and ACA reporting requirements. To accomplish this task, operations will need:

- 3.0 FTEs Communications Consultant 3 (CC3), one beginning January 2018, one beginning July 2018 (both on-going), and one non-permanent position beginning January 2018 through March 2020:
 - Write support initial communication material revisions, initial new web content, and provide on-going maintenance of SEBB Program content.
 - Support print and production services with designing and creating materials to support the web based enrollment forms and informational messaging.
 - These staff will be responsible for the creation and maintenance of the certificates of credible coverage
- 1.0 FTE Communications Consultants 5 beginning September 2017 (on-going)

- Create communication strategy, lead the development of materials and supervise CC3s.
- 1.0 FTE Management Analyst 2 beginning July 2018 (on-going)
 - Support analysis of ACA reporting requirements.
- 1.0 FTE Benefit Marketing Representative beginning October 2017 (on-going)
 - Provide on-going outreach and training support to school districts; including employee benefit fairs.
- 4.0 FTEs Medical Assistance Specialist 4, two beginning November 2017, one beginning July 2018, and one beginning January 2019 (on-going)
 - Provide employer and agency support (Fuze & School District employer Phone Calls)
 - Train MAS 3s and perform account accuracy review
- 4.0 FTEs Medical Assistance Specialist 3 beginning January 2019 (on-going)
 - Provide member support on retiree call center line or in person for increased K-12 retiree enrollment.
 - Process documents for increased K-12 retiree members.
 - These staff will provide administrative support for the anticipated increased COBRA enrollment for K-12 employees and dependents that lose coverage for qualified events.
- 1.0 FTE Medical Assistance Specialist 5 beginning July 2018 (on-going)
 - Supervise MAS 4/MAS 3 positions in the customer service center

Policy and Rules:

It will be necessary for HCA to adopt policies and administrative rules to implement the K-12 consolidated public school employees' benefits purchasing system under the authority granted by this bill.

- 1.0 FTE Medical Program Specialist 3 beginning July 2017 (on-going)
 - This staff will lead the resolution of program issues; evaluate the effectiveness of program policies and initiatives and the impact on members.
 - Significant responsibility for managing the annual SEBB rule making activities.
- 2.0 FTEs Medical Program Specialist 2 beginning October 2017 (on-going)
 - Development and drafting of new policies and rules pertaining to SEBB.
 - Monitor compliance with federal and state law.

Benefits Strategy and Design:

- 1.0 FTE WMS 1 beginning July 2017 (on-going)
 - This staff will support strategic planning, research and analysis related to trend management, monitoring systems, compliance, protocol adherence and operating policy development.
- 1.0 FTE IT Specialist 5 beginning September 2017 (on-going)
 - This staff is the Data Warehouse Specialist, working with a contracted vendor to build a data warehouse to store eligibility, enrollment and encounter data for approximately 300,000 members. The data warehouse is a critical IT system and this staff will be responsible to oversee both the implementation and the on-going day-to-day operation of the system.

Financial Services Division:

- 1.0 FTE Fiscal Analyst 3 beginning January 2018 (on-going)
 - Accounts Payable/Lead
- 1.0 FTE Fiscal Analyst 2 beginning January 2018 (on-going)
 - Provide phone support and accounting adjustments for new K-12 employers.
- 1.0 FTE Fiscal Analyst 2 beginning January 2019 (on-going)

- Provide phone support and accounting adjustments for COBRA and retiree customer's paper billing.
- 1.0 FTE Fiscal Analyst 2 beginning January 2019 (on-going)
 - Provide phone support/accounting adjustments for COBRA and retiree customers electronic debit service billing.
- 1.0 FTE Fiscal Analyst 1 beginning January 2019 (on-going)
 - Responsible for posting revenue payments for the SEBB Program and miscellaneous fiscal assistance to SEBB Program accounting.
- 1.0 FTE WMS 1 beginning November 2017 (on-going)
 - Oversee and supervise the Fiscal Analyst positions listed above.
- 3.0 FTEs WMS 2, one beginning July 2017, two beginning October 2017 (on-going)
 - Perform financial modeling, analytics, and work with actuarial consultants for SEBB Program benefits.
- 1.0 FTE Budget Analyst 4 beginning August 2017 (on-going)
 - Manage budget related activities for the SEBB Program.

Information Services/Information Technology:

This division requires increased staffing levels to lead project implementation, maintain data interfaces between districts and HCA, develop SEBB Program business requirements, and make change to the established (or leveraged) system of record. To accomplish this task Information Technology will need the following in increased staffing levels:

- 1.0 FTE IT Specialist 6 beginning October 2017 (on-going)
 - This position will be the HCA system (which is PAY1 at this time) technical subject matter expert (SME) on the SEBB Program component of the system which includes being the expert in all the ETL (extract, transform and load) processes; will also be technical point of contact
- 1.0 FTE IT Specialist 5 beginning October 2017 (on-going)
 - Serve as the business analyst on the SEBB Program component of the system.
- 1.0 FTE IT Specialist 5 beginning October 2017 through March 2020
 - Develop the HCA system extract, transform and load (ETL) processes and assist in programming changes
- 1.0 FTE IT Specialist 4 July 2017 (on-going)
 - Support developer of the SEBB Program component of the system.
- 1.0 FTE IT Specialist 4 beginning October 2017 through March 2020
 - Assist in developing the HCA system ETL processes and assist in programming changes

Division of Legal Services:

This division has requires increased staffing levels to support legal needs, write contracts and interact with the Office of the Attorney General (AG).

- 1.0 FTE WMS 2 beginning July 2017 (on-going)
 - Support legal needs and additional attorney support for hearings and appeals.
- 1.0 FTE Paralegal 2 beginning July 2019 (on-going)
 - Provide the legal technical administrative support of new appeals.
- 2.0 FTEs Contract Specialist 3 beginning January 2018, one on-going and one temporary through December 2019
 - Support contracts and work with the Attorney General (AG) on legislative requests.
 - Manage procurements for SEBB.

Employee Resource Division:

- 1.0 FTE Human Resource Consultant 3 beginning August 2017 (on-going)
 - Facilitate Human Resource related duties in relation to new staff.
- 1.0 FTE Office Assistant 3 beginning January 2019 (on-going)
 - Assist with increased mail received at HCA for retiree accounts from K-12 employees who have increased understanding of their SEBB Program retiree benefits eligibility.
 - Assist with sorting, imaging, and indexing of documents received for the SEBB Program.

Central HCA Communications:

- 2.0 FTEs Graphic Design Senior beginning January 2019, one on-going and one temporary through December 2019
 - Support initial implementation communication design work for materials specific to the K-12 employee members and provide maintenance level support after implementation.
 - The central HCA Communications supports the entire agency, including Apple Health and the PEBB Division. The HCA Communications FTE level did not increase as a result of the merger with Medicaid in 2011. Process improvements/efficiencies were implemented to accommodate the increased demand for graphic design after the merger. As a result, HCA cannot support another large program without more staff.
 - There are 97 PEBB Program materials requiring graphic design—ranging from 100-page benefits booklets to newsletters to forms. The majority of them are revised every year for open enrollment. Some are revised more than once a year. Files need to be prepared both for printing and posting online. This total does not include one-time design requests from the PEBB Program. HCA assumes a similar extensive, workload associated with the creation and maintenance of the SEBB Program.
 - Because SEBB benefits eligibility will be different, and some benefit offerings may be different, from PEBB eligibility and benefits, SEBB materials will need to be created from the ground up to ensure accuracy and establish a clear identity different than PEBB.
 - SEBB and PEBB may have concurrent, yet separate open enrollments, essentially doubling the current graphic design workload during the months of July, August, September, October, and November.

Clinical:

- 1.0 FTE Occupational Nurse Consultant beginning October 2017 (on-going)
- 1.0 FTE Program Specialist 5 beginning July 2018 (on-going)

These two positions will:

 - Support clinical performance measuring, monitoring and improvement activities. While this work is coordinated centrally, each HCA program requires program specific support.
 - Support the clinical components of value-based purchasing, during both procurements and monitoring of performance guarantees in contracts
 - Provide benefit design evaluation and implementation as it relates to the direction set by the SEBB.
- 1.0 FTE WMS 5 beginning September 2017 (on-going)
 - Physician leadership is needed to support the clinical program needs of the SEBB and the design and management of the medical coverage that will be offered through that program. While there will be similarities in the other HCA benefit programs (PEBB and Apple Health) there will be several unique needs the degree of which are unknown at this time. These unique needs include:
 - Develop the appropriate coverage parameters taking into consideration the direction set by the SEBB.

- Establish the appropriate working relationships with the clinical leadership of the contracted entities, and assure that the coverage is appropriately defined, managed and revised when needed. This includes all factors related to utilization review, algorithms used to determine clinical appropriateness, case management services and the comprehensive care management for the members.
- Determine the most appropriate measures to assess the quality of the care provided. As found in management of other programs, each member population has unique attributes that drive the relevance of measures.
- Create the systems with the contracted entities, gather the measure results in a timely and useable format. Translate the results of the measures into actionable quality initiatives or actions for the benefits of the SEBB membership. Oversee the implementation of such efforts.
- General program support including issue escalation and resolution; procurement support; program design review; Board education design, preparation, vetting and delivery; Board presentation on coverage parameters, clinical issues or quality efforts; case specific support such as out-of-state or high severity clinical situations; communication with the vendors, members, the authorizing environment, HCA, providers etc. related to SEBB clinical initiatives.

Additional administrative costs outside of additional staffing resources include:

- Procurement and establishment of workspace for additional FTEs:
 - One-time costs of \$1,386,000 in fiscal year 2018
 - Annual costs of \$404,000 starting fiscal year 2019 and on-going
- \$1,900,000 annual budget for actuarial services (on-going)
- Placeholder of \$9,000,000 one-time IT cost in January 2020 associated with coding changes to the PAY 1 legacy system (300,000 covered lives* \$2.50 per member* 12 months = \$9,000,000)
- This assumes PAY 1 is not replaced during the implementation of the SEBB Program. However, depending on the result of the upcoming PAY 1 replacement feasibility study, there may be a less costly system to launch the SEBB Program.

- Additional IT Development and Contract costs as listed below:

IT Development and Contract Costs	FY18	FY19	FY20	FY21	FY22	FY23
Web Enrollment tool						
Project and Account Management	\$ 192,500	\$ 192,500				
WSIPC Customers	\$ 55,000	\$ 55,000				
SunGard Customers	\$ 33,000	\$ 33,000	\$ 33,000	\$ 33,000	\$ 33,000	\$ 33,000
Other 9 customers	\$ 110,000	\$ 660,000	\$ 660,000	\$ 660,000	\$ 660,000	\$ 660,000
Web Enrollment Subtotal	\$ 390,500	\$ 940,500	\$ 693,000	\$ 693,000	\$ 693,000	\$ 693,000
Data warehouse-Subtotal	\$ 845,900	\$ 250,745	\$ 250,745	\$ 250,745	\$ 250,745	\$ 250,745
Interfaces						
Computer system	\$ 159,390	\$ 55,000	\$ 27,500			
Interfaces - SunGard	\$ 110,000	\$ 27,500	\$ 27,500			
Interfaces - all other	\$ 148,500	\$ 148,500	\$ 37,125			
Other Systems integration	\$ 220,000	\$ 220,000	\$ 110,000			
School Districts costs	\$ 275,000	\$ 275,000	\$ 110,000			
Interfaces Subtotal	\$ 912,890	\$ 726,000	\$ 312,125	\$ -	\$ -	\$ -
Mainframe Development Charges at CTS	\$ 120,000					
Recurring On-going Processing Costs		\$ 390,000	\$ 780,000	\$ 780,000	\$ 780,000	\$ 780,000
Total	\$ 2,269,290	\$ 2,307,245	\$ 2,035,870	\$ 1,723,745	\$ 1,723,745	\$ 1,723,745

- \$1,250,000 for consultant services, starting July 2017 through December 2019 for development and implementation of the project management plan for standing up the SEBB Program. It has been estimated that \$500,000 will be in fiscal year 2018, \$500,000 in fiscal year 2019, and \$250,000 in fiscal year 20. These values are consistent with the PEB Division experience of payroll integration with the UW Workday Project (18 month window), but will be implemented over a 30 month window (July 2017 through January 2020). Included in the project management plan deliverables would be at least the following:
 - Change management
 - Data sharing
 - Staffing analysis
 - Training
 - Policy changes
 - Rules and eligibility development
 - IT system changes
 - Communications
 - Finance considerations
 - Data analysis
 - Benefit procurements
 - Contract negotiations
 - Plan implementation as well as other activities.
- \$30,000 annually beginning July 2017 for travel, lodging, and per diem for stakeholder and outreach activities.
- \$20,000 annually beginning in July 2017 continuing through January 2020 for tax/legal advice and cafeteria plan review for implementation completion
- Communication Materials updates annually beginning January 1, 2020:

- \$397,500 in fiscal year 2019 and \$795,000 on-going annual costs associated with sending higher volumes of communication materials to expanded population.
- \$81,500 in fiscal year 2019 for initial two-page letter.
- \$60,300 in fiscal year 2019 and \$20,100 on-going annual costs for employee enrollment guide
- \$51,500 annual costs beginning fiscal year 2019 open enrollment K-12 employee newsletter
- \$800 annual costs beginning fiscal year 2019 for additional benefits comparison charts to distribute at open enrollment benefit fairs
- HCA is responsible for conducting an analysis of cost savings that result from the transition to a statewide K-12 consolidated benefits purchasing system. The analysis is to be completed by November 2021. HCA will hire an actuarial firm to conduct this analysis.
 - \$325,000 one-time in fiscal year 2022 estimated
- Additional assistance from the Attorney General (AG) office services
 - 2.0 FTEs Assistant Attorney General beginning July 2017 (on-going). Per the AG, costs are anticipated to be \$250,000 per fiscal year, effective July 2017.
- Additional assistance from the Governor’s Office of Labor Relations will be necessary to support collective bargaining requirements with school districts. The expenditures total \$265,383 in fiscal year 2018, \$410,676 in fiscal year 2019 for a 2017-2019 biennium total of \$676,059. Thereafter, costs are reduced to \$506,376, per biennium, on-going. These costs will be paid by the Office of Financial Management (OFM), and reimbursed by HCA.

Impacts to Communities and Other Agencies

Fully describe and quantify expected impacts on state residents and specific populations served.

All school district, educational service districts, charter schools, and their employees and dependents within the state will be effected by the funds and personnel provided within this request. The SEBB and SEBB Program is projected to provide health care benefits and services for approximately 118,594 funding units.

The establishment of SEBB also impacts the AG and the OFM. The financial implications are included in the expenditure assumptions. HCA will reimburse the AG and the OFM for costs associated with the SEBB.

What are other important connections or impacts related to this proposal?

Does this request have:

Regional/county impacts?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Other local government impacts?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Tribal government impacts?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Other state agency impacts?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

Does this request:

Have any connection to Puget Sound recovery?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Respond to specific task force, report, mandate or executive order?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Contain a compensation change?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Require a change to a collective bargaining agreement?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Create facility/workplace needs or impacts?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Contain capital budget impacts?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Require changes to existing statutes, rules or contracts?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Have any relationship to or result from litigation?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>


If “Yes” to any of the above, please provide a detailed discussion of connections/impacts.

Both the AG and OFM will have costs associated with the establishment of the SEBB Program. The information below is based on information provided by each:

- Additional assistance from the Attorney General (AG) office services
 - 2.0 FTEs Assistant Attorney General beginning July 2017 (on-going).
- Additional assistance from the Governor’s Office of Labor Relations, paid for by OFM, will be necessary to support collective bargaining requirements with school districts.

Information Technology (IT)

Does this request include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

- No
- Yes  Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)

2018 Supplemental Information Technology Addendum

Part 1: Itemized IT Costs

Please itemize any IT-related costs, including hardware, software, services (including cloud-based services), contracts (including professional services, quality assurance, and independent verification and validation), or IT staff. Be as specific as you can (See chapter 12.1 of the operating budget instructions for guidance on what counts as “IT-related costs”).

Information Technology Items in this DP <i>(insert rows as required)</i>	FY 2018	FY 2019	FY 2020	FY 2021
Web Enrollment Tool		\$940,500	\$693,000	\$693,000
Data Warehouse		\$250,745	\$250,745	\$250,745
Interfaces		\$726,000	\$312,125	
Processing Costs		\$390,000	\$780,000	\$780,000
Wiring		\$18,000	\$18,000	\$18,000
Equipment		\$36,840	\$36,840	\$36,840
Software		\$89,290	\$89,290	\$89,290
Total Cost		\$2,451,375	\$2,180,000	\$1,867,875

Part 2: Identifying IT Projects

If the investment proposed in the decision package is the development or acquisition of an IT project/system, or is an enhancement to or modification of an existing IT project/system, it will also be reviewed and ranked by the OCIO as required by RCW 43.88.092. The answers to the three questions below will help OFM and the OCIO determine whether this decision package is, or enhances/modifies, an IT project:

Does this decision package fund the development or acquisition of a new or enhanced software or hardware system or service?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Does this decision package fund the acquisition or enhancements of any agency data centers? (See OCIO Policy 184 for definition.)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See OCIO Policy 121 .)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

If “Yes” to any of these questions, complete a concept review with the OCIO before submitting this budget request. Refer to chapter 12.2 of the operating budget instructions for more information.