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**SUBSTITUTE HOUSE BILL 1650**

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**State of Washington**

**57th Legislature**

**2001 Regular Session**

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

Read first time 02/20/2001. Referred to Committee on .

1 AN ACT Relating to community mental health services; amending RCW  
2 71.24.015, 71.24.025, 71.24.030, 71.24.035, 71.24.037, 71.24.045,  
3 71.24.049, 71.24.155, 71.24.160, 71.24.250, 71.24.310, 71.24.400, and  
4 71.24.405; reenacting and amending RCW 71.24.300; and adding new  
5 sections to chapter 71.24 RCW.

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

7 **Sec. 1.** RCW 71.24.015 and 1999 c 214 s 7 are each amended to read  
8 as follows:

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

13 (1) Access to mental health services for adults of the state who  
14 are acutely mentally ill, chronically mentally ill, or seriously  
15 disturbed and children of the state who are acutely mentally ill,  
16 severely emotionally disturbed, or seriously disturbed, which services  
17 recognize the special needs of underserved populations, including  
18 minorities, children, the elderly, disabled, and low-income persons.  
19 Access to mental health services shall not be limited by a person's

1 history of confinement in a state, federal, or local correctional  
2 facility. It is also the purpose of this chapter to promote the early  
3 identification of mentally ill children and to ensure that they receive  
4 the mental health care and treatment which is appropriate to their  
5 developmental level. This care should improve home, school, and  
6 community functioning, maintain children in a safe and nurturing home  
7 environment, and should enable treatment decisions to be made in  
8 response to clinical needs in accordance with sound professional  
9 judgment while also recognizing parents' rights to participate in  
10 treatment decisions for their children;

11 (2) Accountability of efficient and effective services through  
12 state of the art outcome and performance measures and statewide  
13 standards for monitoring client and system outcomes, performance, and  
14 reporting of information. These processes shall be designed so as to  
15 maximize the use of available resources for direct care of people with  
16 a mental illness;

17 (3) Minimum service delivery standards;

18 (4) Priorities for the use of available resources for the care of  
19 the mentally ill consistent with the priorities defined in the statute;

20 (5) Coordination of services within the department, including those  
21 divisions within the department that provide services to children,  
22 between the department and the office of the superintendent of public  
23 instruction, and among state mental hospitals, county authorities,  
24 community mental health services, and other support services, which  
25 shall to the maximum extent feasible also include the families of the  
26 mentally ill, and other service providers; and

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

30 It is the policy of the state to encourage the provision of a full  
31 range of treatment and rehabilitation services in the state for mental  
32 disorders. The legislature intends to encourage the development of  
33 county-based and county-managed mental health services with adequate  
34 local flexibility to assure eligible people in need of care access to  
35 the least-restrictive treatment alternative appropriate to their needs,  
36 and the availability of treatment components to assure continuity of  
37 care. To this end, counties are encouraged to enter into joint  
38 operating agreements with other counties to form regional systems of  
39 care which integrate planning, administration, and service delivery

1 duties assigned to counties under chapters 71.05 and 71.24 RCW to  
2 consolidate administration, reduce administrative layering, and reduce  
3 administrative costs.

4 It is further the intent of the legislature to integrate the  
5 provision of services to provide continuity of care through all phases  
6 of treatment. To this end the legislature intends to promote active  
7 engagement with mentally ill persons and collaboration between families  
8 and service providers.

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

11 The department shall operate the community mental health service  
12 delivery system authorized under this chapter within the following  
13 constraints:

14 (1) The full amount of federal funds for mental health services,  
15 plus qualifying state expenditures as appropriated in the biennial  
16 operating budget, shall be appropriated to the department each year in  
17 the biennial appropriations act to carry out the provisions of the  
18 community mental health service delivery system authorized in this  
19 chapter.

20 (2) The department may expend funds defined in subsection (1) of  
21 this section in any manner that will effectively accomplish the outcome  
22 measures defined in section 4 of this act. No more than twenty percent  
23 of the amount provided in subsection (1) of this section may be spent  
24 cumulatively for administrative purposes by the department, regional  
25 support networks, and providers. For the purpose of this subsection,  
26 "administrative purposes" does not include expenditures for information  
27 technology and computerization needed for tracking and monitoring  
28 required under RCW 71.24.035.

29 (3) The department shall implement strategies that accomplish the  
30 outcome measures identified in section 4 of this act that are within  
31 the funding constraints in this section. The department may transfer  
32 appropriation authority between funding categories within the health  
33 and rehabilitation services administration, the children and family  
34 services administration, the aging and adult services administration,  
35 and the medical assistance administration in order to carry out the  
36 requirements of this subsection.

37 (4) The department shall monitor expenditures against the  
38 appropriation levels provided for in subsection (1) of this section.

1        NEW SECTION.    **Sec. 3.**    A new section is added to chapter 71.24 RCW  
2 to read as follows:

3        It is the intent of the legislature that the community mental  
4 health service delivery system focus on maintaining mentally ill  
5 individuals in the community.    The program shall be evaluated and  
6 managed through a limited number of performance measures designed to  
7 hold each regional support network accountable for program success.

8        NEW SECTION.    **Sec. 4.**    A new section is added to chapter 71.24 RCW  
9 to read as follows:

10        (1) The department, in collaboration with a work group made up of  
11 consumers, service providers, and representatives of regional support  
12 networks shall develop performance measures for use in evaluating and  
13 managing the community mental health service delivery system authorized  
14 under this chapter.    The performance measures shall be reviewed, and  
15 updated as needed, by January 15th of each odd-numbered year.    The  
16 performance measures shall be consistent with the provisions of RCW  
17 71.24.405(3) which may include but are not limited to:

- 18        (a) Access to services;
- 19        (b) Quality and appropriateness of care;
- 20        (c) Outcome measures; including, but not limited to:
  - 21        (i) Consumer change over time;
  - 22        (ii) Consumer perception of hope for the future;
  - 23        (iii) Percent of consumers who have safe and stable housing;
  - 24        (iv) Percent of adults employed for one or more days in the last  
25 thirty days;
  - 26        (v) Percent of consumers without a jail or detention stay;
  - 27        (vi) Percent of available school days attended in the past thirty  
28 days;
  - 29        (vii) Percent of consumers without a psychiatric hospitalization;
- 30        and
- 31        (d) Structure and plan management.

32        (2) The department shall require that service providers and  
33 regional support networks collect uniform performance measure  
34 information and report it to the department regularly.    The department  
35 shall develop benchmarks that compare performance measure information  
36 from all regional support networks and providers to provide a clear  
37 indication of the most effective regional support networks and  
38 providers.    Benchmark information shall be published quarterly and

1 provided to the legislature, the governor, regional support networks,  
2 and all providers of mental health services.

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

5 Every regional support network and mental health services provider  
6 shall be evaluated using the criteria in section 4 of this act.

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

9 The department shall provide a report to the appropriate committees  
10 of the legislature on the development, implementation, and achievement  
11 of the performance measures by regional support networks and service  
12 providers on an annual basis, no later than June 30th of each year,  
13 beginning in 2002. The report shall include how the department is  
14 using the outcome measure information obtained under section 4 of this  
15 act to manage the community mental health service delivery system.

16 **Sec. 7.** RCW 71.24.025 and 1999 c 10 s 2 are each amended to read  
17 as follows:

18 Unless the context clearly requires otherwise, the definitions in  
19 this section apply throughout this chapter.

20 (1) "Acutely mentally ill" means a condition which is limited to a  
21 short-term severe crisis episode of:

22 (a) A mental disorder as defined in RCW 71.05.020 or, in the case  
23 of a child, as defined in RCW 71.34.020;

24 (b) Being gravely disabled as defined in RCW 71.05.020 or, in the  
25 case of a child, a gravely disabled minor as defined in RCW 71.34.020;  
26 or

27 (c) Presenting a likelihood of serious harm as defined in RCW  
28 71.05.020 or, in the case of a child, as defined in RCW 71.34.020.

29 (2) "Available resources" means funds appropriated for the purpose  
30 of providing community mental health programs under RCW 71.24.045,  
31 federal funds, except those provided according to Title XIX of the  
32 Social Security Act, and state funds appropriated under this chapter or  
33 chapter 71.05 RCW by the legislature during any biennium for the  
34 purpose of providing residential services, resource management  
35 services, community support services, and other mental health services.  
36 This does not include funds appropriated for the purpose of operating

1 and administering the state psychiatric hospitals, except as negotiated  
2 according to RCW 71.24.300(1)(~~(d)~~) (e).

3 (3) "Child" means a person under the age of eighteen years.

4 (4) "Chronically mentally ill adult" means an adult who has a  
5 mental disorder and meets at least one of the following criteria:

6 (a) Has undergone two or more episodes of hospital care for a  
7 mental disorder within the preceding two years; or

8 (b) Has experienced a continuous psychiatric hospitalization or  
9 residential treatment exceeding six months' duration within the  
10 preceding year; or

11 (c) Has been unable to engage in any substantial gainful activity  
12 by reason of any mental disorder which has lasted for a continuous  
13 period of not less than twelve months. "Substantial gainful activity"  
14 shall be defined by the department by rule consistent with Public Law  
15 92-603, as amended.

16 (5) "Community mental health program" means all mental health  
17 services, activities, or programs using available resources.

18 (6) "Community mental health service delivery system" means public  
19 or private agencies that provide services specifically to persons with  
20 mental disorders as defined under RCW 71.05.020 and receive funding  
21 from public sources.

22 (7) "Community support services" means services authorized,  
23 planned, and coordinated through resource management services  
24 including, at (~~least~~) a minimum, assessment, diagnosis, emergency  
25 crisis intervention available twenty-four hours, seven days a week,  
26 prescreening determinations for mentally ill persons being considered  
27 for placement in nursing homes as required by federal law, screening  
28 for patients being considered for admission to residential services,  
29 diagnosis and treatment for acutely mentally ill and severely  
30 emotionally disturbed children discovered under screening through the  
31 federal Title XIX early and periodic screening, diagnosis, and  
32 treatment program, investigation, legal, and other nonresidential  
33 services under chapter 71.05 RCW, case management services, psychiatric  
34 treatment including medication supervision, counseling, psychotherapy,  
35 assuring transfer of relevant patient information between service  
36 providers, and other services determined by regional support  
37 networks(~~(, and maintenance of a patient tracking system for~~  
38 ~~chronically mentally ill adults and severely emotionally disturbed~~  
39 ~~children)~~).

1 (8) "County authority" means the board of county commissioners,  
2 county council, or county executive having authority to establish a  
3 community mental health program, or two or more of the county  
4 authorities specified in this subsection which have entered into an  
5 agreement to provide a community mental health program.

6 (9) "Department" means the department of social and health  
7 services.

8 (10) "Licensed service provider" means an entity licensed according  
9 to this chapter or chapter 71.05 RCW or an entity deemed to meet state  
10 minimum standards as a result of accreditation by a recognized  
11 behavioral health accrediting body that meets state minimum standards  
12 or individuals licensed under chapter 18.57, 18.71, 18.83, or 18.79  
13 RCW, as it applies to registered nurses and advanced registered nurse  
14 practitioners.

15 (11) "Mental health services" means all services provided by  
16 regional support networks and other services provided by the state for  
17 the mentally ill.

18 (12) "Mentally ill persons" and "the mentally ill" mean persons and  
19 conditions defined in subsections (1), (4), (17), and (18) of this  
20 section.

21 (13) "Regional support network" means a county authority or group  
22 of county authorities recognized by the secretary that enter into joint  
23 operating agreements to contract with the secretary pursuant to this  
24 chapter.

25 (14) "Residential services" means a complete range of residences  
26 and supports authorized by resource management services and which may  
27 involve a facility, a distinct part thereof, or services which support  
28 community living, for acutely mentally ill persons, chronically  
29 mentally ill adults, severely emotionally disturbed children, or  
30 seriously disturbed adults determined by the regional support network  
31 to be at risk of becoming acutely or chronically mentally ill. The  
32 services shall include at least evaluation and treatment services as  
33 defined in chapter 71.05 RCW, acute crisis respite care, long-term  
34 adaptive and rehabilitative care, and supervised and supported living  
35 services, and shall also include any residential services developed to  
36 service mentally ill persons in nursing homes. Residential services  
37 for children in out-of-home placements related to their mental disorder  
38 shall not include the costs of food and shelter, except for children's  
39 long-term residential facilities existing prior to January 1, 1991.

1 (15) "Resource management services" mean the planning,  
2 coordination, and authorization of residential services and community  
3 support services administered pursuant to an individual service plan  
4 for: (a) Acutely mentally ill adults and children; (b) chronically  
5 mentally ill adults; (c) severely emotionally disturbed children; or  
6 (d) seriously disturbed adults determined solely by a regional support  
7 network to be at risk of becoming acutely or chronically mentally ill.  
8 Such planning, coordination, and authorization shall include mental  
9 health screening for children eligible under the federal Title XIX  
10 early and periodic screening, diagnosis, and treatment program.  
11 Resource management services include seven day a week, twenty-four hour  
12 a day availability of information regarding mentally ill adults' and  
13 children's enrollment in services and their individual service plan to  
14 county-designated mental health professionals, evaluation and treatment  
15 facilities, and others as determined by the regional support network.

16 (16) "Secretary" means the secretary of social and health services.

17 (17) "Seriously disturbed person" means a person who:

18 (a) Is gravely disabled or presents a likelihood of serious harm to  
19 himself or herself or others, or to the property of others, as a result  
20 of a mental disorder as defined in chapter 71.05 RCW;

21 (b) Has been on conditional release status, or under a less  
22 restrictive alternative order, at some time during the preceding two  
23 years from an evaluation and treatment facility or a state mental  
24 health hospital;

25 (c) Has a mental disorder which causes major impairment in several  
26 areas of daily living;

27 (d) Exhibits suicidal preoccupation or attempts; or

28 (e) Is a child diagnosed by a mental health professional, as  
29 defined in chapter 71.34 RCW, as experiencing a mental disorder which  
30 is clearly interfering with the child's functioning in family or school  
31 or with peers or is clearly interfering with the child's personality  
32 development and learning.

33 (18) "Severely emotionally disturbed child" means a child who has  
34 been determined by the regional support network to be experiencing a  
35 mental disorder as defined in chapter 71.34 RCW, including those mental  
36 disorders that result in a behavioral or conduct disorder, that is  
37 clearly interfering with the child's functioning in family or school or  
38 with peers and who meets at least one of the following criteria:



1 (a) Has undergone inpatient treatment or placement outside of the  
2 home related to a mental disorder within the last two years;

3 (b) Has undergone involuntary treatment under chapter 71.34 RCW  
4 within the last two years;

5 (c) Is currently served by at least one of the following child-  
6 serving systems: Juvenile justice, child-protection/welfare, special  
7 education, or developmental disabilities;

8 (d) Is at risk of escalating maladjustment due to:

9 (i) Chronic family dysfunction involving a mentally ill or  
10 inadequate caretaker;

11 (ii) Changes in custodial adult;

12 (iii) Going to, residing in, or returning from any placement  
13 outside of the home, for example, psychiatric hospital, short-term  
14 inpatient, residential treatment, group or foster home, or a  
15 correctional facility;

16 (iv) Subject to repeated physical abuse or neglect;

17 (v) Drug or alcohol abuse; or

18 (vi) Homelessness.

19 (19) "State minimum standards" means minimum requirements  
20 established by rules adopted by the secretary and necessary to  
21 implement this chapter for: (a) Delivery of mental health services;  
22 (b) licensed service providers for the provision of mental health  
23 services; (c) residential services; and (d) community support services  
24 and resource management services.

25 (20) "Tribal authority," for the purposes of this section and RCW  
26 71.24.300 only, means: The federally recognized Indian tribes and the  
27 major Indian organizations recognized by the secretary insofar as these  
28 organizations do not have a financial relationship with any regional  
29 support network that would present a conflict of interest.

30 **Sec. 8.** RCW 71.24.030 and 1999 c 10 s 3 are each amended to read  
31 as follows:

32 The secretary is authorized to make grants to and/or purchase  
33 services from counties or combinations of counties in the establishment  
34 and operation of community mental health programs.

35 **Sec. 9.** RCW 71.24.035 and 1999 c 10 s 4 are each amended to read  
36 as follows:

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

3 (2) The secretary (~~may~~) shall provide for public, client, and  
4 licensed service provider participation in developing the state mental  
5 health program, developing contracts with regional support networks,  
6 and any waiver request to the federal government under medicaid.

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

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

14 (5) The secretary shall:

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

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

25 (A) Outpatient services;

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

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

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

35 (E) Employment services, which may include supported employment,  
36 transitional work, placement in competitive employment, and other work-  
37 related services, that result in mentally ill persons becoming engaged  
38 in meaningful and gainful full or part-time work. Other sources of  
39 funding such as the division of vocational rehabilitation may be

1 utilized by the secretary to maximize federal funding and provide for  
2 integration of services;

3 (F) Consultation and education services; and

4 (G) Community support services;

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

8 (i) Licensed service providers. The secretary shall provide for  
9 deeming of compliance with state minimum standards for those entities  
10 accredited by recognized behavioral health accrediting bodies;

11 (ii) Regional support networks; and

12 (iii) (~~Residential and~~) Inpatient services, evaluation and  
13 treatment services and facilities under chapter 71.05 RCW, resource  
14 management services, and community support services;

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

18 (e) Establish a standard contract or contracts, consistent with  
19 state minimum standards, which shall be used (~~by the~~) in contracting  
20 with regional support networks or counties. The standard contract  
21 shall include a maximum fund balance, which shall not exceed ten  
22 percent;

23 (f) Establish, to the extent possible, a standardized auditing  
24 procedure which minimizes paperwork requirements of county authorities  
25 and licensed service providers. The audit procedure shall focus on the  
26 outcomes of service and not the processes for accomplishing them;

27 (g) Develop and maintain an information system to be used by the  
28 state, counties, and regional support networks that includes a tracking  
29 method which allows the department and regional support networks to  
30 identify mental health clients' participation in any mental health  
31 service or public program on an immediate basis. The information  
32 system shall not include individual patient's case history files.  
33 Confidentiality of client information and records shall be maintained  
34 as provided in this chapter and in RCW 71.05.390, 71.05.400, 71.05.410,  
35 71.05.420, 71.05.430, and 71.05.440. The design of the system and the  
36 data elements to be collected shall be reviewed each biennium by a  
37 committee appointed by the secretary and representing the department,  
38 regional support networks, service providers, consumers, and advocates.  
39 The data elements shall be designed to provide information that is

1 needed to measure performance and achieve the service outcomes  
2 identified in section 4 of this act;

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

4 (i) Certify regional support networks that meet state minimum  
5 standards;

6 (j) Periodically (~~inspect~~) monitor the compliance of certified  
7 regional support networks and their network of licensed service  
8 providers for compliance with the contract between the department and  
9 the regional support network at reasonable times and in a reasonable  
10 manner;

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

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

16 (m) Adopt such rules as are necessary to implement the department's  
17 responsibilities under this chapter. The secretary may not adopt rules  
18 that divert resources from the direct care of people with a mental  
19 illness unless they are directly required for the health and safety of  
20 consumers, the implementation of this chapter, or other state or  
21 federal requirements.

22 (6) The secretary shall use available resources only for regional  
23 support networks.

24 (7) Each certified regional support network and licensed service  
25 provider shall file with the secretary, on request, such data,  
26 statistics, schedules, and information as the secretary reasonably  
27 requires. A certified regional support network or licensed service  
28 provider which, without good cause, fails to furnish any data,  
29 statistics, schedules, or information as requested, or files fraudulent  
30 reports thereof, may have its certification or license revoked or  
31 suspended.

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

36 (9) The superior court may restrain any regional support network or  
37 service provider from operating without certification or a license or  
38 any other violation of this section. The court may also review,  
39 pursuant to procedures contained in chapter 34.05 RCW, any denial,

1 suspension, limitation, restriction, or revocation of certification or  
2 license, and grant other relief required to enforce the provisions of  
3 this chapter.

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

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

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

20 (13)(a) The department, in consultation with affected parties,  
21 shall establish a distribution formula that reflects county needs  
22 assessments based on the number of persons who are acutely mentally  
23 ill, chronically mentally ill, severely emotionally disturbed children,  
24 and seriously disturbed. The formula shall take into consideration the  
25 impact on counties of demographic factors in counties which result in  
26 concentrations of priority populations as set forth in subsection  
27 (5)(b) of this section. These factors shall include the population  
28 concentrations resulting from commitments under chapters 71.05 and  
29 71.34 RCW to state psychiatric hospitals, as well as concentration in  
30 urban areas, at border crossings at state boundaries, and other  
31 significant demographic and workload factors.

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

36 (14) The secretary shall assume all duties assigned to the  
37 nonparticipating counties under chapters 71.05, 71.34, and 71.24 RCW.  
38 Such responsibilities shall include those which would have been

1 assigned to the nonparticipating counties under regional support  
2 networks.

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

9 (15) The secretary shall:

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

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

19 (c) Allocate one hundred percent of available resources to the  
20 regional support networks in accordance with subsection (13) of this  
21 section.

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

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

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

34 (16) The department, in cooperation with the state congressional  
35 delegation, shall actively seek waivers of federal requirements and  
36 such modifications of federal regulations as are necessary to allow  
37 federal medicaid reimbursement for services provided by free-standing  
38 evaluation and treatment facilities certified under chapter 71.05 RCW.  
39 It is the intent of the legislature that the department take great care

1 to avoid, in the processing of a waiver request, creating requirements  
2 that divert available resources from direct care. The department shall  
3 periodically report its efforts to the ((health care and corrections))  
4 appropriate committees of the senate and the ((human services committee  
5 of the)) house of representatives.

6 ((~~(17) The secretary shall establish a task force to examine the~~  
7 ~~recruitment, training, and compensation of qualified mental health~~  
8 ~~professionals in the community, which shall include the advantages and~~  
9 ~~disadvantages of establishing a training academy, loan forgiveness~~  
10 ~~program, or educational stipends offered in exchange for commitments of~~  
11 ~~employment in mental health.~~))

12 **Sec. 10.** RCW 71.24.037 and 1999 c 10 s 5 are each amended to read  
13 as follows:

14 (1) The secretary shall by rule establish state minimum standards  
15 for licensed service providers and services.

16 (2) Minimum standards for licensed service providers shall, at a  
17 minimum, establish: Qualifications for staff providing services  
18 directly to mentally ill persons, the intended result of each service,  
19 and the rights and responsibilities of persons receiving mental health  
20 services pursuant to this chapter. The secretary shall provide for  
21 deeming of licensed service providers as meeting state minimum  
22 standards as a result of accreditation by a recognized behavioral  
23 health accrediting body.

24 (3) ~~((Minimum standards for residential services shall be based on~~  
25 ~~clients' functional abilities and not solely on their diagnoses,~~  
26 ~~limited to health and safety, staff qualifications, and program~~  
27 ~~outcomes. Minimum standards for residential services shall be~~  
28 ~~developed in collaboration with consumers, families, counties,~~  
29 ~~regulators, and residential providers serving the mentally ill. The~~  
30 ~~minimum standards shall encourage the development of broad range~~  
31 ~~residential programs, including integrated housing and cross systems~~  
32 ~~programs where appropriate, and shall not unnecessarily restrict~~  
33 ~~programming flexibility.~~

34 ~~(4))~~ Minimum standards for community support services and resource  
35 management services shall include at least qualifications for resource  
36 management services, client tracking systems, and the transfer of  
37 patient information between service providers.

1       **Sec. 11.** RCW 71.24.045 and 1992 c 230 s 5 are each amended to read  
2 as follows:

3       The county authority shall:

4       (1) Contract as needed with licensed service providers. The county  
5 authority may, in the absence of a licensed service provider entity,  
6 become a licensed service provider entity pursuant to minimum standards  
7 required for licensing by the department for the purpose of providing  
8 services not available from licensed service providers;

9       (2) Operate as a licensed service provider if it deems that doing  
10 so is more efficient and cost effective than contracting for services.  
11 When doing so, the county authority shall comply with rules promulgated  
12 by the secretary that shall provide measurements to determine when a  
13 county provided service is more efficient and cost effective;

14       (3) Monitor and perform biennial fiscal audits of licensed service  
15 providers who have contracted with the county to provide services  
16 required by this chapter. The monitoring and audits shall be performed  
17 by means of a formal process which insures that the licensed service  
18 providers and professionals designated in this subsection meet the  
19 terms of their contracts(~~(, including the minimum standards of service~~  
20 ~~delivery as established by the department));~~

21       (4) Assure that the special needs of minorities, the elderly,  
22 disabled, children, and low-income persons are met within the  
23 priorities established in this chapter;

24       (5) Maintain patient tracking information in a central location as  
25 required for resource management services and the department's  
26 information system;

27       (6) Use not more than two percent of state-appropriated community  
28 mental health funds, which shall not include federal funds, to  
29 administer community mental health programs under RCW 71.24.155:  
30 PROVIDED, That county authorities serving a county or combination of  
31 counties whose population is one hundred twenty-five thousand or more  
32 may be entitled to sufficient state-appropriated community mental  
33 health funds to employ up to one full-time employee or the equivalent  
34 thereof in addition to the two percent limit established in this  
35 subsection when such employee is providing staff services to a county  
36 mental health advisory board;

37       (7) Coordinate services for individuals who have received services  
38 through the community mental health system and who become patients at  
39 a state mental hospital.



1       **Sec. 12.** RCW 71.24.049 and 1999 c 10 s 6 are each amended to read  
2 as follows:

3       By January 1st of each odd-numbered year, the ((~~county authority~~))  
4 regional support network shall identify: (1) The number of children in  
5 each priority group, as defined by this chapter, who are receiving  
6 mental health services funded in part or in whole under this chapter,  
7 (2) the amount of funds under this chapter used for children's mental  
8 health services, (3) an estimate of the number of unserved children in  
9 each priority group, and (4) the estimated cost of serving these  
10 additional children and their families.

11       **Sec. 13.** RCW 71.24.155 and 1987 c 505 s 65 are each amended to  
12 read as follows:

13       Grants shall be made by the department to ((~~counties~~)) regional  
14 support networks for community mental health programs totaling not less  
15 than ninety-five percent of available resources. The department may  
16 use up to forty percent of the remaining five percent to provide  
17 community demonstration projects, including early intervention or  
18 primary prevention programs for children, and the remainder shall be  
19 for emergency needs and technical assistance under this chapter.

20       **Sec. 14.** RCW 71.24.160 and 1989 c 205 s 7 are each amended to read  
21 as follows:

22       The ((~~county authority~~)) regional support networks shall make  
23 satisfactory showing to the secretary that state funds shall in no case  
24 be used to replace local funds from any source being used to finance  
25 mental health services prior to January 1, 1990.

26       **Sec. 15.** RCW 71.24.250 and 1982 c 204 s 14 are each amended to  
27 read as follows:

28       The ((~~county authority~~)) regional support network may accept and  
29 expend gifts and grants received from private, county, state, and  
30 federal sources.

31       **Sec. 16.** RCW 71.24.300 and 1999 c 214 s 8 and 1999 c 10 s 9 are  
32 each reenacted and amended to read as follows:

33       A county authority or a group of county authorities whose combined  
34 population is no less than forty thousand may enter into a joint  
35 operating agreement to form a regional support network. Upon the

1 request of a tribal authority or authorities within a regional support  
2 network the joint operating agreement or the county authority shall  
3 allow for the inclusion of the tribal authority to be represented as a  
4 party to the regional support network. The roles and responsibilities  
5 of the county and tribal authorities shall be determined by the terms  
6 of that agreement including a determination of membership on the  
7 governing board and advisory committees, the number of tribal  
8 representatives to be party to the agreement, and the provisions of law  
9 and shall assure the provision of culturally competent services to the  
10 tribes served. The state mental health authority may not determine the  
11 roles and responsibilities of county authorities as to each other under  
12 regional support networks by rule, except to assure that all duties  
13 required of regional support networks are assigned and that counties  
14 and the regional support network do not duplicate functions and that a  
15 single authority has final responsibility for all available resources  
16 and performance under the regional support network's contract with the  
17 secretary.

18 (1) Regional support networks shall submit an overall six-year  
19 operating and capital plan, timeline, and budget and submit progress  
20 reports and an updated two-year plan biennially thereafter, to assure  
21 within available resources all of the following duties:

22 (a) Administer and provide for the availability of all resource  
23 management services, residential services, and community support  
24 services.

25 (b) Assume the powers and duties of county authorities within its  
26 area as described in RCW 71.24.045 (1) through (7).

27 (c) Administer and provide for the availability of all  
28 investigation, transportation, court-related, and other services  
29 provided by the state or counties pursuant to chapter 71.05 RCW.

30 ((+e)) (d) Provide within the boundaries of each regional support  
31 network evaluation and treatment services for at least eighty-five  
32 percent of persons detained or committed for periods up to seventeen  
33 days according to chapter 71.05 RCW. Regional support networks with  
34 populations of less than one hundred fifty thousand may contract to  
35 purchase evaluation and treatment services from other networks.  
36 Insofar as the original intent of serving persons in the community is  
37 maintained, the secretary is authorized to approve exceptions on a  
38 case-by-case basis to the requirement to provide evaluation and  
39 treatment services within the boundaries of each regional support

1 network. Such exceptions are limited to contracts with neighboring or  
2 contiguous regions.

3 ~~((d))~~ (e) Administer a portion of funds appropriated by the  
4 legislature to house mentally ill persons in state institutions from  
5 counties within the boundaries of any regional support network, with  
6 the exception of persons currently confined at, or under the  
7 supervision of, a state mental hospital pursuant to chapter 10.77 RCW,  
8 and provide for the care of all persons needing evaluation and  
9 treatment services for periods up to seventeen days according to  
10 chapter 71.05 RCW in appropriate residential services, which may  
11 include state institutions. The regional support networks shall  
12 reimburse the state for use of state institutions at a rate equal to  
13 that assumed by the legislature when appropriating funds for such care  
14 at state institutions during the biennium when reimbursement occurs.  
15 The secretary shall submit a report to the appropriate committees of  
16 the senate and house of representatives on the efforts to implement  
17 this section by October 1, 2002. The duty of a state hospital to  
18 accept persons for evaluation and treatment under chapter 71.05 RCW is  
19 limited by the responsibilities assigned to regional support networks  
20 under this section.

21 ~~((e))~~ (f) Administer and provide for the availability of all  
22 other mental health services, which shall include patient counseling,  
23 day treatment, consultation, education services, employment services as  
24 defined in RCW 71.24.035, and mental health services to children as  
25 provided in this chapter designed to achieve the outcomes specified in  
26 section 4 of this act.

27 ~~((f))~~ (g) Establish standards and procedures for reviewing  
28 individual service plans and determining when that person may be  
29 discharged from resource management services.

30 (2) Regional support networks shall assume all duties assigned to  
31 county authorities by this chapter and chapter 71.05 RCW.

32 (3) A regional support network may request that any state-owned  
33 land, building, facility, or other capital asset which was ever  
34 purchased, deeded, given, or placed in trust for the care of the  
35 mentally ill and which is within the boundaries of a regional support  
36 network be made available to support the operations of the regional  
37 support network. State agencies managing such capital assets shall  
38 give first priority to requests for their use pursuant to this chapter.

1 (4) Each regional support network shall appoint a mental health  
2 advisory board which shall review and provide comments on plans and  
3 policies developed under this chapter. The composition of the board  
4 shall be broadly representative of the demographic character of the  
5 region and the mentally ill persons served therein. Length of terms of  
6 board members shall be determined by the regional support network.

7 (5) Regional support networks shall assume all duties specified in  
8 their plans and joint operating agreements through biennial contractual  
9 agreements with the secretary. ~~((Such contracts may include agreements  
10 to provide periods of stable community living and work or other day  
11 activities for specific chronically mentally ill persons who have  
12 completed commitments at state hospitals on ninety-day or one hundred  
13 eighty-day civil commitments or who have been residents at state  
14 hospitals for no less than one hundred eighty days within the previous  
15 year. Periods of stable community living may involve acute care in  
16 local evaluation and treatment facilities but may not involve use of  
17 state hospitals.))~~

18 (6) Counties or groups of counties participating in a regional  
19 support network are not subject to RCW 71.24.045(6).

20 (7) ~~((As part of each biennial plan, each regional support network  
21 shall establish and submit to the state, procedures and agreements to  
22 assure access to sufficient additional local evaluation and treatment  
23 facilities to meet the requirements of this chapter while reducing  
24 short-term admissions to state hospitals. These shall be commitments  
25 to construct and operate, or contract for the operation of,  
26 freestanding evaluation and treatment facilities or agreements with  
27 local evaluation and treatment facilities which shall include (a)  
28 required admission and treatment for short-term inpatient care for any  
29 person enrolled in community support or residential services, (b)  
30 discharge planning procedures, (c) limitations on admissions or  
31 transfers to state hospitals, (d) adequate psychiatric supervision, (e)  
32 prospective payment methods, and (f) contractual assurances regarding  
33 referrals to local evaluation and treatment facilities from regional  
34 support networks.~~

35 ~~(8))~~ Regional support networks may receive technical assistance  
36 from the housing trust fund and may identify and submit projects for  
37 housing and housing support services to the housing trust fund  
38 established under chapter 43.185 RCW. Projects identified or submitted  
39 under this subsection must be fully integrated with the regional

1 support network six-year operating and capital plan, timeline, and  
2 budget required by subsection (1) of this section.

3 **Sec. 17.** RCW 71.24.310 and 1989 c 205 s 6 are each amended to read  
4 as follows:

5 The legislature finds that administration of chapter 71.05 RCW and  
6 this chapter can be most efficiently and effectively implemented as  
7 part of the regional support network defined in RCW 71.24.025. For  
8 this reason, the legislature intends that any enhanced program funding  
9 for implementation of chapter 71.05 RCW or this chapter, except for  
10 funds allocated for implementation of mandatory statewide programs as  
11 required by federal statute, be made available (~~(primarily)~~) only to  
12 those counties participating in regional support networks.

13 **Sec. 18.** RCW 71.24.400 and 1999 c 10 s 10 are each amended to read  
14 as follows:

15 The legislature finds that the current complex set of federal,  
16 state, and local rules and regulations, audited and administered at  
17 multiple levels, which affect the community mental health service  
18 delivery system, focus primarily on the process of providing mental  
19 health services and do not sufficiently address consumer and system  
20 outcomes. The legislature finds that the department and the community  
21 mental health service delivery system must make ongoing efforts to  
22 achieve the purposes set forth in RCW 71.24.015 related to reduced  
23 administrative layering, duplication, elimination of process measures,  
24 and reduced administrative costs.

25 **Sec. 19.** RCW 71.24.405 and 1999 c 10 s 11 are each amended to read  
26 as follows:

27 The department shall establish a (~~(single)~~) comprehensive and  
28 collaborative (~~(project)~~) effort within regional support networks and  
29 with local mental health service providers aimed at creating innovative  
30 and streamlined community mental health service delivery systems, in  
31 order to carry out the purposes set forth in RCW 71.24.400 and to  
32 capture the diversity of the community mental health service delivery  
33 system.

34 The (~~(project)~~) department must accomplish the following:

35 (1) Identification, review, and cataloging of all rules,  
36 regulations, duplicative administrative and monitoring functions, and

1 other requirements that currently lead to inefficiencies in the  
2 community mental health service delivery system and, if possible,  
3 eliminate the requirements;

4 (2) The systematic and incremental development of a single system  
5 of accountability for all federal, state, and local funds provided to  
6 the community mental health service delivery system. Systematic  
7 efforts should be made to include federal and local funds into the  
8 single system of accountability;

9 (3) The elimination of process regulations and related contract and  
10 reporting requirements. In place of the regulations and requirements,  
11 a set of outcomes for mental health adult and children clients  
12 according to chapter 71.24 RCW must be used to measure the performance  
13 of mental health service providers and regional support networks. Such  
14 outcomes shall focus on stabilizing out-of-home and hospital care,  
15 increasing stable community living, increasing age-appropriate  
16 activities, achieving family and consumer satisfaction with services,  
17 and system efficiencies;

18 (4) Evaluation of the feasibility of contractual agreements between  
19 the department of social and health services and regional support  
20 networks and mental health service providers that link financial  
21 incentives to the success or failure of mental health service providers  
22 and regional support networks to meet outcomes established for mental  
23 health service clients;

24 (5) The involvement of mental health consumers and their  
25 representatives (~~((in the pilot projects))~~). Mental health consumers and  
26 their representatives will be involved in the development of outcome  
27 standards for mental health clients (~~((and other related aspects of the  
28 pilot projects))~~) under section 4 of this act; and

29 (6) An independent evaluation component to measure the success of  
30 the (~~((projects))~~) department in fully implementing the provisions of RCW  
31 71.24.400 and this section.

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