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**ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2779**

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**State of Washington 65th Legislature 2018 Regular Session**

**By** House Appropriations (originally sponsored by Representatives Senn, Dent, Eslick, Bergquist, Tharinger, Goodman, Doglio, Pollet, Kloba, Macri, and Santos)

AN ACT Relating to improving access to mental health services for children and youth; amending RCW 74.09.495, 71.24.385, 71.24.045, and 28A.630.500; adding new sections to chapter 74.09 RCW; creating new sections; providing an effective date; and providing expiration dates.

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

NEW SECTION. **Sec.**  The legislature finds that the children's mental health work group established in chapter 96, Laws of 2016 reported recommendations in December 2016 related to increasing access to adequate, appropriate, and culturally and linguistically relevant mental health services for children and youth. The legislature further finds that legislation implementing many of the recommendations of the children's mental health work group was enacted in 2017. Despite these gains, barriers to service remain and additional work is required to assist children with securing adequate mental health treatment. The legislature further finds that by January 1, 2020, the community behavioral health program must be fully integrated in a managed care health system that provides behavioral and physical health care services to medicaid clients. Therefore, it is the intent of the legislature to reestablish the children's mental health work group through December 2020 and to implement additional recommendations from the work group in order to improve mental health care access for children and their families.

NEW SECTION. **Sec.**  (1) A children's mental health work group is established to identify barriers to and opportunities for accessing mental health services for children and families and to advise the legislature on statewide mental health services for this population.

(2) The work group shall consist of members and alternates as provided in this subsection. Members must represent the regional, racial, and cultural diversity of all children and families in the state. Members of the children's mental health work group created in chapter 96, Laws of 2016, and serving on the work group as of December 1, 2017, may continue to serve as members of the work group without reappointment.

(a) The president of the senate shall appoint one member and one alternate from each of the two largest caucuses in the senate.

(b) The speaker of the house of representatives shall appoint one member and one alternate from each of the two largest caucuses in the house of representatives.

(c) The governor shall appoint six members representing the following state agencies and offices: The department of children, youth, and families; the department of social and health services; the health care authority; the department of health; the office of homeless youth prevention and protection programs; and the office of the governor.

(d) The governor shall appoint one member representing each of the following:

(i) Behavioral health organizations;

(ii) Community mental health agencies;

(iii) Medicaid managed care organizations;

(iv) A regional provider of co-occurring disorder services;

(v) Pediatricians or primary care providers;

(vi) Providers specializing in infant or early childhood mental health;

(vii) Child health advocacy groups;

(viii) Early learning and child care providers;

(ix) The evidence-based practice institute;

(x) Parents or caregivers who have been the recipient of early childhood mental health services;

(xi) An education or teaching institution that provides training for mental health professionals;

(xii) Foster parents;

(xiii) Providers of culturally and linguistically appropriate health services to traditionally underserved communities;

(xiv) Pediatricians located east of the crest of the Cascade mountains; and

(xv) Child psychiatrists.

(e) The governor shall request participation by a representative of tribal governments.

(f) The superintendent of public instruction shall appoint one representative from the office of the superintendent of public instruction.

(g) The insurance commissioner shall appoint one representative from the office of the insurance commissioner.

(h) The work group shall choose three cochairs, two from among its legislative membership and one representative of a state agency. The two legislative cochairs must represent the minority and the majority caucuses in the house of representatives. The representative from the health care authority shall convene at least two, but not more than four, meetings of the work group each year.

(3) The work group shall:

(a) Monitor the implementation of enacted legislation, programs, and policies related to children's mental health, including provider payment for depression screenings for youth and new mothers, consultation services for child care providers caring for children with symptoms of trauma, home visiting services, and streamlining agency rules for providers of behavioral health services;

(b) Consider system strategies to improve coordination and remove barriers between the early learning, K-12 education, and health care systems; and

(c) Identify opportunities to remove barriers to treatment and strengthen mental health service delivery for children and youth.

(4) Staff support for the work group, including administration of work group meetings and preparation of the updated report required under subsection (6) of this section, must be provided by the health care authority. Additional staff support for legislative members of the work group may be provided by senate committee services and the house of representatives office of program research.

(5) Legislative members of the work group are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

(6) The work group shall update the findings and recommendations reported to the legislature by the children's mental health work group in December 2016 pursuant to chapter 96, Laws of 2016. The work group must submit the updated report to the governor and the appropriate committees of the legislature by December 1, 2020.

(7) This section expires December 30, 2020.

**Sec.**  RCW 74.09.495 and 2017 c 226 s 6 are each amended to read as follows:

(1) To better assure and understand issues related to network adequacy and access to services, the authority and the department shall report to the appropriate committees of the legislature by December 1, 2017, and annually thereafter, on the status of access to behavioral health services for children birth through age seventeen using data collected pursuant to RCW 70.320.050.

((~~(1)~~)) (2) At a minimum, the report must include the following components broken down by age, gender, and race and ethnicity:

(a) The percentage of discharges for patients ages six through seventeen who had a visit to the emergency room with a primary diagnosis of mental health or alcohol or other drug dependence during the measuring year and who had a follow-up visit with any provider with a corresponding primary diagnosis of mental health or alcohol or other drug dependence within thirty days of discharge;

(b) The percentage of health plan members with an identified mental health need who received mental health services during the reporting period; ((~~and~~))

(c) The percentage of children served by behavioral health organizations, including the types of services provided((~~.~~));

((~~(2) The report must also include~~)) (d) The number of children's mental health providers available in the previous year, the languages spoken by those providers, and the overall percentage of children's mental health providers who were actively accepting new patients; and

(e) Data related to mental health and medical services for eating disorder treatment in children and youth by county, including the number of:

(i) Eating disorder diagnoses;

(ii) Patients treated in outpatient, residential, emergency, and inpatient care settings; and

(iii) Contracted providers specializing in eating disorder treatment and the overall percentage of those providers who were actively accepting new patients during the reporting period.

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

(1) The authority shall collaborate with the department of children, youth, and families to identify opportunities to leverage medicaid funding for home visiting services.

(2) The authority must contract with a third party to:

(a) Build upon the research and strategies developed in the Washington state home visiting and medicaid financing strategies report submitted by the health care authority to the department of early learning in August 2017; and

(b) Provide a set of recommendations to the legislature by December 1, 2018.

NEW SECTION. **Sec.**  (1) By November 1, 2018, the department of children, youth, and families must:

(a) Develop a common set of definitions to clarify differences between evidence-based, research-based, and promising practices home visiting programs and discrete services provided in the home;

(b) Develop a strategy to expand home visiting programs statewide; and

(c) Collaborate with the health care authority to maximize medicaid and other federal resources in implementing current home visiting programs and the statewide strategy developed under this section.

(2) This section expires December 30, 2018.

**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, including family support;

(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.

(2)(a) 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.

(b) The behavioral health organization may allow reimbursement to providers for services delivered through a partial hospitalization or intensive outpatient program. Such payment and services are distinct from the state's delivery of wraparound with intensive services under the *T.R. v. Strange and McDermott*, formerly the *T.R. v. Dreyfus and Porter*, settlement agreement.

(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.

**Sec.**  RCW 71.24.045 and 2016 sp.s. c 29 s 421 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 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 ensure they are transitioned into the community in accordance with 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; and

(11) Allow reimbursement for time spent supervising persons working toward satisfying supervision requirements established for the relevant practice areas pursuant to RCW 18.225.090.

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

Upon adoption of a fully integrated managed health care system pursuant to chapter 71.24 RCW, regional service areas:

(1) Must allow reimbursement for time spent supervising persons working toward satisfying supervision requirements established for the relevant practice areas pursuant to RCW 18.225.090; and

(2) may allow reimbursement for services delivered through a partial hospitalization or intensive outpatient program as described in RCW 71.24.385.

NEW SECTION. **Sec.**  (1) The department of social and health services must convene an advisory group of stakeholders to review the parent-initiated treatment process authorized by chapter 71.34 RCW. The advisory group must develop recommendations regarding:

(a) The age of consent for the behavioral health treatment of a minor;

(b) Options for parental involvement in youth treatment decisions;

(c) Information communicated to families and providers about the parent-initiated treatment process; and

(d) The definition of medical necessity for emergency mental health services and options for parental involvement in those determinations.

(2) The advisory group established in this section must review the effectiveness of serving commercially sexually exploited children using parent-initiated treatment, involuntary treatment, or other treatment services delivered pursuant to chapter 71.34 RCW.

(3) By December 1, 2018, the department of social and health services must report the findings and recommendations of the advisory group to the children's mental health work group established in section 2 of this act.

(4) This section expires December 30, 2018.

**Sec.**  RCW 28A.630.500 and 2017 c 202 s 6 are each amended to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the office of the superintendent of public instruction shall establish a competitive application process to designate two educational service districts in which to pilot one lead staff person for children's mental health and substance use disorder services.

(2) The office must select two educational service districts as pilot sites by October 1, 2017. When selecting the pilot sites, the office must endeavor to achieve a balanced geographic distribution of sites east of the crest of the Cascade mountains and west of the crest of the Cascade mountains.

(3) The lead staff person for each pilot site must have the primary responsibility for:

(a) Coordinating medicaid billing for schools and school districts in the educational service district;

(b) Facilitating partnerships with community mental health agencies, providers of substance use disorder treatment, and other providers;

(c) Sharing service models;

(d) Seeking public and private grant funding;

(e) Ensuring the adequacy of other system level supports for students with mental health and substance use disorder treatment needs; ((~~and~~))

(f) Collaborating with the other selected project and with the office of the superintendent of public instruction; and

(g) Delivering a mental health literacy curriculum, mental health literacy curriculum resource, or comprehensive instruction to students in one high school in each pilot site that:

(i) Improves mental health literacy in students;

(ii) Is designed to support teachers; and

(iii) Aligns with the state health and physical education K-12 learning standards as they existed on January 1, 2018.

(4) The office of the superintendent of public instruction must report on the results of the two pilot projects to the governor and the appropriate committees of the legislature in accordance with RCW 43.01.036 by December 1, 2019. The report must also include:

(a) A case study of an educational service district that is successfully delivering and coordinating children's mental health activities and services. Activities and services may include but are not limited to medicaid billing, facilitating partnerships with community mental health agencies, and seeking and securing public and private funding; and

(b) Recommendations regarding whether to continue or make permanent the pilot projects and how the projects might be replicated in other educational service districts.

(5) This section expires January 1, 2020.

NEW SECTION. **Sec.**  Subject to the availability of amounts appropriated for this specific purpose, the child and adolescent psychiatry residency program at the University of Washington shall offer one additional twenty-four month residency position that is approved by the accreditation council for graduate medical education to one resident specializing in child and adolescent psychiatry. The residency must include a minimum of twelve months of training in settings where children's mental health services are provided under the supervision of experienced psychiatric consultants and must be located west of the crest of the Cascade mountains.

NEW SECTION. **Sec.**  Section 11 of this act takes effect July 1, 2020.

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