

# HOUSE BILL REPORT

## SHB 1650

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### As Amended by the Senate

**Title:** An act relating to community mental health services.

**Brief Description:** Requiring monitoring of the performance of the community mental health service delivery system.

**Sponsors:** By House Committee on Health Care (originally sponsored by Representatives Cody, Alexander, Tokuda, Mulliken, Doumit, Schual-Berke, Edwards and Kagi).

**Brief History:**

**Committee Activity:**

Health Care: 2/6/01, 2/20/01 [DPS];  
Appropriations: 3/1/01, 3/8/01 [DPS(HC)].

**Floor Activity:**

Passed House: 3/12/01, 96-0.  
Senate Amended.  
Passed Senate: 4/10/01, 47-0.  
House Refused to Concur.  
Senate Receded.  
Senate Amended.  
Passed Senate: 4/18/01, 42-0.

**Brief Summary of Substitute Bill**

- Focuses the community mental health delivery system on outcomes and provides the Department of Social and Health Services greater flexibility to achieve positive outcomes for clients.

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### HOUSE COMMITTEE ON HEALTH CARE

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives Campbell, Republican Co-Chair; Cody, Democratic Co-Chair; Schual-Berke, Democratic Vice Chair; Alexander, Ballasiotes, Conway, Darneille, Edmonds, Edwards, Marine, McMorris, Pennington and Ruderman.

**Staff:** Dave Knutson (786-7146).

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## HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** The substitute bill by Committee on Health Care be substituted therefor and the substitute bill do pass. Signed by 32 members: Representatives Sehlin, Republican Co-Chair; H. Sommers, Democratic Co-Chair; Barlean, Republican Vice Chair; Doumit, Democratic Vice Chair; Lisk, Republican Vice Chair; Alexander, Benson, Boldt, Buck, Clements, Cody, Cox, Dunshee, Fromhold, Gombosky, Grant, Kagi, Keiser, Kenney, Kessler, Lambert, Linville, Mastin, McIntire, Mulliken, Pearson, Pflug, Ruderman, D. Schmidt, Schual-Berke, Talcott and Tokuda.

**Staff:** Amy Hanson (786-7118).

### **Background:**

The Joint Legislative Audit and Review Committee (JLARC) recently conducted an audit of the community mental health delivery system. The audit found that services to mental health clients were not well-coordinated, system accountability activities focus on processes rather than outcomes of care, data collected for accountability purposes is not consistent, geographic allocation of funding is inequitable; leading to disparities in service, and a wide range of operating practices and costs made it impossible to identify best practices across the service delivery system.

The audit recommends 14 improvements. They include: (1) Improve coordination of services for clients with multiple needs; (2) require Regional Support Networks to collaborate with allied service providers; (3) ensure timely hospital discharge and community placements; (4) the mental health division should streamline and reduce process-oriented accountability activities; (5) specify in statute that the delivery system should operate efficiently and effectively; (6) improve the consistency of fiscal data collected; (7) change fiscal accountability standard to include all system costs; (8) develop uniform definitions for reporting of client and service data; (9) the mental health division should use outcome information to manage the system; (10) the mental health division should implement an outcome-based performance system consistent with the JLARC consultant's report; (11) reduce the complexity of and disparity in rates paid to regional support networks, and allocate state hospital funding to regional support networks; (12) conduct periodic prevalence studies to ensure continued relationship between payments to regional support networks and the prevalence of mental illness; (13) limit regional support network fund balances to ten percent of annual revenue; and (14) use outcome information to identify and reward best practices.

### **Summary:**

The Department of Social and Health Services (DSHS) is given the flexibility to utilize federal and state funds for mental health services between department divisions and administrations to improve outcomes for clients. The community mental health service

delivery system will be evaluated based on outcome and performance measures. The outcome and performance measures will be developed jointly by the department and representatives of consumers, service providers, and regional support networks. The department will use the outcome measure information to manage the community mental health service delivery system. The department is required to deem compliance with state minimum standards for individuals and organizations accredited by recognized accrediting bodies.

**EFFECT OF SENATE AMENDMENT(S):**

Restores the text of SHB 1650, with the following changes from the version that passed the House: (1) language on reducing process-oriented activities is clarified throughout the bill, (2) the provision for a maximum 20 percent administrative rate of total Mental Health Division, RSN, and provider funds is deleted, and a new section is added that requires DSHS to submit a plan by December 2001 on reducing administrative costs to 10 percent or less, and (3) the authorization for DSHS to transfer appropriations authority between divisions is deleted, and replaced with a new section directing DSHS to propose funding transfers in operating budget requests and report annually on actions taken to promote collaborative service delivery.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** (Health Care) The recent audit by the JLARC identified several aspects of the community mental health system that need improvement. The Legislature needs to use the JLARC recommendations to modify the statute governing community mental health services to improve outcomes for people with a mental illness.

**Testimony For:** (Appropriations) The JLARC study pointed out several critical things that this bill addresses. The Regional Support Network system needs reform and this bill puts in place some critical accounting and accountability measures. The bill will provide the ability to compare what is working and what isn't working.

**Testimony Against:** (Health Care) None.

**Testimony Against:** (Appropriations) None.

**Testified:** (Health Care) Rick Weaver, Washington Community Mental Health Council; Lonnie Johns-Brown, National Association of Social Workers; Andrea Stephenson, Empower Alliance; Eleanor Owen, WAMI and Mental Health Association of Washington; and Tom Richardson, NAMI of Washington.

(Concerns) Richard Warner, Citizens Committee on Human Rights; Jean Wessman, Association of Counties; and Richard Onizuka, Department of Social and Health Services.

**Testified:** (Appropriations) Lonnie Johns-Brown, National Association of Social Workers; Brad Boswell, National Association of the Mentally Ill; and Andrea Stephenson, Empower Alliance.