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SSB 5157 - H COMM AMD By Committee on Health Care & Wellness

ADOPTED AND ENGROSSED 4/7/21

Strike everything after the enacting clause and insert the 1 2 following:

"NEW SECTION. Sec. 1. The legislature finds that in 2013 the legislature adopted outcome expectations for entities that contract with the state to provide health services in order to guide purchasing strategies by the health care authority and department of social and health services. Since then, the health care authority has established a performance measures coordinating committee and implemented performance terms in managed care contracts including, but not limited to, performance measurement requirements, mandatory performance improvement projects, and value-based purchasing terms.

The legislature finds that two outcomes established by chapter 320, Laws of 2013 (Engrossed Substitute House Bill No. 1519) and chapter 338, Laws of 2013 (Second Substitute Senate Bill No. 5732) which are key to the integration of behavioral health into primary health networks are (1) reduction in client involvement with the criminal justice system; and (2) reduction in avoidable costs in jails and prisons. These outcomes reflect Washington's priorities to incentivize cross-system collaboration between health government entities, and the criminal justice system; to emphasize prevention over crisis response; and to remove individuals whose offending is driven primarily by health status instead of criminality from the criminal justice system.

The legislature further finds that indicators since 2013 show worsening trends for interaction between persons with behavioral health disorders and the criminal justice system. According to data presented in October 2018 by the research and data administration of the department of social and health services, arrests of persons enrolled in public health with an identified mental health or substance use disorder condition increased by 67 percent during this five-year period, while the overall rate of arrest declined by 11 percent. According to the same data source, referrals for state

- 1 mental health services related to competency to stand trial have increased by 64 percent, incurring substantial liability for the 2 state in the case of Trueblood v. Department of Social and Health 3 Services. The purpose of this act is to focus the health care 4 authority's purchasing efforts on providing incentives to its 5 contractors to reverse these trends and achieve the outcome of 6 reduced criminal justice system involvement for public health system 7 clients with behavioral health disorders. 8
- 9 **Sec. 2.** RCW 70.320.020 and 2017 c 226 s 8 are each amended to 10 read as follows:

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- (1) The authority and the department shall base contract performance measures developed under RCW 70.320.030 on the following outcomes when contracting with service contracting entities: Improvements in client health status and wellness; increases in client participation in meaningful activities; reductions in client involvement with criminal justice systems; reductions in avoidable costs in hospitals, emergency rooms, crisis services, and jails and prisons; increases in stable housing in the community; improvements in client satisfaction with quality of life; and reductions in population-level health disparities.
- 21 (2) The performance measures must demonstrate the manner in which 22 the following principles are achieved within each of the outcomes 23 under subsection (1) of this section:
 - (a) Maximization of the use of evidence-based practices will be given priority over the use of research-based and promising practices, and research-based practices will be given priority over the use of promising practices. The agencies will develop strategies to identify programs that are effective with ethnically diverse clients and to consult with tribal governments, experts within ethnically diverse communities and community organizations that serve diverse communities;
- 32 (b) The maximization of the client's independence, recovery, and 33 employment;
- 34 (c) The maximization of the client's participation in treatment 35 decisions; and
- 36 (d) The collaboration between consumer-based support programs in providing services to the client.
- 38 (3) In developing performance measures under RCW 70.320.030, the 39 authority and the department shall consider expected outcomes Official Print 2 5157-S AMH ENGR H1392.E

relevant to the general populations that each agency serves. The authority and the department may adapt the outcomes to account for the unique needs and characteristics of discrete subcategories of populations receiving services, including ethnically diverse communities.

- (4) The authority and the department shall coordinate the establishment of the expected outcomes and the performance measures between each agency as well as each program to identify expected outcomes and performance measures that are common to the clients enrolled in multiple programs and to eliminate conflicting standards among the agencies and programs.
- (5)(a) The authority and the department shall establish timelines and mechanisms for service contracting entities to report data related to performance measures and outcomes, including phased implementation of public reporting of outcome and performance measures in a form that allows for comparison of performance measures and levels of improvement between geographic regions of Washington.
- (b) The authority and the department may not release any public reports of client outcomes unless the data has been deidentified and aggregated in such a way that the identity of individual clients cannot be determined through directly identifiable data or the combination of multiple data elements.
- (6) (a) The ((authority and department)) performance measures coordinating committee must establish ((a)): (i) A performance measure to be integrated into the statewide common measure set which tracks effective integration practices of behavioral health services in primary care settings; and (ii) performance measures which track rates of criminal justice system involvement among public health system clients with an identified behavioral health need including, but not limited to, rates of arrest and incarceration. The authority must set improvement targets related to these measures.
- (b) The performance measures coordinating committee must report to the governor and appropriate committees of the legislature regarding the implementation of this subsection by July 1, 2022.
- (c) For purposes of establishing performance measures as specified in (a)(ii) of this subsection, the performance measures coordinating committee shall convene a work group of stakeholders including the authority, medicaid managed care organizations, the department of corrections, and others with expertise in criminal justice and behavioral health. The work group shall review current

- performance measures that have been adopted in other states or
 nationally to inform this effort.
- 3 (7) The authority must report to the governor and appropriate committees of the legislature by October 1, 2022, regarding options
- 5 and recommendations for integrating value-based purchasing terms and
- 6 <u>a performance improvement project into managed health care contracts</u>
- 7 relating to the criminal justice outcomes specified under subsection
- 8 (1) of this section.
- 9 **Sec. 3.** RCW 70.320.030 and 2015 c 209 s 1 are each amended to 10 read as follows:
- 11 ((By September 1, 2014:))
- 12 (1) The authority shall adopt performance measures to determine 13 whether service contracting entities are achieving the outcomes 14 described in RCW 70.320.020 and 41.05.690 for clients enrolled in 15 medical managed care programs operated according to Title XIX or XXI 16 of the federal social security act.
- 17 (2) The ((department)) <u>authority</u> shall adopt performance measures 18 to determine whether service contracting entities are achieving the 19 outcomes described in RCW 70.320.020 for clients receiving mental 20 health, long-term care, or chemical dependency services."
- 21 Correct the title.

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