

2 **SHB 1650** - S COMM AMD

3 By Committee on Human Services & Corrections

4

5 Strike everything after the enacting clause and insert the  
6 following:

7 NEW SECTION. **Sec. 1.** The legislature affirms its support for  
8 those recommendations of the performance audit of the public mental  
9 health system conducted by the joint legislative audit and review  
10 committee relating to: Improving the coordination of services for  
11 clients with multiple needs; improving the consistency of client,  
12 service, and fiscal data collected by the mental health division;  
13 replacing process-oriented accountability activities with a uniform  
14 statewide outcome measurement system; and using outcome information to  
15 identify and provide incentives for best practices in the provision of  
16 public mental health services.

17 NEW SECTION. **Sec. 2.** The legislature supports recommendations 1  
18 through 10 and 12 through 14 of the mental health system performance  
19 audit conducted by the joint legislative audit and review committee.  
20 The legislature expects the department of social and health services to  
21 work diligently within available funds to implement these  
22 recommendations.

23 NEW SECTION. **Sec. 3.** In addition to any follow-up requirements  
24 prescribed by the joint legislative audit and review committee, the  
25 department of social and health services shall submit reports to the  
26 legislature on the status of the implementation of recommendations 1  
27 through 10 and 12 through 14 of the performance audit report. The  
28 implementation status reports must be submitted to appropriate policy  
29 and fiscal committees of the legislature by June 1, 2001, and each year  
30 thereafter through 2004.

31 NEW SECTION. **Sec. 4.** The initial implementation status reports  
32 must discuss the status of implementing recommendations 1 through 8,  
33 which are due to be implemented by June 2001, and must also include a

1 plan for implementing recommendations 9, 10, and 12 through 14, which  
2 are due to be implemented subsequent to June 2001. The initial  
3 implementation status report must also discuss what actions the  
4 department of social and health services has taken and will take in the  
5 future in response to recommendation 11 of the performance audit  
6 report.

7 NEW SECTION. **Sec. 5.** The department of social and health services  
8 shall conduct a longitudinal study of long-term client outcomes to  
9 assess any changes in client status at two, five, and ten years. The  
10 measures tracked shall include client change as a result of services,  
11 employment and/or education, housing stability, criminal justice  
12 involvement, and level of services needed. The department shall report  
13 these long-term outcomes to the appropriate policy and fiscal committee  
14 of the legislature annually beginning not later than December 31, 2004.

15 **Sec. 6.** RCW 71.24.015 and 1999 c 214 s 7 are each amended to read  
16 as follows:

17 It is the intent of the legislature to establish a community mental  
18 health program which shall help people experiencing mental illness to  
19 retain a respected and productive position in the community. This will  
20 be accomplished through programs which provide for:

21 (1) Access to mental health services for adults of the state who  
22 are acutely mentally ill, chronically mentally ill, or seriously  
23 disturbed and children of the state who are acutely mentally ill,  
24 severely emotionally disturbed, or seriously disturbed, which services  
25 recognize the special needs of underserved populations, including  
26 minorities, children, the elderly, disabled, and low-income persons.  
27 Access to mental health services shall not be limited by a person's  
28 history of confinement in a state, federal, or local correctional  
29 facility. It is also the purpose of this chapter to promote the early  
30 identification of mentally ill children and to ensure that they receive  
31 the mental health care and treatment which is appropriate to their  
32 developmental level. This care should improve home, school, and  
33 community functioning, maintain children in a safe and nurturing home  
34 environment, and should enable treatment decisions to be made in  
35 response to clinical needs in accordance with sound professional  
36 judgment while also recognizing parents' rights to participate in  
37 treatment decisions for their children;

1 (2) Accountability of efficient and effective services through  
2 statewide standards for monitoring and reporting of client and system  
3 outcome information;

4 (3) Minimum service delivery standards;

5 (4) Priorities for the use of available resources for the care of  
6 the mentally ill;

7 (5) Coordination of services within the department, including those  
8 divisions within the department that provide services to children,  
9 between the department and the office of the superintendent of public  
10 instruction, and among state mental hospitals, county authorities,  
11 community mental health services, and other support services, which  
12 shall to the maximum extent feasible also include the families of the  
13 mentally ill, and other service providers; and

14 (6) Coordination of services aimed at reducing duplication in  
15 service delivery and promoting complementary services among all  
16 entities that provide mental health services to adults and children.

17 It is the policy of the state to encourage the provision of a full  
18 range of treatment and rehabilitation services in the state for mental  
19 disorders. The legislature intends to encourage the development of  
20 county-based and county-managed mental health services with adequate  
21 local flexibility to assure eligible people in need of care access to  
22 the least-restrictive treatment alternative appropriate to their needs,  
23 and the availability of treatment components to assure continuity of  
24 care. To this end, counties are encouraged to enter into joint  
25 operating agreements with other counties to form regional systems of  
26 care which integrate planning, administration, and service delivery  
27 duties assigned to counties under chapters 71.05 and 71.24 RCW to  
28 consolidate administration, reduce administrative layering, and reduce  
29 administrative costs.

30 It is further the intent of the legislature to integrate the  
31 provision of services to provide continuity of care through all phases  
32 of treatment. To this end the legislature intends to promote active  
33 engagement with mentally ill persons and collaboration between families  
34 and service providers.

35 **Sec. 7.** RCW 71.24.035 and 1999 c 10 s 4 are each amended to read  
36 as follows:

37 (1) The department is designated as the state mental health  
38 authority.

1 (2) The secretary may provide for public, client, and licensed  
2 service provider participation in developing the state mental health  
3 program.

4 (3) The secretary shall provide for participation in developing the  
5 state mental health program for children and other underserved  
6 populations, by including representatives on any committee established  
7 to provide oversight to the state mental health program.

8 (4) The secretary shall be designated as the county authority if a  
9 county fails to meet state minimum standards or refuses to exercise  
10 responsibilities under RCW 71.24.045.

11 (5) The secretary shall:

12 (a) Develop a biennial state mental health program that  
13 incorporates county biennial needs assessments and county mental health  
14 service plans and state services for mentally ill adults and children.  
15 The secretary may also develop a six-year state mental health plan;

16 (b) Assure that any county community mental health program provides  
17 access to treatment for the county's residents in the following order  
18 of priority: (i) The acutely mentally ill; (ii) chronically mentally  
19 ill adults and severely emotionally disturbed children; and (iii) the  
20 seriously disturbed. Such programs shall provide:

21 (A) Outpatient services;

22 (B) Emergency care services for twenty-four hours per day;

23 (C) Day treatment for mentally ill persons which includes training  
24 in basic living and social skills, supported work, vocational  
25 rehabilitation, and day activities. Such services may include  
26 therapeutic treatment. In the case of a child, day treatment includes  
27 age-appropriate basic living and social skills, educational and  
28 prevocational services, day activities, and therapeutic treatment;

29 (D) Screening for patients being considered for admission to state  
30 mental health facilities to determine the appropriateness of admission;

31 (E) Employment services, which may include supported employment,  
32 transitional work, placement in competitive employment, and other work-  
33 related services, that result in mentally ill persons becoming engaged  
34 in meaningful and gainful full or part-time work. Other sources of  
35 funding such as the division of vocational rehabilitation may be  
36 utilized by the secretary to maximize federal funding and provide for  
37 integration of services;

38 (F) Consultation and education services; and

39 (G) Community support services;

1 (c) Develop and adopt rules establishing state minimum standards  
2 for the delivery of mental health services pursuant to RCW 71.24.037  
3 including, but not limited to:

- 4 (i) Licensed service providers;
- 5 (ii) Regional support networks; and
- 6 (iii) Residential and inpatient services, evaluation and treatment  
7 services and facilities under chapter 71.05 RCW, resource management  
8 services, and community support services;

9 (d) Assure that the special needs of minorities, the elderly,  
10 disabled, children, and low-income persons are met within the  
11 priorities established in this section;

12 (e) Establish a standard contract or contracts, consistent with  
13 state minimum standards, which shall be used by the counties;

14 (f) Establish, to the extent possible, a standardized auditing  
15 procedure which minimizes paperwork requirements of county authorities  
16 and licensed service providers;

17 (g) Develop and maintain an information system to be used by the  
18 state, counties, and regional support networks that includes a tracking  
19 method which allows the department and regional support networks to  
20 identify mental health clients' participation in any mental health  
21 service or public program on an immediate basis. The information  
22 system shall not include individual patient's case history files.  
23 Confidentiality of client information and records shall be maintained  
24 as provided in this chapter and in RCW 71.05.390, 71.05.400, 71.05.410,  
25 71.05.420, 71.05.430, and 71.05.440;

26 (h) License service providers who meet state minimum standards;

27 (i) Certify regional support networks that meet state minimum  
28 standards;

29 (j) Periodically inspect certified regional support networks and  
30 licensed service providers at reasonable times and in a reasonable  
31 manner;

32 (k) Fix fees to be paid by evaluation and treatment centers to the  
33 secretary for the required inspections;

34 (l) Monitor and audit counties, regional support networks, and  
35 licensed service providers as needed to assure compliance with  
36 contractual agreements authorized by this chapter; and

37 (m) Adopt such rules as are necessary to implement the department's  
38 responsibilities under this chapter.

1 (6) The secretary shall use available resources only for regional  
2 support networks.

3 (7) Each certified regional support network and licensed service  
4 provider shall file with the secretary, on request, such data,  
5 statistics, schedules, and information as the secretary reasonably  
6 requires. A certified regional support network or licensed service  
7 provider which, without good cause, fails to furnish any data,  
8 statistics, schedules, or information as requested, or files fraudulent  
9 reports thereof, may have its certification or license revoked or  
10 suspended.

11 (8) The secretary may suspend, revoke, limit, or restrict a  
12 certification or license, or refuse to grant a certification or license  
13 for failure to conform to: (a) The law; (b) applicable rules and  
14 regulations; (c) applicable standards; or (d) state minimum standards.

15 (9) The superior court may restrain any regional support network or  
16 service provider from operating without certification or a license or  
17 any other violation of this section. The court may also review,  
18 pursuant to procedures contained in chapter 34.05 RCW, any denial,  
19 suspension, limitation, restriction, or revocation of certification or  
20 license, and grant other relief required to enforce the provisions of  
21 this chapter.

22 (10) Upon petition by the secretary, and after hearing held upon  
23 reasonable notice to the facility, the superior court may issue a  
24 warrant to an officer or employee of the secretary authorizing him or  
25 her to enter at reasonable times, and examine the records, books, and  
26 accounts of any regional support network or service provider refusing  
27 to consent to inspection or examination by the authority.

28 (11) Notwithstanding the existence or pursuit of any other remedy,  
29 the secretary may file an action for an injunction or other process  
30 against any person or governmental unit to restrain or prevent the  
31 establishment, conduct, or operation of a regional support network or  
32 service provider without certification or a license under this chapter.

33 (12) The standards for certification of evaluation and treatment  
34 facilities shall include standards relating to maintenance of good  
35 physical and mental health and other services to be afforded persons  
36 pursuant to this chapter and chapters 71.05 and 71.34 RCW, and shall  
37 otherwise assure the effectuation of the purposes of these chapters.

38 (13)(a) The department, in consultation with affected parties,  
39 shall establish a distribution formula that reflects county needs

1 assessments based on the number of persons who are acutely mentally  
2 ill, chronically mentally ill, severely emotionally disturbed children,  
3 and seriously disturbed. The formula shall take into consideration the  
4 impact on counties of demographic factors in counties which result in  
5 concentrations of priority populations as set forth in subsection  
6 (5)(b) of this section. These factors shall include the population  
7 concentrations resulting from commitments under chapters 71.05 and  
8 71.34 RCW to state psychiatric hospitals, as well as concentration in  
9 urban areas, at border crossings at state boundaries, and other  
10 significant demographic and workload factors.

11 (b) The formula shall also include a projection of the funding  
12 allocations that will result for each county, which specifies  
13 allocations according to priority populations, including the allocation  
14 for services to children and other underserved populations.

15 (c) The department may allocate up to two percent of total funds to  
16 be distributed to the regional support networks for incentive payments  
17 to reward the achievement of superior outcomes, or significantly  
18 improved outcomes, as measured by a statewide performance measurement  
19 system consistent with the framework recommended in the joint  
20 legislative audit and review committee's performance audit of the  
21 mental health system. The department shall annually report to the  
22 legislature on its criteria and allocation of the incentives provided  
23 under this subsection.

24 (14) The secretary shall assume all duties assigned to the  
25 nonparticipating counties under chapters 71.05, 71.34, and 71.24 RCW.  
26 Such responsibilities shall include those which would have been  
27 assigned to the nonparticipating counties under regional support  
28 networks.

29 The regional support networks, or the secretary's assumption of all  
30 responsibilities under chapters 71.05, 71.34, and 71.24 RCW, shall be  
31 included in all state and federal plans affecting the state mental  
32 health program including at least those required by this chapter, the  
33 medicaid program, and P.L. 99-660. Nothing in these plans shall be  
34 inconsistent with the intent and requirements of this chapter.

35 (15) The secretary shall:

36 (a) Disburse funds for the regional support networks within sixty  
37 days of approval of the biennial contract. The department must either  
38 approve or reject the biennial contract within sixty days of receipt.

1 (b) Enter into biennial contracts with regional support networks.  
2 The contracts shall be consistent with available resources. No  
3 contract shall be approved that does not include progress toward  
4 meeting the goals of this chapter by taking responsibility for: (i)  
5 Short-term commitments; (ii) residential care; and (iii) emergency  
6 response systems.

7 (c) Allocate one hundred percent of available resources to the  
8 regional support networks in accordance with subsection (13) of this  
9 section. Incentive payments authorized under subsection (13) of this  
10 section may be allocated separately from other available resources.

11 (d) Notify regional support networks of their allocation of  
12 available resources at least sixty days prior to the start of a new  
13 biennial contract period.

14 (e) Deny funding allocations to regional support networks based  
15 solely upon formal findings of noncompliance with the terms of the  
16 regional support network's contract with the department. Written  
17 notice and at least thirty days for corrective action must precede any  
18 such action. In such cases, regional support networks shall have full  
19 rights to appeal under chapter 34.05 RCW.

20 (f) Identify in its departmental biennial operating and capital  
21 budget requests the funds requested by regional support networks to  
22 implement their responsibilities under this chapter.

23 (g) Establish a maximum percentage for the reasonable  
24 administrative costs, not including direct service support, of licensed  
25 service providers.

26 (16) The department, in cooperation with the state congressional  
27 delegation, shall actively seek waivers of federal requirements and  
28 such modifications of federal regulations as are necessary to allow  
29 federal medicaid reimbursement for services provided by free-standing  
30 evaluation and treatment facilities certified under chapter 71.05 RCW.  
31 The department shall periodically report its efforts to the health care  
32 and corrections committee of the senate and the human services  
33 committee of the house of representatives.

34 (17) The secretary shall establish a task force to examine the  
35 recruitment, training, and compensation of qualified mental health  
36 professionals in the community, which shall include the advantages and  
37 disadvantages of establishing a training academy, loan forgiveness  
38 program, or educational stipends offered in exchange for commitments of  
39 employment in mental health.



1        NEW SECTION.    **Sec. 8.**    This act is necessary for the immediate  
2 preservation of the public peace, health, or safety, or support of the  
3 state government and its existing public institutions, and takes effect  
4 immediately."

5    **SHB 1650** - S COMM AMD  
6        By Committee on Human Services & Corrections

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8        On page 1, line 1 of the title, after "services;" strike the  
9 remainder of the title and insert "amending RCW 71.24.015 and  
10 71.24.035; creating new sections; and declaring an emergency."