

SENATE BILL REPORT

SHB 1879

As Reported by Senate Committee On:
Human Services, Mental Health & Housing, March 30, 2015

Title: An act relating to directing the health care authority to issue a request for proposals for integrated managed health and behavioral health services for foster children.

Brief Description: Directing the health care authority to issue a request for proposals for integrated managed health and behavioral health services for foster children.

Sponsors: House Committee on Health Care & Wellness (originally sponsored by Representatives Kagi, Walsh, Cody, Harris, Orwall, Tarleton and Ormsby).

Brief History: Passed House: 3/05/15, 92-6.

Committee Activity: Human Services, Mental Health & Housing: 3/19/15, 3/30/15 [DPA, w/oRec].

SENATE COMMITTEE ON HUMAN SERVICES, MENTAL HEALTH & HOUSING

Majority Report: Do pass as amended.

Signed by Senators O'Ban, Chair; Miloscia, Vice Chair; Darneille, Ranking Minority Member; Hargrove.

Minority Report: That it be referred without recommendation.

Signed by Senator Padden.

Staff: Kevin Black (786-7747)

Background: The Health Care Authority (HCA) administers the Medicaid program, which is a state federal program that pays for health care for low-income state residents who meet certain eligibility criteria. Children in foster care and persons who are under 26 years of age who were served by the foster care system on or after their eighteenth birthday are eligible for Medicaid.

In 2014 the Legislature passed Second Substitute Senate Bill 6312, which directed the HCA and the Department of Social and Health Services to develop a plan to provide integrated managed health and mental health care for foster children on Medicaid. This plan must address the development of a service delivery system, benefit design, reimbursement mechanisms, and standards for contracting with health plans. The plan must include a

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timeline and funding estimate for full integration, and be designed so that the requirement for providing mental health services to children under the *T.R. v. Dreyfus and Porter* settlement (*T.R.* settlement) is met. This plan was submitted to the Legislature on December 1, 2014, and identifies a timeline for integration of services with January 2018 as the date for executing an integrated contract. The report notes that the primary challenge for full integration is moving mental health services for foster children affected by the *T.R.* settlement into a managed care organization while maintaining continuity and quality of care.

Summary of Bill (Recommended Amendments): HCA must issue a request for proposals (RFP) to provide integrated managed health and behavioral health care for foster children receiving care through the medical assistance program, with services to begin October 1, 2016. Behavioral health services currently provided by regional support networks must be integrated into the managed health care plan beginning on October 1, 2018. The RFP must address development of a service delivery mechanism, benefit design, reimbursement mechanisms, incorporation or coordination of services currently being provided by regional support networks, and standards for contracting with health plans.

HCA must within existing funds require a second opinion review from an expert in psychiatry for all prescriptions of antipsychotic medications for children under age 18 in the foster care system. Thirty days of prescription medication may be dispensed pending the second opinion review. Second opinion feedback must include a discussion of psychosocial interventions that have been or will be offered to the child and caretaker if appropriate in order to address the behavioral issues.

EFFECT OF CHANGES MADE BY HUMAN SERVICES, MENTAL HEALTH & HOUSING COMMITTEE (Recommended Amendments): Behavioral health services provided by regional support networks must be integrated into the managed health care plan beginning on October 1, 2018. HCA must require a second opinion review for prescriptions of antipsychotic medication for children under age 18 in the foster care system. The RFP must address incorporation or coordination of services currently being provided by regional support networks.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony on Substitute House Bill: PRO: This bill represents an important step forward in managing health and behavioral health services for foster children. Texas and Georgia have implemented a single managed care health contract for their foster youth; their costs have gone down, services are more evenly distributed, and the number of children in institutions and group homes has decreased. A care coordination function under managed care means that kids and foster parents will have support when they need it. I agree with the recommendation to delay integration of services under the *T.R.* settlement until 2018. It is best to wait until these systems are mature. The increased focus

on access to mental health services for children is very positive. The eventual move toward integration is also positive. Adjusting the timeline to accommodate other concerns is appropriate in this case. We would like an amendment requiring a second opinion before antipsychotic medications are prescribed to children. Integrated care is whole person care and leads to the best health outcomes for vulnerable populations. Washington children should benefit from this approach to health care delivery.

CON: Counties are focused on the mandate to integrate mental health and chemical dependency services in behavioral health organizations by 2016. We believe the timeline for full integration for foster kids should be moved back to 2018, as suggested by previous speakers. The bill should be further amended to flesh out the responsibility for crisis services, inpatient services, juvenile detention, and jail diversion for youth in a way that specifies who will carry the financial risk.

OTHER: We have concerns with the language currently in the bill. We would support it with amendatory language, which the sponsor has agreed to, related to delay of the timeline to accommodate the needs of the *T.R.* settlement.

Persons Testifying: PRO: Representative Kagi, prime sponsor; Laurie Lippold, Partners for Our Children; Katie Rogers, Coordinated Care of WA; MaryAnne Lindeblad, HCA; Jane Beyer, Dept. of Social and Health Services (DSHS).

CON: Brian Enslow, WA Assn. of Counties.

OTHER: David Del Villar Fox, DSHS Children's Administration.

Persons Signed in to Testify But Not Testifying: No one.