HOUSE BILL REPORT
HB 2627

As Reported By House Committee On:
Health Care

Title: An act relating to the long-term care integration reform act.

Brief Description: Creating the division of long-term care and rehabilitation services.

Sponsors: Representatives Cody, Parlette, D. Sommers, Tokuda, Edmonds, Pflug, Schual-Berke, Keiser, Ruderman, Kenney, Haigh and O'Brien.

Brief History:
Committee Activity:
Health Care: 1/25/00, 2/4/00 [DPS].

Brief Summary of Substitute Bill

- Creates a separate long-term care and rehabilitation services administration to more effectively serve disabled adults.
- Administratively consolidates Aging and Adult Services Administration, the Division of Mental Health, the Division of Developmental Disabilities, and the Alcoholism and Drug Abuse Program.

HOUSE COMMITTEE ON HEALTH CARE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 12 members: Representatives Cody, Democratic Co-Chair; Parlette, Republican Co-Chair; Pflug, Republican Vice Chair; Schual-Berke, Democratic Vice Chair; Alexander; Campbell; Conway; Edmonds; Edwards; Mulliken; Pennington and Ruderman.

Staff: Antonio Sanchez (786-7383).

Background:

The 1998 Washington State Legislature established a Joint Legislative and Executive Task Force on Long-term Care (SSB 6544). One of the twelve specific directives to

be accomplished by the Task Force was to review the need for reorganization and reform of the long-term care administrative and delivery system and to recommend the establishment of a single long-term care department or a division of long-term care within the Department of Social and Health Services (DSHS).

In the final Task Force Report to the Legislature and Governor, the Reorganization and Consolidation Stakeholder Subgroup noted that, although reorganization would be "extremely difficult, it is clear that the current loosely coordinated parts of our long-term care system must look towards greater collaboration in order to meet our citizens changing needs and to meet the challenges of public funding." The stakeholder subgroup chose to recommend a consensus proposal that calls for the consolidation of the Aging and Adult Services Administration (AASA), the Mental Health Division (MHD), the Division of Developmental Disabilities (DDD), and the Division of Alcohol and Substance Abuse (DASA) into a single long-term care administration within the DSHS. This proposed organizational structure is "intended to realign the DSHS's internal integration of long-term care and solidify the relationship with community partners that have helped develop the system."

This finding and recommendation is similar to the findings and recommendations identified in the 1991 Washington State Long-term Care Commission's Report to the Legislature. The 1991 report identified that "the current organizational arrangements contribute to a number of problems, both for people who need long-term care and for the agencies charged with administering them."

The recommendation for the consolidation of chronic care services within a single lead agency within the DSHS was also echoed in the department's own 1990 report called the "Aging and Adult Services Modest Proposal." The DSHS proposal identified that successful management of the long-term care system "in the interest of consumers and public accountability, requires a responsible lead agency with the authority to manage generic resources and coordinate the system as a whole."

To date, four separate governmental reports have recommended some form of consolidation of long-term care services within the DSHS.

Under the current system, AASA, MHD, DDD, and DASA are each a separate administrative subdivision or administration within the DSHS with its own mission, management structure, plans, budget proposals, eligibility guidelines, standards, and procedures. The concerns identified with the current system include: duplication of services; gaps in services, especially the dual diagnosed; difficulty with the information system's ability to identify clients that are using multiple services across the different services; and the inability for the state to get a true fiscal picture of how much is spent on all long-term care services.

The following is a brief description of each of the administrative systems that provide long-term care services within the DSHS:

AGING AND ADULT SERVICES ADMINISTRATION (AASA)

Aging and Adult Services Administration (AASA) provides a broad range of social and health services to assist older persons and functionally disabled adults to maintain independence and maximize the quality of life.

Who they serve: AASA arranges for health-related services for more than 148,000 elderly or disabled individuals annually. Most receive services in their homes. More than 6,500 people receive services in residential facilities such as adult family homes or assisted living situations. Approximately 14,500 people receive nursing home services.

Where they are served: Services are available to AASA clients throughout their own communities including: in-home services, adult family homes, assisted living facilities, adult residential care, and nursing homes. Transportation, congregate meals, respite care, and adult day services are available. Staff performing case management will visit and assess a client at any site, including home, hospital, or nursing home. AASA staff also monitor the care and conduct on-site inspections of nursing homes, adult family homes, and boarding homes. Staff also investigated approximately 5,343 complaints in 1997 in adult family homes, nursing facilities and boarding homes.

DIVISION OF DEVELOPMENTAL DISABILITIES (DDD)

Who they serve: Currently, DDD serves over 27,000 clients. To be eligible for services from DDD a person must have a disability which originated before age 18 and is expected to continue indefinitely, constitute a significant handicap, and be attributable to mental retardation, cerebral palsy, epilepsy, autism, or another neurological or other condition closely related to mental retardation.

Where they are served: Of the enrolled clients, 95 percent live in the community, mostly in their own homes or with parents or other family members. The remaining five percent (1,203 people) reside in five Residential Habitation Centers.

How they are served: About 13,000 of the people with developmental disabilities who live in the community receive services in addition to evaluation and case management from DDD. These services can include residential support services, employment/day programs, family support services, Medicaid and state-funded personal care, respite care, attendant care and therapeutic and other professional support services.

THE DIVISION OF ALCOHOL AND SUBSTANCE ABUSE (DASA)

The Division of Alcohol and Substance Abuse (DASA) conducts alcohol and other drug prevention, treatment, and support services for low income clients assessed as alcoholic or addicted to other drugs. In Fiscal Year 1996, 26,754 people were assessed for treatment service need. There were 21,866 admissions to outpatient treatment, 9,987 admissions to residential treatment, 9,662 admissions for detoxification, and 1,011 admissions to opiate dependency outpatient services.

Where they are served: At the community level, people are assessed for treatment needs and then receive services through residential or outpatient services and a variety of support services including vocational and training programs, transitional housing, outreach, interpreter services, and child care. DASA contracts for all substance abuse treatment and prevention services with counties for community outpatient services. Contracts with non-profit treatment agencies provide statewide residential services.

How they are served: Treatment services include: diagnostic evaluation, client motivational counseling, primary treatment, and sobriety-maintenance follow-up counseling. Primary treatment includes outpatient treatment and residential treatment. Emergency services include detoxification services, emergency crisis intervention, and involuntary treatment services.

MENTAL HEALTH DIVISION (MHD)

Who they serve: The Mental Health Division provides care to the most profound mentally ill or, for those who have a low income, persons with a mental health crises. The division also administers programs for people ordered into care by the courts.

Approximately 57 percent of MHD resources supported care to more than 105,000 people during Fiscal Year 1998. With an additional 11 percent of its resources, the division supported services in community psychiatric hospitals to 8,880 people during the year. The remaining 32 percent of resources were used to operate three state psychiatric hospitals: Eastern State Hospital, Western State Hospital, and Child Study and Treatment Center. These hospitals have an allocated capacity of 1,315 beds and served 3,644 people during the fiscal year.

How they are served: The division contracts with 14 Regional Support Networks (RSNs) for services. RSNs manage the local resources for crisis assessment and intervention, treatment, housing, medication management, and other needed services. The RSNs also provide authorization for inpatient services.

Summary of Substitute Bill:

New Division of Long-term Care and Rehabilitation - A new division of Long-term care and rehabilitation services is established within the DSHS that consolidates Aging and AASA, the MHD, the DDD, and the DASA into a single long-term care division. The duties and responsibilities of the new division are identified and include: providing safe and cost-effective long-term care services to the functionally disabled; developing the roles and responsibilities with the entities that contract with the division to provide services; developing, implementing, and monitoring quality standards; providing technical assistance to disabled individuals and their families, unpaid family caregivers, and advocacy groups to insure their participation in program planning; insuring that training is integrated, coordinated, innovative, and relevant; and promoting alternate public and private funding such as waivers and long-term care insurance options.

No additional state employees can be hired as a result of establishing the new division and any funds saved as a result of the elimination of management level positions within the new division must be redirected to direct long-term care services, quality assurance, and complaint investigations.

New definitions are established for long-term care, cost effective care, and for functionally disabled person.

Guiding principles - A set of guiding principles is established that requires the new division to implement: clear lines of balanced authority and coordination and eliminate fragmentation; simplified integrated organizational design that promotes public accountability; programs that are client centered and seamless between all long-term care programs; decentralized authority; quality care standards and test based educational standards; uniform and fair assessment of rules; meaningful participation of persons with functional disabilities, families, employees, vendors, community advocates, and all levels of government; a system to measure progress; and a system that reduces or eliminate unnecessary rules, procedures and paperwork.

Joint Legislative Committee on Long-term Care and Rehabilitation Oversight - A Joint Legislative Committee is established. Membership is outlined. The committee is directed to review the activities necessary create a new Division on Long-term Care and Rehabilitation, initiate or review relevant studies, review proposed rules consistent with the intent, guiding principles, duties, and responsibilities of the new division, report to the Legislature on the progress of the reorganization activities, and review the need to develop geographically balanced services areas. The joint committee expiries on March 1, 2004.

Departmental Committee on Long-term Care Integration - The DSHS is required to establish a Departmental Committee on Long-term Care Integration by July 1, 2000. The committee is required to ensure that all appropriate interests participate in the departmental integration activities and to report quarterly to the Joint Legislative

Committee on Long-term Care Integration on the progress of the integration. Other specific duties are described. The committee expiries on March 1, 2004.

Substitute Bill Compared to Original Bill: A new administration responsible for long-term care programs is established within the DSHS as opposed to a division within the department. The name of the administration is the Long-term Care and Rehabilitation Services Administration. The duties and responsibilities of the division are eliminated. The guiding principles for the division are eliminated. The Departmental Committee on Long-term Care is eliminated. The Joint Legislative Committee on Long-term Care is eliminated. The programs for the criminally insane and those relating to the special commitment center are no longer in the administration. A set of outcome measures to be used to evaluate the new administration is outlined. An Advisory Council on Long-term Care Integration appointed by the secretary is established. The duties of the advisory committee are described. The secretary of the DSHS is given the authority to administratively coordinate programs that are maintained within the health and rehabilitative services division.

Appropriation: None.

Fiscal Note: Requested on January 21, 2000.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect immediately.

Testimony For: This new administrative structure will be more efficient administratively and will reduce the problems of access and coordination of services especially for disabled persons who are duel diagnosed such as those elderly persons who are also developmentally disabled.

Testimony Against: Advocacy groups have specialized programs that could be compromised. An extended period of time to reorganize would be harmful. Federal and state funding dictate eligibility standards and need to be changed for meaningful reorganization.

Testified: (In support) Jerry Reilly, Washington Health Care Association; Lauri St. Ours, Northwest Assisted Living Facilities Association; and Richard Dorsett, Association of Area Agencies on Aging.

(Concerns) Janet Adams, Arc of Washington.

(Opposed) Charles Reed, Department of Social and Health Services.