

# HOUSE BILL REPORT

## 2SHB 1373

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### As Passed House:

March 9, 2009

**Title:** An act relating to equitable access to appropriate and effective children's mental health services.

**Brief Description:** Concerning children's mental health services.

**Sponsors:** House Committee on Health & Human Services Appropriations (originally sponsored by Representatives Dickerson, Kagi, Green, Cody, Darneille, Dunshee, Roberts, Goodman, Appleton, Kenney, Orwall, Hurst, Moeller, Takko, Chase, Rolfes, Carlyle, Simpson, Nelson, Conway and Ormsby).

### Brief History:

#### Committee Activity:

Early Learning & Children's Services: 2/3/09, 2/20/09 [DPS];

Health & Human Services Appropriations: 2/25/09, 2/26/09 [DP2S(w/o sub ELCS)];

Ways & Means: 3/2/09 [DP2S(APPH)].

#### Floor Activity

Passed House: 3/9/09, 66-29.

### Brief Summary of Second Substitute Bill

- Eliminates the expiration date for increasing the annual number of office visits available to children needing outpatient mental health therapy in managed care programs and on a fee-for-service basis.
- Permits outpatient mental health therapy in managed care and fee-for-service programs to be delivered by persons under the direct supervision of a licensed mental health professional.

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## HOUSE COMMITTEE ON EARLY LEARNING & CHILDREN'S SERVICES

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 7 members: Representatives Kagi, Chair; Roberts, Vice Chair; Haler, Ranking Minority Member; Walsh, Assistant Ranking Minority Member; Angel, Goodman and Seaquist.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

**Staff:** Sydney Forrester (786-7120)

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## HOUSE COMMITTEE ON HEALTH & HUMAN SERVICES APPROPRIATIONS

**Majority Report:** The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Early Learning & Children's Services. Signed by 11 members: Representatives Pettigrew, Chair; Seaquist, Vice Chair; Appleton, Cody, Dickerson, Miloscia, Morrell, O'Brien, Roberts, Walsh and Wood.

**Minority Report:** Do not pass. Signed by 4 members: Representatives Schmick, Ranking Minority Member; Alexander, Assistant Ranking Minority Member; Ericksen and Johnson.

**Staff:** Carma Matti (786-7140)

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## HOUSE COMMITTEE ON WAYS & MEANS

**Majority Report:** The second substitute bill by Committee on Health & Human Services Appropriations be substituted therefor and the second substitute bill do pass. Signed by 16 members: Representatives Linville, Chair; Ericks, Vice Chair; Dammeier, Assistant Ranking Minority Member; Cody, Conway, Darneille, Haigh, Hunt, Hunter, Kagi, Kenney, Kessler, Pettigrew, Priest, Seaquist and Sullivan.

**Minority Report:** Do not pass. Signed by 6 members: Representatives Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Chandler, Hinkle, Ross and Schmick.

**Staff:** Carma Matti (786-7140)

### **Background:**

#### Overview of Children's Mental Health Services.

State-provided children's mental health services in Washington are delivered primarily through Regional Support Networks (RSNs) established to develop local systems of care. The RSNs consist of counties or groups of counties authorized to contract with licensed service providers and deliver services directly. In addition to RSN's, some children receive mental health services through managed care programs, such as Healthy Options, or from private providers on a fee-for-service basis. Access to mental health treatment can be achieved through minor-initiated, parent-initiated, or state-initiated options.

#### Second Substitute House Bill 1088.

In 2007 the Legislature enacted Second Substitute House Bill 1088 (2SHB 1088), declaring the intent to develop a system of children's mental health emphasizing early identification, intervention, and prevention with a greater reliance on evidence-based and promising practices, with the following elements:

1. a continuum of services from early identification and intervention through crisis intervention, including peer support and parent mentoring services;

2. equity in access to services;
3. developmentally appropriate, high-quality, and culturally competent services;
4. treatment of children within the context of their families and other supports;
5. a sufficient supply of qualified and culturally competent providers to respond to children from families whose primary language is not English;
6. use of developmentally appropriate evidence-based and research-based practices; and
7. integrated and flexible services to meet the needs of children at-risk.

#### Managed Care and Fee-for-Service Programs.

Under 2SHB 1088, the DSHS was directed to revise its Medicaid managed care and fee-for-service programs to improve access to children's mental health services by:

1. increasing from 12 to 20, the number of outpatient therapy visits allowed annually under the programs; and
2. allowing those services to be provided by all mental health professionals licensed by the Department of Health.

These changes are set to expire July 1, 2010.

#### Evidence-Based Practice Institute.

The Children's Mental Health Evidence-Based Practice Institute (EBP Institute) was established in 2007 as part of 2SHB 1088. The EBP Institute is located at the University of Washington Division of Public Behavioral Health and Justice Policy and serves as a statewide resource to the DSHS and other entities on child and adolescent evidence-based and promising practices. The EBP Institute also:

1. participates in the identification of outcome-based performance measures for monitoring quality improvement processes in children's mental health services;
2. partners with youth, families, and culturally competent providers to develop information and resources for families regarding evidence-based and promising practices;
3. consults with communities for the selection, implementation, and evaluation of evidence-based children's mental health practices relevant to the communities' needs;
4. provides sustained and effective training and consultation to licensed children's mental health providers implementing evidence-based or promising practices; and
5. collaborates with other public and private entities engaged in evaluating and promoting the use of evidence-based and promising practices in children's mental health treatment.

#### **Summary of Second Substitute Bill:**

##### Managed Care and Fee-for-Service Programs.

The July 1, 2010, expiration date for the increase in the annual number of office visits and the provision allowing services to be provided by all licensed mental health professionals is eliminated. The annual number of office visits for children receiving outpatient mental health therapy under the managed care and fee-for-service programs is 20 visits per year, and those services can be provided by licensed mental health professionals and persons under their direct supervision. Administration of managed care and fee-for-service programs must comply with federal rules relating to early, periodic, screening, diagnosis, and treatment, and

developmental screenings must be used to identify and provide medically necessary treatment.

Evidence-Based Practice Institute.

The DSHS and the EBP Institute must collaborate to encourage and create incentives for the use of prescribing practices and evidence-based and research-based practices by licensed mental health professionals serving children.

**Appropriation:** None.

**Fiscal Note:** Requested on February 16, 2009.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony** (Early Learning & Children's Services):

(In support of substitute bill) This bill is a continuation of efforts to change the way we work with children who have mental health problems and is grounded in the belief that until we do so we will always have a large adult population of chronically mentally ill adults. The way to decrease the number of chronically mentally ill adults is to work with children who exhibit problems. The legislative goal in 2SHB 1088 was to have an improved children's mental health system in place by 2012. The actions we have taken toward improvement are incorporated in the Governor's proposed budget reflecting that the Governor believes in what we have been doing to improve the system. The substitute bill is the important and necessary next step. It takes a measured approach in moving forward, recognizing the critical budget issues we have. The revisions to the access-to-care standards are delayed until the next biennium. Overall the bill is a wise investment along the path of ensuring the mental health needs of children are addressed.

The impact will be minimal this year and not too much in the next biennium. The steps we take now will save money in the long run, but we need to prioritize early investment in children's mental health. The DSHS has been pleased to have worked with the bill sponsors and stakeholders.

The state has taken significant steps to start improving the children's mental health system and the changes have been possible because of the Legislature. This has resulted in families being able to access care before a crisis erupts and allowed providers to use early intervention strategies. Second Substitute House Bill 1088 has been instrumental in these gains and this bill will continue increased use of early intervention strategies.

This bill takes us forward in addressing the needs in early childhood. This is critical because we know that children ages birth to 5 years respond to stressors differently than adults. Parents' mental health is of critical importance in the lives of children. Unaddressed mental health problems in early childhood can impair the child's functioning in numerous domains. By increasing the system's capacity to consider and respond to infant mental health we will see benefits.

The partnership consultation line has been very helpful to physicians serving children with mental health treatment needs. The requirement for cross-system collaboration in the RSNs, especially between the mental health and developmental disabilities system, is important.

(With concerns on substitute bill) The revised access to care standards, when implemented, may not be budget neutral. We like the focus on functional impairment but would like to see more standards as the diagnoses could be a bit too subjective. There also may be additional costs with requiring assessments of children birth to 5 years be done by a children's mental health specialist. Licensed clinical social workers are trained to conduct holistic assessments and wraparound programs. A lot of children with significant needs will need more than 20 sessions per year to help them. If we don't attend to their needs now, we will be attending to bigger issues when these children grow into adults.

(Opposed) None.

**Staff Summary of Public Testimony (Health & Human Services Appropriations):**

(In support) Investing in programs that provide early intervention and prevention saves the state a significant amount of money later that would be spent on adults who are in crisis and are often much more difficult to rehabilitate. The movement towards children's mental health has been great. Allowing licensed mental health professionals that do not work for Regional Support Networks is an excellent clarification. Sooner or later we have to figure out how to spend money upfront instead of spending large amounts later.

(With concerns) While early intervention is good policy, expecting additional numbers of clients to be served in a budget neutral manner stresses a system that is already stretched and under-funded. With large cuts in the mental health system and potential changes in the structure of the mental health delivery system, there are some concerns about providing additional services in a budget neutral manner.

**Staff Summary of Public Testimony (Ways & Means):**

None.

**Persons Testifying (Early Learning & Children's Services):** (In support of substitute bill) Representative Dickerson, prime sponsor; Richard Kellogg, Department of Social and Health Services, Mental Health Division; Dr. Eric Trupin, University of Washington; Dr. Sheri Hill; Laurie Lippold, Children's Home Society and Washington Chapter of the American Academy of Pediatrics; Diana Stadden, The Arc of Washington; Cathy Callahan-Clem, Sound Mental Health Family Resource and Support Groups; Jody Schreven; Eleanor Owen, National Alliance on Mental Illness - Greater Seattle; Seth Dawson, Compass Health and National Alliance on Mental Health; and Steve Williams.

(With concerns on substitute bill) Margaret Rojas, North Sound Regional Support Network; and Laura Groshong, Washington State Society for Clinical Social Workers.

**Persons Testifying** (Health & Human Services Appropriations): (In support) Representative Dickerson, prime sponsor; Lonnie Joher-Brown, Washington State Society for Clinical Social Work; and Laura Lippold, Children's Home Society of Washington.

(With concerns) Rashi Gupta, Washington State Association of Counties.

**Persons Testifying** (Ways & Means): None.

**Persons Signed In To Testify But Not Testifying** (Early Learning & Children's Services): None.

**Persons Signed In To Testify But Not Testifying** (Health & Human Services Appropriations): None.

**Persons Signed In To Testify But Not Testifying** (Ways & Means): None.