

**2SHB 1860** - S COMM AMD

By Subcommittee on Behavioral Health

**ADOPTED 03/03/2022**

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** (1) The legislature finds that social  
4 determinants of health, particularly housing, are highly correlated  
5 with long-term recovery from behavioral health conditions. Seeking  
6 inpatient treatment for a mental health or substance use challenge is  
7 an act of valor. Upon discharge from care, these individuals deserve  
8 a safe, stable place from which to launch their recovery. It is far  
9 easier and more cost-effective to help maintain a person's recovery  
10 after treatment than to discharge them into homelessness and begin  
11 the process anew amid another crisis. Sometimes, there may not be  
12 another chance.

13 (2) Therefore, it is the intent of the legislature to seize the  
14 incredible opportunity presented by a person seeking inpatient  
15 behavioral health care by ensuring that these courageous individuals  
16 are discharged to appropriate housing.

17 **Sec. 2.** RCW 70.320.020 and 2021 c 267 s 2 are each amended to  
18 read as follows:

19 (1) The authority and the department shall base contract  
20 performance measures developed under RCW 70.320.030 on the following  
21 outcomes when contracting with service contracting entities:  
22 Improvements in client health status and wellness; increases in  
23 client participation in meaningful activities; reductions in client  
24 involvement with criminal justice systems; reductions in avoidable  
25 costs in hospitals, emergency rooms, crisis services, and jails and  
26 prisons; increases in stable housing in the community; improvements  
27 in client satisfaction with quality of life; and reductions in  
28 population-level health disparities.

1 (2) The performance measures must demonstrate the manner in which  
2 the following principles are achieved within each of the outcomes  
3 under subsection (1) of this section:

4 (a) Maximization of the use of evidence-based practices will be  
5 given priority over the use of research-based and promising  
6 practices, and research-based practices will be given priority over  
7 the use of promising practices. The agencies will develop strategies  
8 to identify programs that are effective with ethnically diverse  
9 clients and to consult with tribal governments, experts within  
10 ethnically diverse communities and community organizations that serve  
11 diverse communities;

12 (b) The maximization of the client's independence, recovery, and  
13 employment;

14 (c) The maximization of the client's participation in treatment  
15 decisions; and

16 (d) The collaboration between consumer-based support programs in  
17 providing services to the client.

18 (3) In developing performance measures under RCW 70.320.030, the  
19 authority and the department shall consider expected outcomes  
20 relevant to the general populations that each agency serves. The  
21 authority and the department may adapt the outcomes to account for  
22 the unique needs and characteristics of discrete subcategories of  
23 populations receiving services, including ethnically diverse  
24 communities.

25 (4) The authority and the department shall coordinate the  
26 establishment of the expected outcomes and the performance measures  
27 between each agency as well as each program to identify expected  
28 outcomes and performance measures that are common to the clients  
29 enrolled in multiple programs and to eliminate conflicting standards  
30 among the agencies and programs.

31 (5) (a) The authority and the department shall establish timelines  
32 and mechanisms for service contracting entities to report data  
33 related to performance measures and outcomes, including phased  
34 implementation of public reporting of outcome and performance  
35 measures in a form that allows for comparison of performance measures  
36 and levels of improvement between geographic regions of Washington.

37 (b) The authority and the department may not release any public  
38 reports of client outcomes unless the data has been deidentified and  
39 aggregated in such a way that the identity of individual clients

1 cannot be determined through directly identifiable data or the  
2 combination of multiple data elements.

3 (6) (a) The performance measures coordinating committee must  
4 establish: (i) A performance measure to be integrated into the  
5 statewide common measure set which tracks effective integration  
6 practices of behavioral health services in primary care settings;  
7 ~~((and))~~ (ii) performance measures which track rates of criminal  
8 justice system involvement among ~~((public health system))~~ medical  
9 assistance clients with an identified behavioral health need  
10 including, but not limited to, rates of arrest and incarceration; and  
11 (iii) performance measures which track rates of homelessness and  
12 housing instability among medical assistance clients. The authority  
13 must set improvement targets related to these measures.

14 (b) The performance measures coordinating committee must report  
15 to the governor and appropriate committees of the legislature  
16 regarding the implementation of this subsection by July 1, 2022.

17 (c) For purposes of establishing performance measures as  
18 specified in (a)(ii) of this subsection, the performance measures  
19 coordinating committee shall convene a work group of stakeholders  
20 including the authority, medicaid managed care organizations, the  
21 department of corrections, and others with expertise in criminal  
22 justice and behavioral health. The work group shall review current  
23 performance measures that have been adopted in other states or  
24 nationally to inform this effort.

25 (d) For purposes of establishing performance measures as  
26 specified in (a)(iii) of this subsection, the performance measures  
27 coordinating committee shall convene a work group of stakeholders  
28 including the authority, medicaid managed care organizations, and  
29 others with expertise in housing for low-income populations and with  
30 experience understanding the impacts of homelessness and housing  
31 instability on health. The work group shall review current  
32 performance measures that have been adopted in other states or  
33 nationally from organizations with experience in similar measures to  
34 inform this effort.

35 (7) The authority must report to the governor and appropriate  
36 committees of the legislature ~~((by))~~:

37 (a) By October 1, 2022, regarding options and recommendations for  
38 integrating value-based purchasing terms and a performance  
39 improvement project into managed health care contracts relating to

1 the criminal justice outcomes specified under subsection (1) of this  
2 section;

3 (b) By July 1, 2024, regarding options and recommendations for  
4 integrating value-based purchasing terms and to integrate a  
5 collective performance improvement project into managed health care  
6 contracts related to increasing stable housing in the community  
7 outcomes specified under subsection (1) of this section. The  
8 authority shall review the performance measures and information from  
9 the work group established in subsection (6)(d) of this section.

10 NEW SECTION. Sec. 3. A new section is added to chapter 71.24  
11 RCW to read as follows:

12 By January 1, 2023, the authority shall require that any contract  
13 with a managed care organization include a requirement to provide  
14 housing-related care coordination services for enrollees who need  
15 such services upon being discharged from inpatient behavioral health  
16 settings as allowed by the centers for medicare and medicaid  
17 services.

18 NEW SECTION. Sec. 4. A new section is added to chapter 71.12  
19 RCW to read as follows:

20 With respect to a person enrolled in medical assistance under  
21 chapter 74.09 RCW, a psychiatric hospital shall make every effort to:

22 (1) Inform the medicaid managed care organization in which the  
23 person is enrolled of the person's discharge or change in care plan  
24 on the following timelines:

25 (a) For an anticipated discharge, no later than 24 hours prior to  
26 the known discharge date; or

27 (b) For all other discharges, including if the person leaves  
28 against medical advice, no later than the date of discharge or  
29 departure from the facility; and

30 (2) Engage with medicaid managed care organizations in discharge  
31 planning, which includes informing and connecting patients to care  
32 management resources at the appropriate managed care organization.

33 NEW SECTION. Sec. 5. A new section is added to chapter 74.09  
34 RCW to read as follows:

35 To improve health outcomes and address health inequities, the  
36 authority shall evaluate incentive approaches and recommend funding  
37 options to increase the collection of Z codes on individual medicaid

1 claims, in accordance with standard billing guidance and  
2 regulations."

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3 On page 1, line 2 of the title, after "settings;" strike the  
4 remainder of the title and insert "amending RCW 70.320.020; adding a  
5 new section to chapter 71.24 RCW; adding a new section to chapter  
6 71.12 RCW; adding a new section to chapter 74.09 RCW; and creating a  
7 new section."

EFFECT: Requires a psychiatric hospital to make every effort to  
inform a patient's Medicaid managed care organization of their  
discharge no later than 24 hours before the discharge is known, or  
for all other discharges no later than the date of discharge.

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