
SECOND SUBSTITUTE HOUSE BILL 1088

State of Washington

60th Legislature

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By House Committee on Appropriations (originally sponsored by Representatives Dickerson, Kagi, Haler, Cody, Appleton, Darneille, Simpson, Takko, Kenney, Williams, Green, McDermott, Roberts, Lantz, McCoy, Ormsby, Schual-Berke, B. Sullivan, Hurst, Pettigrew, O'Brien, Lovick, P. Sullivan, Hasegawa, Hunt, Hudgins, Clibborn, Upthegrove, Morrell, Conway, Sells, Haigh, Quall, Moeller, Goodman, Wallace, Wood and Santos)

READ FIRST TIME 03/05/07.

1 AN ACT Relating to children's mental health services; amending RCW
2 71.36.005 and 71.36.010; adding new sections to chapter 71.36 RCW;
3 adding new sections to chapter 74.09 RCW; adding a new section to
4 chapter 71.24 RCW; creating new sections; and repealing RCW 71.36.020
5 and 71.36.030.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 **Sec. 1.** RCW 71.36.005 and 1991 c 326 s 11 are each amended to read
8 as follows:

9 The legislature intends to (~~encourage the development of~~
10 ~~community based interagency collaborative efforts to plan for and~~
11 ~~provide mental health services to children in a manner that~~)
12 substantially improve the delivery of children's mental health services
13 in Washington state through the development and implementation of a
14 children's mental health system that:

- 15 (1) Values early identification, intervention, and prevention;
16 (2) Coordinates existing categorical children's mental health
17 programs and funding, through efforts that include elimination of
18 duplicative care plans and case management;

1 (3) Treats each child in the context of his or her family, and
2 provides services and supports needed to maintain a child with his or
3 her family and community;

4 (4) Integrates families into treatment through choice of treatment,
5 participation in treatment, and provision of peer support;

6 (5) Focuses on resiliency and recovery;

7 (6) Relies to a greater extent on evidence-based and promising
8 practices;

9 (7) Is sensitive to the unique cultural circumstances of children
10 of color(~~(, eliminates duplicative case management,)~~) and children in
11 families whose primary language is not English; and

12 (8) To the greatest extent possible, blends categorical funding to
13 offer more service and support options to each child.

14 **Sec. 2.** RCW 71.36.010 and 1991 c 326 s 12 are each amended to read
15 as follows:

16 Unless the context clearly requires otherwise, the definitions in
17 this section apply throughout this chapter.

18 (1) "Agency" means a state, tribal, or local governmental entity or
19 a private not-for-profit organization.

20 (2) "Child" means a person under (~~(eighteen))~~ twenty-one years of
21 age, except as expressly provided otherwise in federal law.

22 (3) "County authority" means the board of county commissioners or
23 county executive.

24 (4) "Department" means the department of social and health
25 services.

26 (5) "Early periodic screening, diagnosis, and treatment" means the
27 component of the federal medicaid program established pursuant to 42
28 U.S.C. Sec. 1396d(r), as amended.

29 (6) "Evidence-based practice" means practices that are based on
30 valid and reliable scientific evidence demonstrating that the practice
31 is effective, adapted when necessary to respond to individual treatment
32 needs and cultural values.

33 (7) "Family" means a child's biological parents, adoptive parents,
34 foster parents, guardian, a relative with whom a child has been placed
35 by the department of social and health services or a tribe, or other
36 kinship care or nonrelative living arrangements established to care for
37 a child.

1 (8) "Promising practice" means a practice that has been shown to be
2 effective and that presents, based upon preliminary information,
3 potential for becoming an evidence-based practice.

4 (9) "Regional support network" means a county authority or group of
5 county authorities or other nonprofit entity that ((have)) has entered
6 into contracts with the secretary pursuant to chapter 71.24 RCW.

7 ~~((7))~~ (10) "Secretary" means the secretary of social and health
8 services.

9 (11) "Wraparound process" means a process of addressing the needs
10 of children and youth with complex needs that involves the formation of
11 a team that empowers the family to make key decisions regarding the
12 care of the child or youth through partnership with professionals and
13 the family's natural supports, focuses on strengths and needs based
14 upon a care plan produced by the team, defines goals that the family
15 and team seek to achieve, respects the unique culture and values of the
16 child and youth, and adheres to the ten principles of the wraparound
17 process and evidence-based wraparound practices developed through the
18 national wraparound initiative at Portland State University.

19 NEW SECTION. Sec. 3. A new section is added to chapter 71.36 RCW
20 to read as follows:

21 ELEMENTS OF A CHILDREN'S MENTAL HEALTH SYSTEM. (1) It is the goal
22 of the legislature that, by 2012, the children's mental health system
23 in Washington state include the following elements:

24 (a) A continuum of services from early identification,
25 intervention, and prevention through crisis intervention and inpatient
26 treatment, including peer support and parent mentoring services;

27 (b) Equity in access to services for similarly situated children,
28 including children with co-occurring disorders;

29 (c) Developmentally appropriate, high quality, and culturally
30 competent services available statewide;

31 (d) Treatment of each child in the context of his or her family and
32 other persons that are a source of support and stability in his or her
33 life;

34 (e) A sufficient supply of qualified and culturally competent
35 children's mental health providers;

36 (f) Use of developmentally appropriate evidence-based and promising
37 practices;

1 (g) Integrated and flexible services to meet the needs of children
2 who, due to mental illness or emotional or behavioral disturbance, are
3 at risk of out-of-home placement or involved with multiple child-
4 serving systems.

5 (2) The effectiveness of the children's mental health system shall
6 be determined through the use of outcome-based performance measures.
7 The department and the evidence-based practice institute established in
8 section 7 of this act, in consultation with parents, caregivers, youth,
9 regional support networks, mental health services providers, health
10 plans, primary care providers, tribes, and others, shall develop
11 outcome-based performance measures such as:

12 (a) Decreased emergency room utilization;

13 (b) Decreased psychiatric hospitalization;

14 (c) Lessening of symptoms, as measured by commonly used assessment
15 tools;

16 (d) Decreased out-of-home placement, including residential, group,
17 and foster care, and increased stability of such placements, when
18 necessary;

19 (e) Decreased runaways from home or residential placements;

20 (f) Decreased rates of chemical dependency;

21 (g) Decreased recidivism;

22 (h) Improved school attendance and performance;

23 (i) Reductions in school or child care suspensions or expulsions;

24 (j) Improved rates of high school graduation and employment; and

25 (k) Decreased use of mental health services upon reaching adulthood
26 for mental disorders other than those that require ongoing treatment to
27 maintain stability.

28 Performance measure reporting for children's mental health services
29 should be integrated into existing performance measurement and
30 reporting systems developed and implemented under chapter 71.24 RCW.

31 NEW SECTION. **Sec. 4.** REGIONAL SUPPORT NETWORK SERVICES--
32 CHILDREN'S ACCESS TO CARE STANDARDS AND BENEFIT PACKAGE. As part of
33 the system transformation initiative, the department of social and
34 health services shall undertake the following activities related
35 specifically to children's mental health services:

36 (1) The development of recommended revisions to the access to care
37 standards for children. The recommended revisions shall reflect the

1 policies and principles set out in RCW 71.36.005, 71.36.010, and
2 section 3 of this act, and recognize that early identification,
3 intervention and prevention services, and brief intervention services
4 may be provided outside of the regional support network system.
5 Revised access to care standards shall assess a child's need for mental
6 health services relying upon behaviors exhibited by a child and
7 interference with a child's functioning in family, school, or the
8 community, as well as a child's diagnosis, and should not condition the
9 receipt of services upon a determination that a child is engaged in
10 high risk behavior or is in imminent need of hospitalization or out-of-
11 home placement. Assessment and diagnosis for children under five years
12 of age shall be determined using a nationally accepted assessment tool
13 designed specifically for children of that age. The recommendations
14 shall also address whether amendments to RCW 71.24.025 (26) and (27)
15 and 71.24.035(5) are necessary to implement revised access to care
16 standards;

17 (2) Development of a revised children's mental health benefit
18 package. The department shall ensure that services included in the
19 children's mental health benefit package reflect the policies and
20 principles included in RCW 71.36.005 and section 3 of this act, to the
21 extent allowable under medicaid, Title XIX of the federal social
22 security act. Strong consideration shall be given to developmentally
23 appropriate evidence-based and promising practices, family-based
24 interventions, the use of natural and peer supports, and community
25 support services. This effort shall include a review of other states'
26 efforts to fund family-centered children's mental health services
27 through their medicaid programs;

28 (3) Consistent with the timeline developed for the system
29 transformation initiative, recommendations for revisions to the
30 children's access to care standards and the children's mental health
31 services benefits package shall be presented to the legislature by
32 January 1, 2009.

33 NEW SECTION. **Sec. 5.** A new section is added to chapter 74.09 RCW
34 to read as follows:

35 SERVICES FOR CHILDREN WHO DO NOT MEET ACCESS TO CARE STANDARDS.

36 (1) The department shall revise its medicaid healthy options managed
37 care and fee-for-service program standards under medicaid, Title XIX of

1 the federal social security act to improve access to mental health
2 services for children who do not meet the regional support network
3 access to care standards. The program standards shall be revised to
4 allow:

5 (a) Effective July 1, 2008, outpatient therapy services to be
6 provided by licensed mental health professionals, as defined in RCW
7 71.34.020; and

8 (b) Effective January 1, 2008, up to twenty outpatient therapy
9 visits per year, including family therapy visits integral to a child's
10 treatment.

11 (2)(a) In conjunction with the revision of program standards under
12 this section, the department, in consultation with the evidence-based
13 practice institute established in section 7 of this act, shall develop
14 and implement policies to improve prescribing practices for treatment
15 of emotional or behavioral disturbances in children, improve the
16 quality of children's mental health therapy through increased use of
17 evidence-based and promising practices and reduced variation in
18 practice, and improve communication and care coordination between
19 primary care and mental health providers.

20 (b) The department shall identify those children with emotional or
21 behavioral disturbances who may be at high risk due to off-label use of
22 prescription medication, use of multiple medications, high medication
23 dosage, or lack of coordination among multiple prescribing providers,
24 and establish one or more mechanisms to evaluate the appropriateness of
25 the medication these children are using, including but not limited to
26 obtaining second opinions from experts in child psychiatry.

27 (3) The department shall convene a representative group of regional
28 support networks, community mental health centers, and managed health
29 care systems contracting with the department under RCW 74.09.522 to:

30 (a) Establish mechanisms and develop contract language that ensures
31 increased coordination of and access to medicaid mental health benefits
32 available to children and their families, including ensuring access to
33 services that are identified as a result of a developmental screen
34 administered through early periodic screening, diagnosis, and
35 treatment;

36 (b) Define managed health care system and regional support network
37 contractual performance standards that track access to and utilization
38 of services; and

1 (c) Set standards for reducing the number of children that are
2 prescribed antipsychotic drugs and receive no outpatient mental health
3 services with their medication.

4 NEW SECTION. **Sec. 6.** A new section is added to chapter 71.36 RCW
5 to read as follows:

6 MEDICAID ELIGIBLE CHILDREN IN TEMPORARY JUVENILE DETENTION. The
7 department shall explore the feasibility of obtaining a medicaid state
8 plan amendment to allow the state to receive medicaid matching funds
9 for health services provided to medicaid enrolled youth who are
10 temporarily placed in a juvenile detention facility. Temporary
11 placement shall be defined as until adjudication or up to sixty
12 continuous days, whichever occurs first.

13 NEW SECTION. **Sec. 7.** A new section is added to chapter 71.24 RCW
14 to read as follows:

15 CHILDREN'S MENTAL HEALTH PROVIDERS. (1) The department shall
16 provide flexibility in provider contracting to regional support
17 networks for children's mental health services. Beginning with 2007-
18 2009 biennium contracts, regional support network contracts shall
19 authorize regional support networks to allow and encourage licensed
20 community mental health centers to subcontract with individual licensed
21 mental health professionals when necessary to meet the need for an
22 adequate, culturally competent, and qualified children's mental health
23 provider network.

24 (2) A children's mental health evidence-based practice institute
25 shall be established at the University of Washington division of public
26 behavioral health and justice policy. The institute shall closely
27 collaborate with entities currently engaged in evaluating and promoting
28 the use of evidence-based and promising practices in children's mental
29 health treatment, including but not limited to the University of
30 Washington department of psychiatry and behavioral sciences, children's
31 hospital and regional medical center, the University of Washington
32 school of nursing, the University of Washington school of social work,
33 and the Washington state institute for public policy. To ensure that
34 funds appropriated are used to the greatest extent possible for their
35 intended purpose, the University of Washington's indirect costs of

1 administration shall not exceed ten percent of appropriated funding.

2 The institute shall:

3 (a) Improve the implementation of evidence-based and promising
4 practices by providing sustained and effective training and
5 consultation to licensed children's mental health providers and
6 child-serving agencies who are implementing evidence-based or promising
7 practices for treatment of children's emotional or behavioral
8 disorders, or who are interested in adapting these practices to better
9 serve ethnically or culturally diverse children. Efforts under this
10 subsection should include a focus on appropriate oversight of
11 implementation of evidence-based practices to ensure fidelity to these
12 practices and thereby achieve positive outcomes;

13 (b) Continue the successful implementation of the "partnerships for
14 success" model by consulting with communities so they may select,
15 implement, and continually evaluate the success of evidence-based
16 practices that are relevant to the needs of children, youth, and
17 families in their community;

18 (c) Partner with youth, family members, family advocacy, and
19 culturally competent provider organizations to develop a series of
20 information sessions, literature, and on-line resources for families to
21 become informed and engaged in evidence-based and promising practices;

22 (d) Participate in the identification of outcome-based performance
23 measures under section 3(2) of this act and partner in a statewide
24 effort to implement statewide outcomes monitoring and quality
25 improvement processes; and

26 (e) Serve as a statewide resource to the department and other
27 entities on child and adolescent evidence-based and promising practices
28 for children's mental health treatment, maintaining a working knowledge
29 through ongoing review of academic and professional literature, and
30 knowledge of other evidence-based practice implementation efforts in
31 Washington and other states.

32 (3) The department shall issue a request for proposal to implement
33 a pilot program to support primary care providers in the assessment and
34 provision of appropriate diagnosis and treatment of children with
35 mental and behavioral health disorders and track outcomes of this
36 program. The program shall be designed to promote more accurate
37 diagnoses and treatment through timely case consultation between

1 primary care providers and child psychiatric specialists, and focused
2 educational learning collaboratives with primary care providers.

3 NEW SECTION. **Sec. 8.** A new section is added to chapter 74.09 RCW
4 to read as follows:

5 (1) The department shall adopt rules and policies providing that
6 when youth who were enrolled in a medical assistance program
7 immediately prior to confinement are released from confinement, their
8 medical assistance coverage will be fully reinstated on the day of
9 their release, subject to any expedited review of their continued
10 eligibility for medical assistance coverage that is required under
11 federal or state law.

12 (2) The department, in collaboration with county juvenile court
13 administrators and regional support networks, shall establish
14 procedures for coordination between department field offices, juvenile
15 rehabilitation administration institutions, and county juvenile courts
16 that result in prompt reinstatement of eligibility and speedy
17 eligibility determinations for youth who are likely to be eligible for
18 medical assistance services upon release from confinement. Procedures
19 developed under this subsection must address:

20 (a) Mechanisms for receiving medical assistance services'
21 applications on behalf of confined youth in anticipation of their
22 release from confinement;

23 (b) Expeditious review of applications filed by or on behalf of
24 confined youth and, to the extent practicable, completion of the review
25 before the youth is released; and

26 (c) Mechanisms for providing medical assistance services' identity
27 cards to youth eligible for medical assistance services immediately
28 upon their release from confinement.

29 (3) For purposes of this section, "confined" or "confinement" means
30 detained in a facility operated by or under contract with the
31 department of social and health services, juvenile rehabilitation
32 administration, or detained in a juvenile detention facility operated
33 under chapter 13.04 RCW.

34 (4) The department shall adopt standardized statewide screening and
35 application practices and forms designed to facilitate the application
36 of a confined youth who is likely to be eligible for a medical
37 assistance program.

1 NEW SECTION. **Sec. 9.** Educational service district boards may
2 respond to a request for proposal for operation of a wraparound model
3 site under this act and, if selected, may contract for the provision of
4 services to coordinate care and facilitate the delivery of services and
5 other supports under a wraparound model.

6 NEW SECTION. **Sec. 10.** WRAPAROUND MODEL OF INTEGRATED CHILDREN'S
7 MENTAL HEALTH SERVICES DELIVERY. The department of social and health
8 services shall contract for implementation of a wraparound model of
9 integrated children's mental health services delivery in up to three
10 counties in Washington state.

11 (1) Funding provided may be expended for: Costs associated with a
12 request for proposal and contracting process; administrative costs
13 associated with successful bidders' operation of the wraparound model;
14 the evaluation under subsection (5) of this section; and funding for
15 services needed by children enrolled in wraparound model sites that are
16 not otherwise covered under existing state programs. The services
17 provided through the wraparound model sites shall include, but not be
18 limited to, services covered under the medicaid program. The
19 department shall maximize the use of medicaid and other existing state-
20 funded programs as a funding source. However, state funds provided may
21 be used to develop a broader service package to meet needs identified
22 in a child's care plan. Amounts provided shall supplement, and not
23 supplant, state, local, or other funding for services that a child
24 being served through a wraparound site would otherwise be eligible to
25 receive.

26 (2) The wraparound model sites shall serve children with serious
27 emotional or behavioral disturbances who are at high risk of
28 residential or correctional placement or psychiatric hospitalization,
29 and who have been referred for services from the department, a county
30 juvenile court, a tribal court, a school, or a licensed mental health
31 provider or agency.

32 (3) Through a request for proposal process, the department shall
33 contract, with educational service districts, regional support
34 networks, or entities licensed to provide mental health services to
35 children with serious emotional or behavioral disturbances, to operate
36 the wraparound model sites. The contractor shall provide care
37 coordination and facilitate the delivery of services and other supports

1 to families using a strength-based, highly individualized wraparound
2 process that adheres to the ten principles of the wraparound process
3 and evidence-based wraparound practices developed through the national
4 wraparound initiative at Portland State University. The request for
5 proposal shall require that the contractor provide evidence of
6 commitments from at least the following entities to participate in
7 wraparound care plan development and service provision when
8 appropriate: Regional support networks, community mental health
9 agencies, schools, the department of social and health services
10 children's administration, juvenile courts, the department of social
11 and health services juvenile rehabilitation administration, and managed
12 health care systems contracting with the department under RCW
13 74.09.522.

14 (4) Contracts for operation of the wraparound model sites shall be
15 executed on or before April 1, 2008, with enrollment and service
16 delivery beginning on or before July 1, 2008.

17 (5) The department shall contract with an independent entity for
18 evaluation of the wraparound model sites, measuring outcomes for
19 children served. Outcomes measured shall include, but are not limited
20 to: Stable family environment, school attendance, school performance,
21 recidivism, emergency room utilization, and hospitalization.

22 NEW SECTION. **Sec. 11.** The following acts or parts of acts are
23 each repealed:

24 (1) RCW 71.36.020 (Plan for early periodic screening, diagnosis,
25 and treatment services) and 2003 c 281 s 4 & 1991 c 326 s 13; and

26 (2) RCW 71.36.030 (Children's mental health services delivery
27 system--Local planning efforts) and 1991 c 326 s 14.

28 NEW SECTION. **Sec. 12.** Captions used in this act are not part of
29 the law.

30 NEW SECTION. **Sec. 13.** If specific funding for the purposes of
31 sections 4, 5, 7, 8, and 10 of this act, referencing the section by
32 section number and by bill or chapter number, is not provided by June
33 30, 2007, each section not referenced is null and void.

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