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**Health Care & Wellness Committee**

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**SB 5779**

**Brief Description:** Reducing penalties applied to regional support networks and behavioral health organizations.

**Sponsors:** Senators Parlette and Darneille.

**Brief Summary of Bill**

- Reduces the reimbursements that a regional support network or behavioral health organization must pay the Department of Social and Health Services when the regional support network or behavioral health network exceeds its allocation of inpatient days of care at a state hospital to half of the cost of that care.

**Hearing Date:** 2/19/16

**Staff:** Chris Blake (786-7392).

**Background:**

The Department of Social and Health Services (Department) contracts with regional support networks to oversee the delivery of mental health services for adults and children who suffer from mental illness or severe emotional disturbance. A regional support network may be a county, group of counties, or a nonprofit or for-profit entity. Currently, 10 of the 11 regional support networks are county-based, except for one which is operated by a private entity. In April 2016 regional support networks will be renamed "behavioral health organizations" which will include both mental health and substance use disorder services.

Regional support networks are paid by the state on a capitation basis and funding is adjusted based on caseload. The regional support networks contract with local providers to provide an array of mental health services, monitor the activities of local providers, and oversee the distribution of funds under the state managed care plan.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

Regional support networks also are responsible for the administration of the Involuntary Treatment Act which governs the commitment of persons for involuntary mental health treatment if they pose a likelihood of serious harm or are gravely ill due to a mental disorder. Inpatient commitments for 90 or 180 days of treatment take place at one of two state hospitals operated by the Department. Long-term inpatient care beds at the state hospitals are divided among all of the regional support networks with a specific allocation to each regional support network based on patient days of care. If a regional support network exceeds its allocation of patient days of care at state hospitals, it must reimburse the Department for the excess days. The rate of reimbursement is calculated as the state hospital's budget for long-term inpatient care divided by the total patient days of care assumed in calculating that budget. Half of the reimbursements received are for the Department to use to support the cost of operating the state hospital. The other half is distributed to regional support networks that have used less than their allocated bed days.

**Summary of Bill:**

The amount that a regional support network or behavioral health organization must reimburse the Department of Social and Health Services (Department) if it uses more than its allocation of inpatient days of care at state hospitals is reduced from the full cost of the care to half of the cost of care. The reimbursements continue to be distributed to those regional support networks or behavioral health organizations that use less than their allocated bed days, however, the reimbursement to the Department for operating the state hospitals is discontinued.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.