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**ENGROSSED SENATE BILL 5328**

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**State of Washington 67th Legislature 2021 Regular Session**

**By** Senators Lovelett, Dhingra, Darneille, Das, Frockt, Nguyen, Nobles, and Wilson, C.

AN ACT Relating to clubhouses and peer-run organizations for persons with mental illness; adding a new section to chapter 71.24 RCW; and creating new sections.

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

NEW SECTION. **Sec.**  The legislature finds that:

(1) A clubhouse is a member organization where people living with mental illness can find fellowship, hope, opportunity, and recovery. Clubhouse programs offer vocational training, wellness programs, employment opportunities, participative community, and an end to isolation for persons whose lives have been severely disrupted by mental illness.

(2) Strong evidence supports the clubhouse model when implemented with fidelity. The most effective clubhouses obtain development training, support, and accreditation through clubhouse international.

(3) Washington state supports several clubhouse programs using general fund dollars, but can go farther to help clubhouses gain access to medicaid funds while allowing them to maintain fidelity to evidence-based models. As a result, clubhouse programs receive insufficient funding and support, which prevents these programs from spreading widely throughout the state or reaching their full potential to assist persons with mental illness to find community and new purpose in recovery. Similar issues are confronted in Washington state by other peer-run organizations.

(4) Assisting clubhouses and peer-run organizations to access sustainable medicaid and nonmedicaid funding while remaining true to their evidence-based models and essential character as clubhouses and peer-run organizations requires careful attention to detail, ranging from the level of the design of the state medicaid plan to the design and enforcement of regulations for the licensure and operations of clubhouses and peer-run organizations by the department of health. The state must provide a streamlined behavioral health agency licensing process which is tailored for clubhouses and other peer-run organizations. Regulations for medicaid services provided in a clubhouse or peer-run organization should be adapted to allow these entities to leverage federal funding to the extent possible while allowing them to maintain fidelity to their evidence-based models and essential character as clubhouses and peer-run organizations. In the case of clubhouses, funding should be structured to provide incentives and support for the clubhouses to move towards accreditation by clubhouse international.

NEW SECTION. **Sec.**  A new section is added to chapter 71.24 RCW to read as follows:

Subject to the availability of amounts provided for this specific purpose, the authority shall:

(1) Make sufficient funding available to establish clubhouse services in every region of the state provided by a clubhouse which is accredited by clubhouse international or in the process of pursuing accreditation by that body;

(2) Establish a learning collaborative to assist clubhouses and peer-run organizations to achieve fidelity to appropriate evidence-based models;

(3) Collaborate with the department to design the state medicaid program to be as accommodating as possible to clubhouses and peer-run organizations to allow these entities to maximize opportunities to access medicaid funding while at the same time maintaining fidelity to evidence-based models and their essential character as clubhouses and peer-run organizations; and

(4) Facilitate partnerships if needed between independent clubhouses or peer-run organizations and licensed or certified behavioral health agencies to help the clubhouses or peer-run organizations obtain referrals, client evaluations, or other assistance needed to meet requirements necessary for them to access funding under the medicaid program.

NEW SECTION. **Sec.**  (1) The department of health shall collaborate with the Washington state health care authority and appropriate stakeholders to review and redesign the licensure and oversight process for clubhouses and peer-run organizations in order to accommodate to their ability to obtain medicaid reimbursement while simultaneously maintaining fidelity to evidence-based models and their essential character as clubhouses and peer-run organizations. This shall include efforts to:

(a) Identify changes to behavioral health agency rules to streamline licensure requirements for clubhouses and peer-run organizations and to create accessible pathways towards licensure;

(b) Identify changes to operational rules for providing medicaid services within clubhouses and peer-run organizations, including but not limited to day support services which are within allowable federal guidelines, and to the extent possible allow these entities to provide those services to be provided with fidelity to evidence-based models while maintaining their essential character as clubhouses and peer-run organizations; and

(c) Allow independent clubhouses and peer-run organizations to meet requirements in part by forming partnerships with licensed and certified behavioral health agencies to assist them with federally required tasks that are not an essential part of maintaining fidelity to their evidence-based model.

(2) The department shall adopt necessary rule changes by June 30, 2022.

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