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HOUSE BILL 2358

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State of Washington

55th Legislature

1998 Regular Session

By Representatives Dyer, Cody, Cooke, Kastama, Tokuda, Linville, Carlson, Anderson, Mitchell and Mason

Prefiled 01/08/98. Read first time 01/12/98. Referred to Committee on Health Care.

1 AN ACT Relating to managed public mental health care; adding new  
2 sections to chapter 71.24 RCW; creating new sections; making an  
3 appropriation; providing expiration dates; and declaring an emergency.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 71.24 RCW  
6 to read as follows:

7 The legislature finds that it is important to ensure that the  
8 design and implementation of managed care in the public mental health  
9 care system preserves and strengthens the community-based delivery of  
10 mental health services through the regional support networks created  
11 under this chapter. The legislature further finds that public  
12 involvement in the implementation of managed public mental health care  
13 is essential for preserving the public interest that includes cost-  
14 effectiveness, safety, security, access, equity, participation, and  
15 accountability. The legislature further finds that successful managed  
16 care efforts for public mental health services require collaboration  
17 and coordination between the state mental health authority, the public,  
18 regional support networks, and service providers. The legislature  
19 intends to: (1) Create a managed public mental health care system that

1 meets national standards for effective managed mental health care  
2 including best business practices for efficiency; (2) establish  
3 performance and outcome standards; (3) clearly provide for consumer  
4 protection, consumer rights and involvement, and community health and  
5 security; (4) meet the needs of vulnerable populations, including the  
6 requirement to promote early identification of, and services to,  
7 mentally ill children, and ensure system accountability as required by  
8 this chapter; and (5) reinvest public mental health funds for improved  
9 outcomes for consumers and communities.

10 NEW SECTION. **Sec. 2.** A new section is added to chapter 71.24 RCW  
11 to read as follows:

12 Managed public mental health care provided in Washington shall  
13 comply with the following:

14 (1) Development and implementation of managed public mental health  
15 care shall include collaboration among consumers, providers, and  
16 payers;

17 (2) Provision of services and support shall be directed by the  
18 consumers' needs and desires, whenever possible;

19 (3) Public mental health care services shall be adequate to meet  
20 the demonstrated and estimated needs of the covered population;

21 (4) The department shall specify reasonable operating margins for  
22 organizations serving public mental health care consumers;

23 (5) The department shall adopt a consumer bill of rights addressing  
24 consumer rights and responsibilities, and rules governing grievance and  
25 appeals procedures;

26 (6) Emphasize community-based care in lieu of institutional care;

27 (7) Consistent, reliable, and valid outcome measures shall be used  
28 for managed public mental health care;

29 (8) Entities responsible for the capitated risk in managed public  
30 mental health care shall have the authority and flexibility to manage  
31 the resources and the system of care relating to recovery and wellness;  
32 and

33 (9) Public agencies shall clarify and distinguish their roles in  
34 the service delivery system in order to avoid duplication and cost  
35 shifting.

36 NEW SECTION. **Sec. 3.** (1) A task force to the legislature on  
37 managed public mental health care is created. The task force shall

1 consist of six members representing service providers, regional support  
2 networks, managed care agencies, and the public; two members of the  
3 senate, one representing each of the two largest caucuses in the senate  
4 and two members of the house of representatives, one representing each  
5 of the two largest caucuses in the house of representatives; one member  
6 representing the governor; and one member representing the department  
7 of social and health services. The governor shall appoint the eight  
8 members representing service providers, regional support networks,  
9 managed care agencies, the public, and the two executive branch  
10 members. The president of the senate and speaker of the house of  
11 representatives shall appoint the legislative members. The appointed  
12 members shall select a chair of the task force.

13 (2) This section expires June 30, 1999.

14 NEW SECTION. **Sec. 4.** (1) The task force shall make  
15 recommendations relating to the design and implementation of managed  
16 public mental health care services. In developing recommendations the  
17 task force shall:

18 (a) Review the experiences of other states in designing and  
19 implementing managed public mental health care;

20 (b) Review available research into medical cost offsets achieved as  
21 the result of effective mental health care;

22 (c) Review the pros and cons of various financing models, including  
23 full and partial capitation; and

24 (d) Address the unique challenges of implementing managed public  
25 mental health care in rural communities.

26 (2) The task force shall present its findings and recommendations  
27 to the legislature and the governor no later than December 1, 1998.

28 (3) This section expires June 30, 1999.

29 NEW SECTION. **Sec. 5.** The sum of fifty thousand dollars, or as  
30 much thereof as may be necessary, is appropriated from the general fund  
31 to the house of representatives for the fiscal year ending June 30,  
32 1999, to carry out the purposes of this act.

33 NEW SECTION. **Sec. 6.** This act is necessary for the immediate  
34 preservation of the public peace, health, or safety, or support of the

1 state government and its existing public institutions, and takes effect  
2 immediately.

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