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**SENATE BILL 6656**

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**State of Washington 64th Legislature 2016 Regular Session**

**By** Senators Hill, Hargrove, Ranker, Darneille, Parlette, Becker, Braun, Fain, and Bailey

AN ACT Relating to the reform of practices at state hospitals; amending RCW 71.24.016 and 71.24.045; adding a new section to chapter 71.24 RCW; creating new sections; repealing RCW 71.24.310; and providing an effective date.

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

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

The legislature finds that the growing demand for state hospital beds has strained the state's capacity to meet the demand while providing for a sufficient workforce to operate the state hospitals safely. The legislature intends to incentivize behavioral health organizations and other entities under RCW 71.24.380 responsible for the community care of patients committed to the state hospitals to increase their utilization management efforts, develop additional capacity for hospital diversion, and safely serve complex clients in the community. These interests are best served by eliminating the state hospital bed allocations by July 1, 2017, for civil patients, and providing behavioral health organizations and other entities under RCW 71.24.380 with the state funds necessary to purchase an equivalent number of days of care at a state hospital. Such state funds may also be used to purchase beds in alternative locations, to invest in community services, and to invest in diversion from inpatient care. In this way, behavioral health organizations and other entities under RCW 71.24.380 will be fully at risk for state hospital civil utilization for patients within their catchment areas, and any savings resulting from utilization reduction may be directly applied to the service of clients in the community.

**Sec.**  RCW 71.24.016 and 2014 c 225 s 7 are each amended to read as follows:

(1) The legislature intends that eastern and western state hospitals shall operate as clinical centers for handling the most complicated long-term care needs of patients with a primary diagnosis of mental disorder. It is further the intent of the legislature that the community mental health service delivery system focus on maintaining individuals with mental illness in the community. The program shall be evaluated and managed through a limited number of outcome and performance measures, as provided in RCW 43.20A.895, 70.320.020, and 71.36.025.

(2)(a) The legislature intends to address the needs of people with mental disorders with a targeted, coordinated, and comprehensive set of evidence-based practices that are effective in serving individuals in their community and will reduce the need for placements in state mental hospitals. The legislature further intends ((~~to explicitly hold~~)) for behavioral health organizations ((~~accountable~~)) or similar entities under RCW 71.24.380 to be responsible for serving people with mental disorders within the boundaries of their regional service area ((~~and for not exceeding their allocation of state hospital beds~~)).

(b) Therefore, the department shall charge behavioral health organizations or entities under RCW 71.24.380 for each day of care provided at a state hospital, while providing an opportunity for behavioral health organizations to capture savings by reducing their state hospital utilization and repurposing these funds to purchase alternative beds, diversion services, and effective community treatment. However, if a functional needs assessment or client history indicates that the primary financial responsibility for the community care needs of the patient after discharge will come from the state long-term care or developmental disability systems, the cost of the state hospital care must be charged to the state agencies which administer those systems.

**Sec.**  RCW 71.24.045 and 2014 c 225 s 13 are each amended to read as follows:

The behavioral health organization shall:

(1) Contract as needed with licensed service providers. The behavioral health organization may, in the absence of a licensed service provider entity, become a licensed service provider entity pursuant to minimum standards required for licensing by the department for the purpose of providing services not available from licensed service providers;

(2) Operate as a licensed service provider if it deems that doing so is more efficient and cost effective than contracting for services. When doing so, the behavioral health organization shall comply with rules promulgated by the secretary that shall provide measurements to determine when a behavioral health organization provided service is more efficient and cost effective;

(3) Monitor and perform biennial fiscal audits of licensed service providers who have contracted with the behavioral health organization to provide services required by this chapter. The monitoring and audits shall be performed by means of a formal process which insures that the licensed service providers and professionals designated in this subsection meet the terms of their contracts;

(4) Establish reasonable limitations on administrative costs for agencies that contract with the behavioral health organization;

(5) Assure that the special needs of minorities, older adults, individuals with disabilities, children, and low-income persons are met within the priorities established in this chapter;

(6) Maintain patient tracking information in a central location as required for resource management services and the department's information system;

(7) Collaborate to ensure that policies do not result in an adverse shift of persons with mental illness into state and local correctional facilities;

(8) Work with the department to expedite the enrollment or reenrollment of eligible persons leaving state or local correctional facilities and institutions for mental diseases;

(9) Work closely with the county designated mental health professional or county designated crisis responder to maximize appropriate placement of persons into community services; and

(10) ((~~Coordinate services for individuals who have received services through the community mental health system and who become patients at a state psychiatric hospital to~~)) Manage the utilization of long-term civil commitment beds purchased at a state hospital or other facility by patients within the catchment area of the behavioral health organization who receive civil commitments and ensure ((~~they are transitioned~~)) that these patients efficiently transition into the community in accordance with RCW 71.24.016, mutually agreed upon discharge plans, and upon determination by the medical director of the state psychiatric hospital that they no longer need intensive inpatient care. If the behavioral health organization, other entity under RCW 71.24.380, or state agency division responsible for the community care needs of the patient and the state psychiatric hospital medical director are unable to reach a mutually agreed upon discharge plan within fourteen days of determination by any of these entities that a patient is no longer in need of intensive inpatient care, the case must be immediately appealed to the secretary or the secretary's designee for expeditious resolution.

NEW SECTION. **Sec.**  RCW 71.24.310 (Administration of chapters 71.05 and 71.24 RCW through behavioral health organizations—Implementation of chapter 71.05 RCW) and 2014 c 225 s 40 & 2013 2nd sp.s. c 4 s 994 are each repealed.

NEW SECTION. **Sec.**  (1) The legislature finds that the psychiatric profession has undergone changes through the years and that the potential uses of psychiatric advanced registered nurse practitioners in institutional settings are currently being underutilized by the state hospitals.

(2) The department of social and health services must evaluate its current staffing structure and assignment of work to increase its use of psychiatric advanced registered nurse practitioners. To reduce vacancies and employee turnover, the department must hire psychiatric advanced registered nurse practitioners for vacant positions or to perform work and tasks that may be currently or historically performed by other job classifications and professions at the state hospitals.

(3) This section does not allow psychiatric advanced registered nurse practitioners to engage in activities that exceed their scope of practice.

NEW SECTION. **Sec.**  (1) The legislature finds that there are currently geriatric and long-term care patients at western state hospital who could safely be served in community settings if alternative placements are made available. The legislature intends to develop placements for these patients while reducing current demands on state hospital staff.

(2) The department of social and health services must identify and discharge at least thirty patients at western state hospital to alternative settings by October 1, 2016.

NEW SECTION. **Sec.**  (1) The legislature finds that safety at the state hospitals is a product of a variety of factors but that safety begins with the staff.

(2) The department of social and health services is directed to examine staffing patterns, best practices, and discrepancies in staffing practices between the state hospitals and prevailing business practices in other hospitals, and adjust staffing practices where appropriate. This process must include consideration and adoption, if appropriate, of factors such as:

(a) Movement towards consistent staffing between western state hospital and eastern state hospital, including average number of patients per ward and staffing patterns, unless a specific reason is identified in writing for maintaining differences;

(b) Employment of variable ward staffing based on the acuity of patient needs;

(c) Reduction of lengths of stay for patients at western state hospital and reduction of lengths of stay discrepancies for similar patients across the state hospitals;

(d) The effect of staffing practices on retention and morale for less senior state hospital employees; and

(e) Coordination of ward treatment activities to provide single lines of authority to determine patient care.

(3) The department of social and health services must report its progress to the appropriate committees of the legislature by December 1, 2016.

NEW SECTION. **Sec.**  Sections 2 through 4 of this act take effect July 1, 2017.

NEW SECTION. **Sec.**  The department of social and health services shall submit a transition plan for the implementation of sections 1 through 4 of this act to the governor and the relevant fiscal and policy committees of the legislature by July 1, 2016.

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