EHB 2107 - S COMM AMD

By Committee on Human Services, Mental Health & Housing

Strike everything after the enacting clause and insert the following:

3 "<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 71.24 4 RCW to read as follows:

5 (1) The state intends to develop new capacity for delivery of long-term treatment in the community in diverse regions of the state 6 and to study the cost and outcomes associated with treatment in 7 community facilities. In furtherance of this goal, the department 8 shall purchase a portion of the state's long-term treatment capacity 9 10 allocated to behavioral health organizations under RCW 71.24.310 in 11 willing community facilities capable of providing alternatives to 12 treatment in a state hospital. The state shall increase its 13 purchasing of long-term involuntary treatment capacity in the 14 community over time.

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(2) The department shall:

16 (a) Work with willing community hospitals licensed under chapters 17 70.41 and 71.12 RCW and evaluation and treatment facilities certified 18 under chapter 71.05 RCW to assess their capacity to become certified 19 to provide long-term mental health placements and to meet the 20 requirements of this chapter; and

(b) Enter into contracts and payment arrangements with such hospitals and evaluation and treatment facilities choosing to provide long-term mental health placements, to the extent that willing certified facilities are available. Nothing in this chapter requires any community hospital or evaluation and treatment facility to be certified to provide long-term mental health placements.

(3) The department must establish rules for the certification offacilities interested in providing care under this section.

(4) Contracts developed by the department to implement this
section must be constructed to allow the department to obtain
complete identification information and admission and discharge dates

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1 for patients served under this authority. Prior to requesting identification information and admission and discharge dates or 2 reports from certified facilities, the department must determine that 3 this information cannot be identified or obtained from existing data 4 sources available to state agencies. In addition, until January 1, 5 б 2022, facilities certified by the department to provide community 7 long-term involuntary treatment to adults shall report to the 8 department:

9 (a) All instances where a patient on a ninety or one hundred 10 eighty-day involuntary commitment order experiences an adverse event 11 required to be reported to the department of health pursuant to 12 chapter 70.56 RCW; and

(b) All hospital-based inpatient psychiatric service core measures reported to the joint commission or other accrediting body occurring from psychiatric departments, in the format in which the report was made to the joint commission.

17 **Sec. 2.** RCW 71.24.310 and 2014 c 225 s 40 are each amended to 18 read as follows:

19 The legislature finds that administration of chapter 71.05 RCW 20 and this chapter can be most efficiently and effectively implemented 21 as part of the behavioral health organization defined in RCW 22 71.24.025. For this reason, the legislature intends that the 23 department and the behavioral health organizations shall work 24 together to implement chapter 71.05 RCW as follows:

(1) By June 1, 2006, behavioral health organizations shall recommend to the department the number of state hospital beds that should be allocated for use by each behavioral health organization. The statewide total allocation shall not exceed the number of state hospital beds offering long-term inpatient care, as defined in this chapter, for which funding is provided in the biennial appropriations act.

32 (2) If behavioral there is consensus amonq the health organizations regarding the number of state hospital beds that should 33 be allocated for use by each behavioral health organization, the 34 35 department shall contract with each behavioral health organization 36 accordingly.

37 (3) If there is not consensus among the behavioral health 38 organizations regarding the number of beds that should be allocated 39 for use by each behavioral health organization, the department shall Code Rev/KS:tcw 2 S-2352.1/17 establish by emergency rule the number of state hospital beds that are available for use by each behavioral health organization. The emergency rule shall be effective September 1, 2006. The primary factor used in the allocation shall be the estimated number of adults with acute and chronic mental illness in each behavioral health organization area, based upon population-adjusted incidence and utilization.

(4) The allocation formula shall be updated at least every three 8 years to reflect demographic changes, and new evidence regarding the 9 incidence of acute and chronic mental illness and the need for long-10 term inpatient care. In the updates, the statewide total allocation 11 12 shall include (a) all state hospital beds offering long-term inpatient care for which funding is provided in the biennial 13 appropriations act; plus (b) the estimated equivalent number of beds 14 or comparable diversion services contracted in accordance with 15 16 subsection (5) of this section.

17 (5)(a) The department ((is encouraged to enter)) shall enter into performance-based contracts with ((behavioral health organizations)) 18 19 facilities certified by the department to provide treatment to adults on a ninety or one hundred eighty-day inpatient involuntary 20 21 commitment order to provide some or all of the behavioral health organization's allocated long-term inpatient treatment capacity in 22 the community, rather than in the state hospital, to the extent that 23 willing certified facilities and funding are available. 24 The 25 performance contracts shall specify the number of patient days of care available for use by the behavioral health organization in the 26 state hospital and the number of patient days of care available for 27 28 use by the behavioral health organization in a facility certified by the department to provide treatment to adults on a ninety or one 29 hundred eighty-day inpatient involuntary commitment order, including 30 31 hospitals licensed under chapters 70.41 and 71.12 RCW and evaluation 32 and treatment facilities certified under chapter 71.05 RCW.

33 (b) A hospital licensed under chapter 70.41 or 71.12 RCW is not 34 required to undergo certification to treat patients on ninety or one 35 hundred eighty-day involuntary commitment orders in order to treat 36 adults who are waiting for placement at either the state hospital or 37 in certified facilities that voluntarily contract to provide 38 treatment to patients on ninety or one hundred eighty-day involuntary 39 commitment orders.

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1 (6) If a behavioral health organization uses more state hospital patient days of care than it has been allocated under subsection (3) 2 or (4) of this section, or than it has contracted to use under 3 subsection (5) of this section, whichever is less, it shall reimburse 4 the department for that care, except during the period of July 1, 5 б 2012, through December 31, 2013, where reimbursements may be 7 temporarily altered per section 204, chapter 4, Laws of 2013 2nd sp. sess. The reimbursement rate per day shall be the hospital's total 8 annual budget for long-term inpatient care, divided by the total 9 patient days of care assumed in development of that budget. 10

11 (7) One-half of any reimbursements received pursuant to 12 subsection (6) of this section shall be used to support the cost of operating the state hospital and, during the 2007-2009 fiscal 13 biennium, implementing new services that will enable a behavioral 14 health organization to reduce its utilization of the state hospital. 15 16 The department shall distribute the remaining half of such 17 reimbursements among behavioral health organizations that have used 18 less than their allocated or contracted patient days of care at that 19 hospital, proportional to the number of patient days of care not 20 used.

21 <u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 71.05 22 RCW to read as follows:

Treatment under RCW 71.05.320 may be provided at a state hospital 23 24 or any willing and able facility certified to provide ninety-day or 25 one hundred eighty-day care. The order for such treatment must remand the person to the custody of the department or designee. A prepaid 26 27 inpatient health plan, managed care organization, or the department, 28 when responsible for the cost of care, may designate where treatment is to be provided, at a willing certified facility or a state 29 30 hospital, after consultation with the facility currently providing 31 The prepaid inpatient health plan, managed treatment. care organization, or the department, when responsible for the cost of 32 care, may not require prior authorization for treatment under RCW 33 71.05.320. The designation of a treatment facility must not result in 34 35 a delay of the transfer of the person to a state hospital or certified treatment facility if there is an open bed available at 36 either the state hospital or a certified facility." 37

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1 On page 1, line 3 of the title, after "services;" strike the 2 remainder of the title and insert "amending RCW 71.24.310; adding a 3 new section to chapter 71.24 RCW; and adding a new section to chapter 4 71.05 RCW."

<u>EFFECT:</u> Replaces the bill with similar provisions from ESSB 5894. Differences between bills include requiring DSHS to contract with long-term involuntary treatment facilities to provide treatment instead of requiring BHOs to contract with the facilities, requiring DSHS to establish rules for certification of such facilities, and providing authority for the entity responsible for the cost of care to designate an available facility for treatment.

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