Agency Recommendation Summary

The Department of Health (DOH) requests continued funding for the 2021-23 biennium to implement its new Health Care Enforcement and Licensing Modernization Solution (HELMS). This effort, which is under the gated funding oversight process by the Office of the Chief Information Officer (OCIO), will transform licensing and enforcement processes, improve data security, support electronic records management, and improve access to information.

Fiscal Summary

Fiscal Summary *Dollars in Thousands*	Fiscal Years		Biennial	Fiscal Years		Biennial
	2022	**2023**	**2021-23**	**2024**	**2025**	**2023-25**
Staffing						
FTEs	25.5	14.8	**20.15**	0.0	0.0	**0.0**
Operating Expenditures						
Fund 001 - 7	$58	$34	**$92**	$0	$0	**$0**
Fund 02G - 1	$9,193	$5,613	**$14,806**	$0	$0	**$0**
Fund 202 - 1	$81	$49	**$130**	$0	$0	**$0**
Total Expenditures	**$9,332**	**$5,696**	**$15,028**	**$0**	**$0**	**$0**
Revenue						
001 - 0597	$58	$34	**$92**	$0	$0	**$0**
02G - 0299	$9,193	$5,613	**$14,806**	$0	$0	**$0**
202 - 0420	$81	$49	**$130**	$0	$0	**$0**
Total Revenue	**$9,332**	**$5,696**	**$15,028**	**$0**	**$0**	**$0**

Decision Package Description

Problem

DOH is developing a replacement for its legacy health professional and facility licensing and enforcement system (Integrated Licensing Regulatory System or ILRS). The new IT solution, called HELMS, will transform licensing and enforcement processes, improve data security, support electronic records management, and improve access to information.

The HELMS project was funded by legislature in 2019 through the Health Professions Account (02G). The funding was placed in the Information Technology (IT) Investment Pool to be managed by the OCIO and the Office of Financial Management.

In the 2019-2021 biennium, the project was appropriated $11.7 million, however this appropriation did not carry forward into the new 2021-23 biennium. With no HELM project budget in the 2021-23 biennium, the department seeks a total of $15.0 million in the 2021-23 biennium – from a variety of fund sources – to complete the development of HELMS. This proposal includes changes to the funding methodology and increased costs due to shifting market conditions.

Background

HELMS will deliver needed improvements to the agency's licensing system, making it easier for healthcare professionals and facilities, boards and commissions, and the public to access and share information with the department. Examples of these new improvements include:

- Allowing providers to view and manage information from one site, such as application status, specializations or endorsements, and address updates;
- Allowing employers of multiple providers to perform bulk credential renewals;
- Enabling electronic notifications of credential expiration, status changes, disciplinary actions, and continuing education due dates;
- Reducing mail processing for renewal and other processes through online transactions;
- Providing electronic access to healthcare facility inspection and investigation reports;
- Allowing consumers to look up provider specializations and practice locations; and
- Enabling patients and others who have filed complaints against practitioners and facilities to check complaint status online.

HELMS has several features which will improve the ability for the public, researchers, and government agencies to obtain health care

information. HELMS will include data on practice locations and health specialties for providers which will allow public health agencies, researchers, and others to identify gaps in services. This information will guide the development of services to underserved populations that will benefit most, including communities of color, underprivileged, and rural populations.

When completed, HELMS will support the healthcare licensing and regulation needs of 497,000+ healthcare practitioners, 2,500 educational and training programs, and 12,000 facilities. Modernizing the current system will provide a number of benefits including improved use, access, and cost controls.

Changes in Funding Methodology

The types of funds requested in this proposal differs from the existing appropriation mix provided in the 2019-2021 biennium. The initial plan was originally funded through the Health Professions Account, which gets its revenue through the licensing and renewal fees paid by the state's healthcare professionals. Since healthcare facility fees are deposited into different local and dedicated accounts, the original plan was to partially reimburse the Health Professions Account by those accounts to ensure facilities were covering their fair share. To generate the additional revenue needed to fund the project, this initial plan proposed a temporary surcharge on health professional and facilities license fees. However, as the department worked out the details to operationalize this surcharge, it discovered the surcharge plan would be costly to implement. The department also discovered that the projected fund balances in the 2021-23 biennium for all the relevant accounts eliminate the need to exact a surcharge as expected surpluses are sufficient to cover the project costs. The current proposal relies on existing fund balances in all relevant accounts to support HELMS. DOH does not anticipate the need to raise health professional or facility fees to implement this new methodology.

Changes in Estimated Costs

When the department initially requested spending authority for the HELMS project, the cost estimate for system integration services (the software that allows all components to function together as a unit) was $7.3 million. This estimate was based on the best information available at the time and was in-line with the 2017 feasibility study.

This year, during the procurement phase of the project, DOH received bids from two vendors to provide system integration services using the Department of Enterprise Services (DES) master contract list. Both bids came in above the $7.3 million budget for this work. DOH believes this is the result of changes in market conditions since the original feasibility study. The new estimated price for system integration services is approximately $12.5 million. This increases the total project cost by $5.1 million. A portion of this additional cost – $1.8 million – will be incurred in fiscal year 2021 (please refer to the associated 2021 supplemental request) while $3.3 million of the additional costs are included in this 2021-23 biennium request.

Assuming this request is funded, the department expects to complete the HELMS project on-time, by June 30, 2023. DOH will submit a maintenance and operations request in the 2022 supplemental session when the project is closer to completion.

Assumptions and Calculations

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

As noted earlier, this proposal represents a shift the project funding methodologies from the past. It also updates the anticipated costs originally identified in previous estimates.

Detailed Assumptions and Calculations:

Not applicable

Workforce Assumptions:

Not applicable

How is your proposal impacting equity in the state?

HELMS has several features which will improve the ability for the public, researchers, and government agencies to obtain health care information. HELMS will include data on practice locations and health specialties for providers which will allow public health agencies, researchers, and others to identify gaps in services. This information will guide the development of services to underserved populations that will benefit most, including communities of color, underprivileged, and rural populations.

Strategic and Performance Outcomes

Strategic Framework:

This proposal contributes to the following Governor's Results Washington goal of Healthy and Safe Communities and Efficient, Effective, and Accountable Government. It also contributes to the Department of Health's strategic plan in the foundational transformation area of Data, Information, and Technology Innovations.

- HELMS will transform licensing and enforcement processes, improve data security, support electronic records management, and increase the availability of public access to health provider information;
- HELMS will expand the existing provider credential search to include information such as specializations and practice locations. This will improve the public's ability to choose a provider to meet their immediate need. For patients who file complaints, HELMS will allow patients to check their complaint status online;
- HELMS will improve efficiency for health care providers by enabling employers of multiple providers to pay for their employee's credentials in bulk renewal instead of individually. HELMS will allow the delivery of renewal notices through electronic communications, rather than through postal mail. The solution will reduce processing time for complicated renewals by enabling electronic correspondence; and
- HELMS will support the healthcare licensing and regulation needs of over 497,000 healthcare practitioners, 2,500 educational and training programs, and 12,000 facilities. Modernizing the current system will transform DOH's interactions with participants and stakeholders in these activities by integrating all online transactions into a single system. HELMS will modernize and consolidate the underlying systems that support healthcare enforcement and licensing.

Performance Outcomes:

Upon completion, the new HELMS will:

- Reduce the risk of system failure;
- Reduce the risk of inappropriate access to sensitive information;
- Support electronic records management thus reducing the risk and labor-intensive manual effort associated with paper-based records;
- Provide role-based security to support best practices, such as separation of duties; and
- Increase public access to information to support personal health care decisions.

Specific to the HELMS project itself, the proposal will help DOH:

- Implement HELMS within scope, schedule, and budget;
- Implement web-based access for healthcare providers to review and manage relevant information (e.g. credential application status, address updates, compliance and discipline-related information). This capability is anticipated to be phased in by program; by the end of the project, all provider-types will be able to use this feature. Goal: 100 percent of providers are able to review and manage relevant credential and enforcement information by June 30, 2023;
- Associate healthcare providers with their practice locations where state law or rule requires reporting of practice location. Goal: Implement for 100 percent of Medicaid providers by June 30, 2023; and
- Provide access to electronic investigation records for healthcare regulatory boards, commissions, and committees. Goal: Implement electronic access to investigation records for 100 percent of disciplinary authorities by June 30, 2023.

Other Collateral Connections

State Workforce Impacts:

Not applicable

Intergovernmental:

Tribal nations, as well as others, will have access to new information on healthcare providers that will be useful for planning purposes, grant applications, and government designations of underserved areas. The department anticipates intergovernmental partners will be neutral or supportive.

State Facilities Impacts:

Not applicable

Changes from Current Law:

Not applicable

Puget Sound Recovery:

Not applicable

Legal or Administrative Mandates:

Not applicable

Stakeholder Response:

In early July 2020, the department met with several associations representing licensed health care providers to share the updated costs for delivering HELMS. The associations expressed concerns with the increasing costs to complete the project. They will likely continue to have these concerns, however, DOH does not see a need to raise fees to address the new project costs.

Reference Documents

[2021-23 PL-PA Update HELMS Funding - IT Addendum.docx](#)

IT Addendum

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

Yes

Objects of Expenditure

Objects of Expenditure *Dollars in Thousands*	Fiscal Years		Biennial	Fiscal Years		Biennial
	2022	**2023**	**2021-23**	**2024**	**2025**	**2023-25**
Obj. A	$2,031	$1,182	**$3,213**	$0	$0	**$0**
Obj. B	$729	$425	**$1,154**	$0	$0	**$0**
Obj. C	$5,710	$3,359	**$9,069**	$0	$0	**$0**
Obj. E	$687	$629	**$1,316**	$0	$0	**$0**
Obj. T	$175	$101	**$276**	$0	$0	**$0**

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