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**HOUSE BILL 1545**

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**State of Washington 65th Legislature 2017 Regular Session**

**By** Representative Schmick

AN ACT Relating to the exclusion of residential housing payments from certain state-funded health programs; and amending RCW 74.09.520 and 71.24.385.

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

**Sec.**  RCW 74.09.520 and 2015 1st sp.s. c 8 s 2 are each amended to read as follows:

(1)(a) The term "medical assistance" may include the following care and services subject to rules adopted by the authority or department: ((~~(a)~~)) (i) Inpatient hospital services; ((~~(b)~~)) (ii) outpatient hospital services; ((~~(c)~~)) (iii) other laboratory and X-ray services; ((~~(d)~~)) (iv) nursing facility services; ((~~(e)~~)) (v) physicians' services, which shall include prescribed medication and instruction on birth control devices; ((~~(f)~~)) (vi) medical care, or any other type of remedial care as may be established by the secretary or director; ((~~(g)~~)) (vii) home health care services; ((~~(h)~~)) (viii) private duty nursing services; ((~~(i)~~)) (ix) dental services; ((~~(j)~~)) (x) physical and occupational therapy and related services; ((~~(k)~~)) (xi) prescribed drugs, dentures, and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist, whichever the individual may select; ((~~(l)~~)) (xii) personal care services, as provided in this section; ((~~(m)~~)) (xiii) hospice services; ((~~(n)~~)) (xiv) other diagnostic, screening, preventive, and rehabilitative services; and ((~~(o)~~)) (xv) like services when furnished to a child by a school district in a manner consistent with the requirements of this chapter. For the purposes of this section, neither the authority nor the department may cut off any prescription medications, oxygen supplies, respiratory services, or other life-sustaining medical services or supplies.

(b) "Medical assistance," notwithstanding any other provision of law, shall not include:

(i) Routine foot care, or dental services delivered by any health care provider, that are not mandated by Title XIX of the social security act unless there is a specific appropriation for these services; or

(ii) The payment of residential housing costs and other costs directly associated with residential housing payments, such as deposits and rental fees. This prohibition does not exclude the payment of residential costs at licensed care settings, such as licensed long-term care facilities or licensed behavioral health service providers offering on-site residential treatment services.

(2) The department shall adopt, amend, or rescind such administrative rules as are necessary to ensure that Title XIX personal care services are provided to eligible persons in conformance with federal regulations.

(a) These administrative rules shall include financial eligibility indexed according to the requirements of the social security act providing for medicaid eligibility.

(b) The rules shall require clients be assessed as having a medical condition requiring assistance with personal care tasks. Plans of care for clients requiring health-related consultation for assessment and service planning may be reviewed by a nurse.

(c) The department shall determine by rule which clients have a health-related assessment or service planning need requiring registered nurse consultation or review. This definition may include clients that meet indicators or protocols for review, consultation, or visit.

(3) The department shall design and implement a means to assess the level of functional disability of persons eligible for personal care services under this section. The personal care services benefit shall be provided to the extent funding is available according to the assessed level of functional disability. Any reductions in services made necessary for funding reasons should be accomplished in a manner that assures that priority for maintaining services is given to persons with the greatest need as determined by the assessment of functional disability.

(4) Effective July 1, 1989, the authority shall offer hospice services in accordance with available funds.

(5) For Title XIX personal care services administered by aging and disability services administration of the department, the department shall contract with area agencies on aging:

(a) To provide case management services to individuals receiving Title XIX personal care services in their own home; and

(b) To reassess and reauthorize Title XIX personal care services or other home and community services as defined in RCW 74.39A.009 in home or in other settings for individuals consistent with the intent of this section:

(i) Who have been initially authorized by the department to receive Title XIX personal care services or other home and community services as defined in RCW 74.39A.009; and

(ii) Who, at the time of reassessment and reauthorization, are receiving such services in their own home.

(6) In the event that an area agency on aging is unwilling to enter into or satisfactorily fulfill a contract or an individual consumer's need for case management services will be met through an alternative delivery system, the department is authorized to:

(a) Obtain the services through competitive bid; and

(b) Provide the services directly until a qualified contractor can be found.

(7) Subject to the availability of amounts appropriated for this specific purpose, the authority may offer medicare part D prescription drug copayment coverage to full benefit dual eligible beneficiaries.

(8) Effective January 1, 2016, the authority shall require universal screening and provider payment for autism and developmental delays as recommended by the bright futures guidelines of the American academy of pediatrics, as they existed on August 27, 2015. This requirement is subject to the availability of funds.

**Sec.**  RCW 71.24.385 and 2016 sp.s. c 29 s 510 are each amended to read as follows:

(1) Within funds appropriated by the legislature for this purpose, behavioral health organizations shall develop the means to serve the needs of people:

(a) With mental disorders residing within the boundaries of their regional service area. Elements of the program may include:

(i) Crisis diversion services;

(ii) Evaluation and treatment and community hospital beds;

(iii) Residential treatment;

(iv) Programs for intensive community treatment;

(v) Outpatient services;

(vi) Peer support services;

(vii) Community support services;

(viii) Resource management services; and

(ix) Supported housing and supported employment services.

(b) With substance use disorders and their families, people incapacitated by alcohol or other psychoactive chemicals, and intoxicated people.

(i) Elements of the program shall include, but not necessarily be limited to, a continuum of substance use disorder treatment services that includes:

(A) Withdrawal management;

(B) Residential treatment; and

(C) Outpatient treatment.

(ii) The program may include peer support, supported housing, supported employment, crisis diversion, or recovery support services.

(iii) The department may contract for the use of an approved substance use disorder treatment program or other individual or organization if the secretary considers this to be an effective and economical course to follow.

(c) Supported housing services identified in this subsection (1) exclude the payment of residential housing costs and other costs directly associated with residential housing payments, such as deposits and rental fees. This prohibition does not exclude the payment of residential costs at licensed care settings, such as licensed long-term care facilities or licensed behavioral health service providers offering on-site residential treatment services.

(2) The behavioral health organization shall have the flexibility, within the funds appropriated by the legislature for this purpose and the terms of their contract, to design the mix of services that will be most effective within their service area of meeting the needs of people with behavioral health disorders and avoiding placement of such individuals at the state mental hospital. Behavioral health organizations are encouraged to maximize the use of evidence-based practices and alternative resources with the goal of substantially reducing and potentially eliminating the use of institutions for mental diseases.

(3)(a) Treatment provided under this chapter must be purchased primarily through managed care contracts.

(b) Consistent with RCW 71.24.580, services and funding provided through the criminal justice treatment account are intended to be exempted from managed care contracting.

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