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**Health Care & Wellness Committee**

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**SSB 5705**

**Brief Description:** Concerning inspection and review of state contracted behavioral health and recovery agencies.

**Sponsors:** Senate Committee on Ways & Means (originally sponsored by Senators Becker, O'Ban, Rivers, Bailey, Miloscia, Schoesler, Warnick, Brown, Zeiger and Honeyford).

**Brief Summary of Substitute Bill**

- Prohibits the Department of Social and Health Services from reducing the number of violations that it reports against a licensed behavioral health service provider unless it is found that the service provider did not commit the violations.
- If a licensed behavioral health service provider that is in violation of licensing requirements attempts to transfer its license to a family member, the transfer should only be made to remedy license violations and achieve full compliance with licensing requirements and should be prohibited for the purpose of avoiding liability or resetting the number of licensing violations against the licensed behavioral health service provider.

**Hearing Date:** 3/21/17

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

**Background:**

The Department of Social and Health Services (Department) licenses service providers that offer mental health and substance use disorder services. These service providers include evaluation and treatment facilities, substance use disorder treatment providers, crisis stabilization units, outpatient mental health service providers, and triage facilities. They must meet minimum licensing standards including qualifications for staff, procedures for the admission and care of clients, notification of client rights, and quality management policies. To become licensed, a service provider must successfully complete an annual on-site review. For many service

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providers, if there is a change in ownership, the new owner must complete the new license application process.

The Department may restrict, suspend, or revoke the license of a behavioral health service provider if it fails to comply with regulations and minimum standards. A behavioral health service provider may contest the Department's decision through an adjudicative proceeding held under the Administrative Procedures Act.

**Summary of Bill:**

Findings are made that the Department of Social and Health Services should not reduce the number of license violations found by inspectors if it is for the purpose of allows them to avoid liability in a manner that allowing the licensed behavioral health service provider to stay open at the risk of public safety. Settlement agreements between the Department and licensed behavioral health service providers on disciplinary matters may not reduce the number of violations reported by the Department unless it is found that the behavioral health service provider did not commit the violations.

It is recognized that sham transfers of licenses from a licensed behavioral health provider that is in violation of licensing standards to a family member must be prohibited. If a licensed behavioral health service provider that is in violation of licensing requirements attempts to transfer its license to a family member, the transfer should only be made for the purpose of remedying license violations and achieving full compliance with licensing requirements and should be prohibited for the purpose of avoiding liability or resetting the number of licensing violations against the licensed behavioral health service provider.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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