

SENATE BILL REPORT

SHB 1650

As Reported By Senate Committee On:
Human Services & Corrections, March 30, 2001

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 (co-prime sponsor), Alexander (co-prime sponsor), Tokuda, Mulliken, Doumit, Schual-Berke, Edwards and Kagi).

Brief History:

Committee Activity: Human Services & Corrections: 3/29/01, 3/30/01 [DPA].

SENATE COMMITTEE ON HUMAN SERVICES & CORRECTIONS

Majority Report: Do pass as amended.

Signed by Senators Hargrove, Chair; Costa, Vice Chair; Carlson, Franklin, Hewitt, Kastama, Kohl-Welles, Long and Stevens.

Staff: Chelsea Buchanan (786-7446)

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 made 14 recommendations, including streamlining existing process-oriented accountability activities, and implementing a uniform outcome-oriented performance measure system.

Summary of Amended Bill: The Legislature supports recommendations 1 through 10 and 12 through 14 of the JLARC report. In addition to any follow-up requirements prescribed by JLARC, the Department of Social and Health Services (DSHS) must submit reports on the status of its implementation of these recommendations to the Legislature by June 1, 2001 and each year thereafter through 2004. The first report must cover recommendations 1 through 8, which are due to be implemented by June 2001, and a plan for implementing the remaining recommendations covered by this legislation. The initial report must also discuss what actions DSHS has taken and will take in response to recommendation 11 of the JLARC report.

MHD programs provide for accountability of efficient and effective services through statewide standards for monitoring and reporting of client and system outcome information.

DSHS may allocate up to 2 percent of total funds distributed to the RSNs for incentive payments, which may be allocated separately from other sources. Incentives are paid for achievement of superior or significantly improved services as measured by a statewide outcome performance measurement system consistent with the JLARC recommendations. DSHS must report to the Legislature annually on its criteria and distribution incentives.

DSHS must do long-term tracking of client outcomes as a result of services after two, five, and ten years and report to the Legislature.

Amended Bill Compared to Substitute Bill: The amendment strikes all language in the bill and inserts the entire text of ESSB 5583, as it passed the Senate. The amendment specifically supports recommendations 1 through 10, and 12 through 14 of the JLARC audit, and expects the department to work diligently within available funds to implement these recommendations. The amendment provides for incentive payments in the amount of 2 percent of total funds distributed to the RSNs, and directs DSHS to establish a maximum percentage for reasonable administrative costs, including direct service support, of licensed service providers. DSHS must do long-term tracking of client outcomes as a result of services after two, five, and ten years, and report to the Legislature.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: This bill uses not only the JLARC recommendations, but suggestions and language from the "Blueprint" study done by a group of stakeholders, including providers and advocates. Mental health consumers are owed a standard quality of care throughout the state; this bill is a step toward that. The department's concerns are surprising, since they were not voiced previously. **Concerns:** The department largely supports the JLARC recommendations. The requirements for a workgroup on performance measures in the bill are already exceeded in current practice. It is unclear how the funding transfer in Section 2 of the bill would work. The federal Medicaid waiver does require some measurements of process-oriented outcomes, so these should not be completely eliminated. The reporting requirements in the bill could be simplified.

Testimony Against: None.

Testified: Representative Eileen Cody, co-prime sponsor (pro); Richard Onikuza, DSHS-Mental Health Division (concerns).