

STATUS UPDATE

Racial Equity Analyses Implementation Plan



The committee shall...

incorporate a racial equity analysis into its performance audits, sunset reviews, and other audits or reports.

note in its audits, reviews, and reports if a racial equity analysis is not necessary or appropriate.

- ESSB 5405



Implementation builds upon five guiding principles for racial equity analyses

Use same professional judgment, evidence, methods, and independence required for performance audits.

Must be related to the purpose of the original study and fall within the scope of that mandate.

Staff will not exclude racial equity analysis because of a perceived lack of data.

Staff will prioritize using actual disaggregated data about the race of those affected.

Initially, prioritize evaluating if data varies by race and whether agencies comply with equity-related statutes.



Recommended process

First, Committee hears initial PSQ (as usual), outlining questions for addressing study mandates passed in individual bills and budget provisos.

Then, staff will determine whether additional study questions related to racial equity are appropriate.

Analysis and outreach to assess if question is appropriate

Targeted interviews with key stakeholders.

- Develop logic model to explore if racial equity analysis is appropriate.
- Review with subject matter experts and key informants:
 - Agencies and stakeholders
 - EthnicCommissions

- Discuss
 potential racial
 equity study
 question(s), if
 appropriate,
 with Executive
 Committee.
- Results shared with full Committee, updated PSQ if applicable.

Logic models are accepted tool and provide transparency

What does the agency do, related to the study question?

So that it achieves...

Ultimate purpose or outcome.

For/to Whom?

List affected and/or interested parties

For/to Whom?

List affected and/or interested parties



Legislative Mandate: Review a property tax exemption for nonprofit outpatient dialysis centers.

Study Question: What is the value of charity care provided? How does the value of charity

care provided compare to the beneficiary savings?

State extends property tax exemption to nonprofit outpatient dialysis centers.

Centers save money and have lower operating costs.

Centers provide outpatient dialysis treatment without reimbursement.

Eligible outpatient dialysis centers.

Patients needing charity care.

Potential question:

What is the race and ethnicity of patients receiving charity care and how does that compare to the population in need of care?



Legislative Mandate: Review the Health Care Authority's Medicaid budget structure

Study Question: How have changes in systems and service delivery affected HCA's

budgeting and accounting practices?

HCA updates its chart of accounts to reflect changes in service delivery.

HCA can identify transactions related to managed care and behavioral health.

HCA, OFM, legislative fiscal staff

HCA has information for reporting and budgeting.

HCA, OFM, legislative fiscal staff

Racial equity analysis <u>does not</u> appear to be related to original study mandate.

Legislature has data for appropriations.

Legislators, budget writers





Next implementation steps

Process will be used for Proposed Study Questions presented after today's meeting.

New process – we expect it will evolve with experience.



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