
SUBSTITUTE SENATE BILL 5583

State of Washington

57th Legislature

2001 Regular Session

By Senate Committee on Human Services & Corrections (originally sponsored by Senators Long, Hargrove, Stevens, Costa, Carlson, Hewitt, Kohl-Welles, Franklin, Kastama, Winsley and Regala)

READ FIRST TIME 02/26/01.

1 AN ACT Relating to the implementation of recommendations of the
2 joint legislative audit and review committee's performance audit of the
3 public mental health system; amending RCW 71.24.015 and 71.24.035;
4 creating new sections; and declaring an emergency.

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

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

16 NEW SECTION. **Sec. 2.** The legislature supports recommendations 1
17 through 10 and 12 through 14 of the mental health system performance
18 audit conducted by the joint legislative audit and review committee.

1 The legislature expects the department of social and health services to
2 work diligently to implement these recommendations.

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

11 NEW SECTION. **Sec. 4.** The initial implementation status reports
12 must discuss the status of implementing recommendations 1 through 8,
13 which are due to be implemented by June 2001, and must also include a
14 plan for implementing recommendations 9, 10, and 12 through 14, which
15 are due to be implemented subsequent to June 2001. The initial
16 implementation status report must also discuss what actions the
17 department of social and health services has taken and will take in the
18 future in response to recommendation 11 of the performance audit
19 report.

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

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

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

34 (1) Access to mental health services for adults of the state who
35 are acutely mentally ill, chronically mentally ill, or seriously

1 disturbed and children of the state who are acutely mentally ill,
2 severely emotionally disturbed, or seriously disturbed, which services
3 recognize the special needs of underserved populations, including
4 minorities, children, the elderly, disabled, and low-income persons.
5 Access to mental health services shall not be limited by a person's
6 history of confinement in a state, federal, or local correctional
7 facility. It is also the purpose of this chapter to promote the early
8 identification of mentally ill children and to ensure that they receive
9 the mental health care and treatment which is appropriate to their
10 developmental level. This care should improve home, school, and
11 community functioning, maintain children in a safe and nurturing home
12 environment, and should enable treatment decisions to be made in
13 response to clinical needs in accordance with sound professional
14 judgment while also recognizing parents' rights to participate in
15 treatment decisions for their children;

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

19 (3) Minimum service delivery standards;

20 (4) Priorities for the use of available resources for the care of
21 the mentally ill;

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

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

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

1 operating agreements with other counties to form regional systems of
2 care which integrate planning, administration, and service delivery
3 duties assigned to counties under chapters 71.05 and 71.24 RCW to
4 consolidate administration, reduce administrative layering, and reduce
5 administrative costs.

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

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

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

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

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

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

25 (5) The secretary shall:

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

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

35 (A) Outpatient services;

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

37 (C) Day treatment for mentally ill persons which includes training
38 in basic living and social skills, supported work, vocational

1 rehabilitation, and day activities. Such services may include
2 therapeutic treatment. In the case of a child, day treatment includes
3 age-appropriate basic living and social skills, educational and
4 prevocational services, day activities, and therapeutic treatment;

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

7 (E) Employment services, which may include supported employment,
8 transitional work, placement in competitive employment, and other work-
9 related services, that result in mentally ill persons becoming engaged
10 in meaningful and gainful full or part-time work. Other sources of
11 funding such as the division of vocational rehabilitation may be
12 utilized by the secretary to maximize federal funding and provide for
13 integration of services;

14 (F) Consultation and education services; and

15 (G) Community support services;

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

19 (i) Licensed service providers;

20 (ii) Regional support networks; and

21 (iii) Residential and inpatient services, evaluation and treatment
22 services and facilities under chapter 71.05 RCW, resource management
23 services, and community support services;

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

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

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

32 (g) Develop and maintain an information system to be used by the
33 state, counties, and regional support networks that includes a tracking
34 method which allows the department and regional support networks to
35 identify mental health clients' participation in any mental health
36 service or public program on an immediate basis. The information
37 system shall not include individual patient's case history files.
38 Confidentiality of client information and records shall be maintained

1 as provided in this chapter and in RCW 71.05.390, 71.05.400, 71.05.410,
2 71.05.420, 71.05.430, and 71.05.440;

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 certified regional support networks and
7 licensed service providers at reasonable times and in a reasonable
8 manner;

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

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

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

16 (6) The secretary shall use available resources only for regional
17 support networks.

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

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

30 (9) The superior court may restrain any regional support network or
31 service provider from operating without certification or a license or
32 any other violation of this section. The court may also review,
33 pursuant to procedures contained in chapter 34.05 RCW, any denial,
34 suspension, limitation, restriction, or revocation of certification or
35 license, and grant other relief required to enforce the provisions of
36 this chapter.

37 (10) Upon petition by the secretary, and after hearing held upon
38 reasonable notice to the facility, the superior court may issue a
39 warrant to an officer or employee of the secretary authorizing him or

1 her to enter at reasonable times, and examine the records, books, and
2 accounts of any regional support network or service provider refusing
3 to consent to inspection or examination by the authority.

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

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

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

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

30 (c) The department may allocate up to two percent of total funds to
31 be distributed to the regional support networks for incentive payments
32 to reward the achievement of superior outcomes, or significantly
33 improved outcomes, as measured by a statewide performance measurement
34 system consistent with the framework recommended in the joint
35 legislative audit and review committee's performance audit of the
36 mental health system. The department shall annually report to the
37 legislature on its criteria and allocation of the incentives provided
38 under this subsection.

1 (14) The secretary shall assume all duties assigned to the
2 nonparticipating counties under chapters 71.05, 71.34, and 71.24 RCW.
3 Such responsibilities shall include those which would have been
4 assigned to the nonparticipating counties under regional support
5 networks.

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

12 (15) The secretary shall:

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

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

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

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

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

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

1 (g) Establish a maximum percentage for the reasonable
2 administrative costs, not including direct service support, of licensed
3 service providers.

4 (16) The department, in cooperation with the state congressional
5 delegation, shall actively seek waivers of federal requirements and
6 such modifications of federal regulations as are necessary to allow
7 federal medicaid reimbursement for services provided by free-standing
8 evaluation and treatment facilities certified under chapter 71.05 RCW.
9 The department shall periodically report its efforts to the health care
10 and corrections committee of the senate and the human services
11 committee of the house of representatives.

12 (17) The secretary shall establish a task force to examine the
13 recruitment, training, and compensation of qualified mental health
14 professionals in the community, which shall include the advantages and
15 disadvantages of establishing a training academy, loan forgiveness
16 program, or educational stipends offered in exchange for commitments of
17 employment in mental health.

18 NEW SECTION. Sec. 8. This act is necessary for the immediate
19 preservation of the public peace, health, or safety, or support of the
20 state government and its existing public institutions, and takes effect
21 immediately.

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