

**SENATE BILL REPORT**

**ESHB 1609**

**AS REPORTED BY COMMITTEE ON HEALTH & LONG-TERM CARE,  
APRIL 4, 1991**

**Brief Description:** Developing additional mental health services for children.

**SPONSORS:** House Committee on Human Services (originally sponsored by Representatives Leonard, Winsley, Riley, Brekke, R. King, Anderson, Phillips, Dellwo, Spanel, Haugen, Hine, Jones, Pruitt, Basich, R. Johnson, Van Luven, Wang, Valle, Inslee, Belcher, Sheldon and O'Brien).

**HOUSE COMMITTEE ON HUMAN SERVICES**

**HOUSE COMMITTEE ON APPROPRIATIONS**

**SENATE COMMITTEE ON HEALTH & LONG-TERM CARE**

**Majority Report:** Do pass as amended.

Signed by Senators West, Chairman; L. Smith, Vice Chairman; Amondson, Johnson, L. Kreidler, Niemi, and Wojahn.

**Staff:** Suzanne Brown (786-7483)

**Hearing Dates:** March 28, 1991; April 4, 1991

**BACKGROUND:**

A 1989 Washington State Children's Mental Health System Analysis estimates that approximately 6.7 percent of the public school population, or 50,250 children, have a severe emotional disturbance (SED). The report estimates that 94 percent of SED public school children are not receiving a specific mental health service despite the presence of severe emotional disturbance. The report also indicates that only 26 percent of these children are receiving any type of state funded treatment. According to the report, 60 percent of SED children are from families within a low socioeconomic class.

The 1990 supplemental budget contained a proviso that required the Department of Social and Health Services (DSHS) to develop a statewide action plan for children's mental health. The January 1991 Statewide Action Plan reports that children with emotional and mental disorders may come in contact with multiple child-serving systems including schools, juvenile justice, child welfare and mental health. The Action Plan contained a "map" and a description of the child serving systems and programs. According to the Action Plan, children's services are fragmented and may fail to meet the overall needs of the child and his or her family.

The Community Mental Health Services Act currently requires regional support networks (RSN) and county authorities to submit biennial needs assessments and mental health services plans. This statute also requires RSN's and county authorities to submit a biennial children's mental health services report. This report identifies the number of both served and unserved children, the funds used for children's mental health services and the estimated cost of serving unserved children and their families.

The Title XIX Early and Periodic Screening, Diagnosis and Treatment Program (EPSDT) is a federally mandated Medicaid program that provides scheduled checkups and follow-up health services to eligible children under age 21. The federal Omnibus Reconciliation Act of 1989 requires states to provide all medically necessary health services to children whose physical or mental illnesses are discovered by EPSDT screening services. These health services must be provided regardless of whether these services are currently covered by the state Medicaid plan.

**SUMMARY:**

Legislative intent encouraging the development of community-based interagency collaborative efforts to plan for and provide mental health services to children is expressed.

The Office of Financial Management (OFM) must perform an inventory of publicly funded programs providing mental health services to children in Washington by December 1, 1991. The inventory must be updated on a biennial basis. The inventory must include mental health related services provided through the education, children and family services, juvenile justice, mental health, health care, alcohol and substance abuse and developmental disabilities programs. Specific services are enumerated. The inventory will identify several factors for each program or service including: (1) statutory authority, (2) statewide, county and/or school district funding sources and levels, (3) the administrative agency and a description of regional and local administration and service delivery, (4) eligibility criteria, (5) the number and characteristics of the children served on a statewide, county and/or school district basis, (6) the number of minority mental health providers and children of color served in each regional support network, by race and nationality, and (7) any statutory changes necessary to remove categorical restrictions.

OFM, in consultation with DSHS, must develop a plan for the use of EPSDT services for children with mental health needs. The plan must include: (1) criteria for screening and assessment of mental illness and emotional disturbance, (2) criteria for determining appropriate and medically necessary services, (3) qualifications for children's mental health providers, (4) other cost control mechanisms such as managed care and prospective or capitated payments for mental health services, and (5) mechanisms to ensure federal matching funds for services included in the inventory. OFM must provide an

opportunity for the major child-serving systems and regional support networks (RSN) to comment on the EPSDT plan. This plan must be submitted to the Legislature by December 1, 1991.

Each RSN or county authority must begin a local planning effort to develop a children's mental health delivery system by January 1, 1992. The planning effort must involve a variety of public and private child-serving agencies or organizations. The local planning effort must develop a supplement to the RSN or county authority's January 1991 children's mental health services report. The supplement must include: (1) the number of children in need of mental health services grouped by the severity of mental illness, (2) the number of children underserved or unserved and the services needed, and (3) the supply of children's mental health specialists.

The local planning effort must develop a children's mental health services delivery plan. This plan must describe: (1) the children who will be served including children at risk of experiencing or experiencing mental illness, (2) the means for identifying and providing appropriate services, including prevention and identification, (3) the method for identifying a lead case manager, (4) the means for coordinating existing funding to provide flexible services that meet children's needs, (5) the method for incorporating the EPSDT plan developed by OFM, and (6) the method for coordinating the children's mental health delivery system with the existing RSN information system.

The children's mental health service delivery system plan must make every effort to reduce service duplication and promote complementary mental health related services among all providers. In addition, the plan must include mechanisms to address the needs of children of color. These mechanisms include at least: (1) outreach initiatives, mental health services and delivery modes designed to meet the needs of these children, (2) culturally relevant and linguistically accessible services, and (3) improved access to minority mental health providers through contracts, subcontracts, affirmative action employment or other methods.

By December 1, 1991, OFM must prepare proposed legislation requiring 5 percent of constitutionally available state general funds to be placed in a locally administered pooled account to meet the needs of children who are unserved by categorical programs. Programs or services funded through basic education and the medical assistance or medically needy program are exempt from the pooled account.

The bill contains a null and void clause. The bill also contains a severability clause.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** available

**Effective Date:** The bill contains an emergency clause and takes effect immediately.

**SUMMARY OF PROPOSED SENATE AMENDMENTS:**

The requirement that OFM prepare proposed legislation requiring creation of a locally administered pooled account is deleted.

Null and void clauses are added making the inventory of children's mental health services, EPSDT plan and local children's mental health service delivery system planning effort contingent upon funding in the budget.

**TESTIMONY FOR:**

The bill provides an important focus on developing local interagency collaborative efforts to planning and providing for children's mental health services. The emphasis on eliminating duplicative services and case management is important and needed. The creation of a pooled account addresses the urgent need for flexible funding and service delivery to ensure that mentally ill children and their families receive those services which meet their individual needs. The regional support networks have the expertise and ability to successfully lead children's mental health planning and service delivery efforts. EPSDT funds offer the opportunity to expand mental health services to children in need.

**TESTIMONY AGAINST:**

Some local communities and regional support networks have successfully developed interagency plans and collaborative mechanisms similar to those described in the bill. Although this is an important focus, the language included in the bill may restrict a local community's ability to creatively and flexibly meet the unique needs of its citizens. The pooled account's funding mechanism would remove funds from the current service system and damage the service capabilities of an underfunded children's mental health system. The EPSDT planning effort fails to specify an implementation date and should be monitored by an oversight committee.

**TESTIFIED:** PRO: Sharon Stewart-Johnson, Dennis Olson, Colleen Waterhouse, DSHS Panel; Lucy Homans, WA State Psychological Assn.; Marilyn LaCelle, Washington Community Mental Health Council; Rosie Oreskovich, King County Mental Health