

CERTIFICATION OF ENROLLMENT

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1290

Chapter 503, Laws of 2005

(partial veto)

59th Legislature
2005 Regular Session

MENTAL HEALTH SERVICES

EFFECTIVE DATE: 7/24/05 - Except section 4, which becomes effective 5/17/05.

Passed by the House April 19, 2005
Yeas 94 Nays 4

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 14, 2005
Yeas 45 Nays 0

BRAD OWEN

President of the Senate

Approved May 17, 2005, with the exception of Section 5, which is vetoed.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1290** as passed by the House of Representatives and the Senate on the dates hereon set forth.

RICHARD NAFZIGER

Chief Clerk

FILED

May 17, 2005 - 2:05 p.m.

**Secretary of State
State of Washington**

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1290

AS AMENDED BY THE SENATE

Passed Legislature - 2005 Regular Session

State of Washington 59th Legislature 2005 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Cody, Bailey, Schual-Berke, Campbell, Morrell, Hinkle, Green, Appleton, Moeller, Haigh, Linville, Kenney, Wood and Santos)

READ FIRST TIME 03/07/05.

1 AN ACT Relating to community mental health services; amending RCW
2 71.24.025, 71.24.030, 71.24.045, 71.24.100, 71.24.240, and 71.24.300;
3 reenacting and amending RCW 71.24.015 and 71.24.035; adding new
4 sections to chapter 71.24 RCW; adding a new section to chapter 74.09
5 RCW; creating new sections; providing expiration dates; and declaring
6 an emergency.

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

8 **Sec. 1.** RCW 71.24.015 and 2001 c 334 s 6 and 2001 c 323 s 1 are
9 each reenacted and amended to read as follows:

10 It is the intent of the legislature to establish a community mental
11 health program which shall help people experiencing mental illness to
12 retain a respected and productive position in the community. This will
13 be accomplished through programs that focus on resilience and recovery,
14 and practices that are evidence-based, research-based, consensus-based,
15 or, where these do not exist, promising or emerging best practices,
16 which provide for:

17 (1) Access to mental health services for adults of the state who
18 are acutely mentally ill, chronically mentally ill, or seriously
19 disturbed and children of the state who are acutely mentally ill,

1 severely emotionally disturbed, or seriously disturbed, which services
2 recognize the special needs of underserved populations, including
3 minorities, children, the elderly, disabled, and low-income persons.
4 Access to mental health services shall not be limited by a person's
5 history of confinement in a state, federal, or local correctional
6 facility. It is also the purpose of this chapter to promote the early
7 identification of mentally ill children and to ensure that they receive
8 the mental health care and treatment which is appropriate to their
9 developmental level. This care should improve home, school, and
10 community functioning, maintain children in a safe and nurturing home
11 environment, and should enable treatment decisions to be made in
12 response to clinical needs in accordance with sound professional
13 judgment while also recognizing parents' rights to participate in
14 treatment decisions for their children;

15 (2) The involvement of persons with mental illness, their family
16 members, and advocates in designing and implementing mental health
17 services that reduce unnecessary hospitalization and incarceration and
18 promote the recovery and employment of persons with mental illness. To
19 improve the quality of services available and promote the
20 rehabilitation, recovery, and reintegration of persons with mental
21 illness, consumer and advocate participation in mental health services
22 is an integral part of the community mental health system and shall be
23 supported;

24 (3) Accountability of efficient and effective services through
25 state of the art outcome and performance measures and statewide
26 standards for monitoring client and system outcomes, performance, and
27 reporting of client and system outcome information. These processes
28 shall be designed so as to maximize the use of available resources for
29 direct care of people with a mental illness and to assure uniform data
30 collection across the state;

31 ((+3)) (4) Minimum service delivery standards;

32 ((+4)) (5) Priorities for the use of available resources for the
33 care of the mentally ill consistent with the priorities defined in the
34 statute;

35 ((+5)) (6) Coordination of services within the department,
36 including those divisions within the department that provide services
37 to children, between the department and the office of the
38 superintendent of public instruction, and among state mental hospitals,

1 county authorities, regional support networks, community mental health
2 services, and other support services, which shall to the maximum extent
3 feasible also include the families of the mentally ill, and other
4 service providers; and

5 ~~((+6))~~ (7) Coordination of services aimed at reducing duplication
6 in service delivery and promoting complementary services among all
7 entities that provide mental health services to adults and children.

8 It is the policy of the state to encourage the provision of a full
9 range of treatment and rehabilitation services in the state for mental
10 disorders including services operated by consumers and advocates. The
11 legislature intends to encourage the development of ~~((county based and~~
12 ~~county managed))~~ regional mental health services with adequate local
13 flexibility to assure eligible people in need of care access to the
14 least-restrictive treatment alternative appropriate to their needs, and
15 the availability of treatment components to assure continuity of care.
16 To this end, counties are encouraged to enter into joint operating
17 agreements with other counties to form regional systems of care
18 ~~((which))~~. Regional systems of care, whether operated by a county,
19 group of counties, or another entity shall integrate planning,
20 administration, and service delivery duties ~~((assigned to counties))~~
21 under chapters 71.05 and 71.24 RCW to consolidate administration,
22 reduce administrative layering, and reduce administrative costs. The
23 legislature hereby finds and declares that sound fiscal management
24 requires vigilance to ensure that funds appropriated by the legislature
25 for the provision of needed community mental health programs and
26 services are ultimately expended solely for the purpose for which they
27 were appropriated, and not for any other purpose.

28 It is further the intent of the legislature to integrate the
29 provision of services to provide continuity of care through all phases
30 of treatment. To this end the legislature intends to promote active
31 engagement with mentally ill persons and collaboration between families
32 and service providers.

33 **Sec. 2.** RCW 71.24.025 and 2001 c 323 s 8 are each amended to read
34 as follows:

35 Unless the context clearly requires otherwise, the definitions in
36 this section apply throughout this chapter.

1 (1) "Acutely mentally ill" means a condition which is limited to a
2 short-term severe crisis episode of:

3 (a) A mental disorder as defined in RCW 71.05.020 or, in the case
4 of a child, as defined in RCW 71.34.020;

5 (b) Being gravely disabled as defined in RCW 71.05.020 or, in the
6 case of a child, a gravely disabled minor as defined in RCW 71.34.020;
7 or

8 (c) Presenting a likelihood of serious harm as defined in RCW
9 71.05.020 or, in the case of a child, as defined in RCW 71.34.020.

10 (2) "Available resources" means funds appropriated for the purpose
11 of providing community mental health programs (~~((under RCW 71.24.045))~~),
12 federal funds, except those provided according to Title XIX of the
13 Social Security Act, and state funds appropriated under this chapter or
14 chapter 71.05 RCW by the legislature during any biennium for the
15 purpose of providing residential services, resource management
16 services, community support services, and other mental health services.
17 This does not include funds appropriated for the purpose of operating
18 and administering the state psychiatric hospitals, except as negotiated
19 according to RCW 71.24.300(1)(~~(+e)~~) (d).

20 (3) "Child" means a person under the age of eighteen years.

21 (4) "Chronically mentally ill adult" means an adult who has a
22 mental disorder and meets at least one of the following criteria:

23 (a) Has undergone two or more episodes of hospital care for a
24 mental disorder within the preceding two years; or

25 (b) Has experienced a continuous psychiatric hospitalization or
26 residential treatment exceeding six months' duration within the
27 preceding year; or

28 (c) Has been unable to engage in any substantial gainful activity
29 by reason of any mental disorder which has lasted for a continuous
30 period of not less than twelve months. "Substantial gainful activity"
31 shall be defined by the department by rule consistent with Public Law
32 92-603, as amended.

33 (5) "Community mental health program" means all mental health
34 services, activities, or programs using available resources.

35 (6) "Community mental health service delivery system" means public
36 or private agencies that provide services specifically to persons with
37 mental disorders as defined under RCW 71.05.020 and receive funding
38 from public sources.

1 (7) "Community support services" means services authorized,
2 planned, and coordinated through resource management services
3 including, at a minimum, assessment, diagnosis, emergency crisis
4 intervention available twenty-four hours, seven days a week,
5 prescreening determinations for mentally ill persons being considered
6 for placement in nursing homes as required by federal law, screening
7 for patients being considered for admission to residential services,
8 diagnosis and treatment for acutely mentally ill and severely
9 emotionally disturbed children discovered under screening through the
10 federal Title XIX early and periodic screening, diagnosis, and
11 treatment program, investigation, legal, and other nonresidential
12 services under chapter 71.05 RCW, case management services, psychiatric
13 treatment including medication supervision, counseling, psychotherapy,
14 assuring transfer of relevant patient information between service
15 providers, recovery services, and other services determined by regional
16 support networks.

17 (8) "Consensus-based" means a program or practice that has general
18 support among treatment providers and experts, based on experience or
19 professional literature, and may have anecdotal or case study support,
20 or that is agreed but not possible to perform studies with random
21 assignment and controlled groups.

22 (9) "County authority" means the board of county commissioners,
23 county council, or county executive having authority to establish a
24 community mental health program, or two or more of the county
25 authorities specified in this subsection which have entered into an
26 agreement to provide a community mental health program.

27 ~~((+9))~~ (10) "Department" means the department of social and health
28 services.

29 ~~((+10))~~ (11) "Designated mental health professional" means a
30 mental health professional designated by the county or other authority
31 authorized in rule to perform the duties specified in this chapter.

32 (12) "Emerging best practice" or "promising practice" means a
33 practice that presents, based on preliminary information, potential for
34 becoming a research-based or consensus-based practice.

35 (13) "Evidence-based" means a program or practice that has had
36 multiple site random controlled trials across heterogeneous populations
37 demonstrating that the program or practice is effective for the
38 population.

1 (14) "Licensed service provider" means an entity licensed according
2 to this chapter or chapter 71.05 RCW or an entity deemed to meet state
3 minimum standards as a result of accreditation by a recognized
4 behavioral health accrediting body recognized and having a current
5 agreement with the department, that meets state minimum standards or
6 individuals licensed under chapter 18.57, 18.71, 18.83, or 18.79 RCW,
7 as it applies to registered nurses and advanced registered nurse
8 practitioners.

9 ~~((+11))~~ (15) "Mental health services" means all services provided
10 by regional support networks and other services provided by the state
11 for the mentally ill.

12 ~~((+12))~~ (16) "Mentally ill persons" and "the mentally ill" mean
13 persons and conditions defined in subsections (1), (4), ~~((+17))~~ (24),
14 and ~~((+18))~~ (25) of this section.

15 ~~((+13))~~ (17) "Recovery" means the process in which people are able
16 to live, work, learn, and participate fully in their communities.

17 (18) "Regional support network" means a county authority or group
18 of county authorities or other entity recognized by the secretary
19 ~~((that enter into joint operating agreements to contract with the
20 secretary pursuant to this chapter))~~ in contract in a defined region.

21 ~~((+14))~~ (19) "Residential services" means a complete range of
22 residences and supports authorized by resource management services and
23 which may involve a facility, a distinct part thereof, or services
24 which support community living, for acutely mentally ill persons,
25 chronically mentally ill adults, severely emotionally disturbed
26 children, or seriously disturbed adults determined by the regional
27 support network to be at risk of becoming acutely or chronically
28 mentally ill. The services shall include at least evaluation and
29 treatment services as defined in chapter 71.05 RCW, acute crisis
30 respite care, long-term adaptive and rehabilitative care, and
31 supervised and supported living services, and shall also include any
32 residential services developed to service mentally ill persons in
33 nursing homes, boarding homes, and adult family homes. Residential
34 services for children in out-of-home placements related to their mental
35 disorder shall not include the costs of food and shelter, except for
36 children's long-term residential facilities existing prior to January
37 1, 1991.

1 ~~((15))~~ (20) "Research-based" means a program or practice that has
2 some research demonstrating effectiveness, but that does not yet meet
3 the standard of evidence-based practices.

4 (21) "Resilience" means the personal and community qualities that
5 enable individuals to rebound from adversity, trauma, tragedy, threats,
6 or other stresses, and to live productive lives.

7 (22) "Resource management services" mean the planning,
8 coordination, and authorization of residential services and community
9 support services administered pursuant to an individual service plan
10 for: (a) Acutely mentally ill adults and children; (b) chronically
11 mentally ill adults; (c) severely emotionally disturbed children; or
12 (d) seriously disturbed adults determined solely by a regional support
13 network to be at risk of becoming acutely or chronically mentally ill.
14 Such planning, coordination, and authorization shall include mental
15 health screening for children eligible under the federal Title XIX
16 early and periodic screening, diagnosis, and treatment program.
17 Resource management services include seven day a week, twenty-four hour
18 a day availability of information regarding mentally ill adults' and
19 children's enrollment in services and their individual service plan to
20 county-designated mental health professionals, evaluation and treatment
21 facilities, and others as determined by the regional support network.

22 ~~((16))~~ (23) "Secretary" means the secretary of social and health
23 services.

24 ~~((17))~~ (24) "Seriously disturbed person" means a person who:
25 (a) Is gravely disabled or presents a likelihood of serious harm to
26 himself or herself or others, or to the property of others, as a result
27 of a mental disorder as defined in chapter 71.05 RCW;
28 (b) Has been on conditional release status, or under a less
29 restrictive alternative order, at some time during the preceding two
30 years from an evaluation and treatment facility or a state mental
31 health hospital;
32 (c) Has a mental disorder which causes major impairment in several
33 areas of daily living;
34 (d) Exhibits suicidal preoccupation or attempts; or
35 (e) Is a child diagnosed by a mental health professional, as
36 defined in chapter 71.34 RCW, as experiencing a mental disorder which
37 is clearly interfering with the child's functioning in family or school

1 or with peers or is clearly interfering with the child's personality
2 development and learning.

3 ~~((+18+))~~ (25) "Severely emotionally disturbed child" means a child
4 who has been determined by the regional support network to be
5 experiencing a mental disorder as defined in chapter 71.34 RCW,
6 including those mental disorders that result in a behavioral or conduct
7 disorder, that is clearly interfering with the child's functioning in
8 family or school or with peers and who meets at least one of the
9 following criteria:

10 (a) Has undergone inpatient treatment or placement outside of the
11 home related to a mental disorder within the last two years;

12 (b) Has undergone involuntary treatment under chapter 71.34 RCW
13 within the last two years;

14 (c) Is currently served by at least one of the following child-
15 serving systems: Juvenile justice, child-protection/welfare, special
16 education, or developmental disabilities;

17 (d) Is at risk of escalating maladjustment due to:

18 (i) Chronic family dysfunction involving a mentally ill or
19 inadequate caretaker;

20 (ii) Changes in custodial adult;

21 (iii) Going to, residing in, or returning from any placement
22 outside of the home, for example, psychiatric hospital, short-term
23 inpatient, residential treatment, group or foster home, or a
24 correctional facility;

25 (iv) Subject to repeated physical abuse or neglect;

26 (v) Drug or alcohol abuse; or

27 (vi) Homelessness.

28 ~~((+19+))~~ (26) "State minimum standards" means minimum requirements
29 established by rules adopted by the secretary and necessary to
30 implement this chapter for: (a) Delivery of mental health services;
31 (b) licensed service providers for the provision of mental health
32 services; (c) residential services; and (d) community support services
33 and resource management services.

34 ~~((+20+))~~ (27) "Tribal authority," for the purposes of this section
35 and RCW 71.24.300 only, means: The federally recognized Indian tribes
36 and the major Indian organizations recognized by the secretary insofar
37 as these organizations do not have a financial relationship with any
38 regional support network that would present a conflict of interest.

1 **Sec. 3.** RCW 71.24.030 and 2001 c 323 s 9 are each amended to read
2 as follows:

3 The secretary is authorized to make grants (~~((to))~~) and/or purchase
4 services from counties (~~((or))~~), combinations of counties (~~((in the~~
5 ~~establishment and operation of))~~), or other entities, to establish and
6 operate community mental health programs.

7 **NEW SECTION.** **Sec. 4.** A new section is added to chapter 71.24 RCW
8 to read as follows:

9 (1) The secretary shall initiate a procurement process for regional
10 support networks in 2005. In the first step of the procurement
11 process, existing regional support networks may respond to a request
12 for qualifications developed by the department. The secretary shall
13 issue the request for qualifications not later than October 1, 2005.
14 The request for qualifications shall be based on cost-effectiveness,
15 adequate residential and service capabilities, effective collaboration
16 with criminal justice agencies and the chemical dependency treatment
17 system, and the ability to provide the full array of services as stated
18 in the mental health state plan, and shall meet all applicable federal
19 and state regulations and standards. An existing regional support
20 network shall be awarded the contract with the department if it
21 substantially meets the requirements of the request for qualifications
22 developed by the department.

23 (2) If an existing regional support network chooses not to respond
24 to the request for qualifications, or is unable to substantially meet
25 the requirements of the request for qualifications, the department
26 shall utilize a procurement process in which other entities recognized
27 by the secretary may bid to serve as the regional support network in
28 that region. The procurement process shall begin with a request for
29 proposals issued March 1, 2006.

30 ***NEW SECTION.** **Sec. 5.** *A new section is added to chapter 71.24 RCW*
31 *to read as follows:*

32 *There shall be not less than eight and not more than fourteen*
33 *regional support networks.*
**Sec. 5 was vetoed. See message at end of chapter.*

34 **NEW SECTION.** **Sec. 6.** A new section is added to chapter 71.24 RCW
35 to read as follows:

1 (1) Contracts between a regional support network and the department
2 shall include mechanisms for monitoring performance under the contract
3 and remedies for failure to substantially comply with the requirements
4 of the contract including, but not limited to, financial penalties,
5 termination of the contract, and reprocurement of the contract.

6 (2) The procurement process shall encourage the preservation of
7 infrastructure previously purchased by the community mental health
8 service delivery system, the maintenance of linkages between other
9 services and delivery systems, and maximization of the use of available
10 funds for services versus profits. The procurement process shall
11 provide that public funds appropriated by the legislature shall not be
12 used to promote or deter, encourage, or discourage employees from
13 exercising their rights under Title 29, chapter 7, subchapter II,
14 United States Code or chapter 41.56 RCW.

15 (3) In addition to the requirements of RCW 71.24.035, contracts
16 shall:

17 (a) Define administrative costs and ensure that the regional
18 support network does not exceed an administrative cost of ten percent
19 of available funds;

20 (b) Require effective collaboration with law enforcement, criminal
21 justice agencies, and the chemical dependency treatment system;

22 (c) Require substantial implementation of department adopted
23 integrated screening and assessment process and matrix of best
24 practices; and

25 (d) Maintain the decision-making independence of designated mental
26 health professionals.

27 **Sec. 7.** RCW 71.24.035 and 2001 c 334 s 7 and 2001 c 323 s 10 are
28 each reenacted and amended to read as follows:

29 (1) The department is designated as the state mental health
30 authority.

31 (2) The secretary shall provide for public, client, and licensed
32 service provider participation in developing the state mental health
33 program, developing contracts with regional support networks, and any
34 waiver request to the federal government under medicaid.

35 (3) The secretary shall provide for participation in developing the
36 state mental health program for children and other underserved

1 populations, by including representatives on any committee established
2 to provide oversight to the state mental health program.

3 (4) The secretary shall be designated as the (~~county authority if~~
4 ~~a county fails~~) regional support network if the regional support
5 network fails to meet state minimum standards or refuses to exercise
6 responsibilities under RCW 71.24.045.

7 (5) The secretary shall:

8 (a) Develop a biennial state mental health program that
9 incorporates (~~county~~) regional biennial needs assessments and
10 (~~county~~) regional mental health service plans and state services for
11 mentally ill adults and children. The secretary (~~may~~) shall also
12 develop a six-year state mental health plan;

13 (b) Assure that any regional or county community mental health
14 program provides access to treatment for the (~~county's~~) region's
15 residents in the following order of priority: (i) The acutely mentally
16 ill; (ii) chronically mentally ill adults and severely emotionally
17 disturbed children; and (iii) the seriously disturbed. Such programs
18 shall provide:

19 (A) Outpatient services;

20 (B) Emergency care services for twenty-four hours per day;

21 (C) Day treatment for mentally ill persons which includes training
22 in basic living and social skills, supported work, vocational
23 rehabilitation, and day activities. Such services may include
24 therapeutic treatment. In the case of a child, day treatment includes
25 age-appropriate basic living and social skills, educational and
26 prevocational services, day activities, and therapeutic treatment;

27 (D) Screening for patients being considered for admission to state
28 mental health facilities to determine the appropriateness of admission;

29 (E) Employment services, which may include supported employment,
30 transitional work, placement in competitive employment, and other work-
31 related services, that result in mentally ill persons becoming engaged
32 in meaningful and gainful full or part-time work. Other sources of
33 funding such as the division of vocational rehabilitation may be
34 utilized by the secretary to maximize federal funding and provide for
35 integration of services;

36 (F) Consultation and education services; and

37 (G) Community support services;

1 (c) Develop and adopt rules establishing state minimum standards
2 for the delivery of mental health services pursuant to RCW 71.24.037
3 including, but not limited to:

4 (i) Licensed service providers. These rules shall permit a county-
5 operated mental health program to be licensed as a service provider
6 subject to compliance with applicable statutes and rules. The
7 secretary shall provide for deeming of compliance with state minimum
8 standards for those entities accredited by recognized behavioral health
9 accrediting bodies recognized and having a current agreement with the
10 department;

11 (ii) Regional support networks; and

12 (iii) Inpatient services, evaluation and treatment services and
13 facilities under chapter 71.05 RCW, resource management services, and
14 community support services;

15 (d) Assure that the special needs of minorities, the elderly,
16 disabled, children, and low-income persons are met within the
17 priorities established in this section;

18 (e) Establish a standard contract or contracts, consistent with
19 state minimum standards and sections 4 and 6 of this act, which shall
20 be used in contracting with regional support networks (~~or counties~~).
21 The standard contract shall include a maximum fund balance, which shall
22 (~~not exceed ten percent~~) be consistent with that required by federal
23 regulations or waiver stipulations;

24 (f) Establish, to the extent possible, a standardized auditing
25 procedure which minimizes paperwork requirements of (~~county~~
26 ~~authorities~~) regional support networks and licensed service providers.
27 The audit procedure shall focus on the outcomes of service and not the
28 processes for accomplishing them;

29 (g) Develop and maintain an information system to be used by the
30 state(~~, counties,~~) and regional support networks that includes a
31 tracking method which allows the department and regional support
32 networks to identify mental health clients' participation in any mental
33 health service or public program on an immediate basis. The
34 information system shall not include individual patient's case history
35 files. Confidentiality of client information and records shall be
36 maintained as provided in this chapter and in RCW 71.05.390, 71.05.400,
37 71.05.410, 71.05.420, 71.05.430, and 71.05.440(~~. The design of the~~
38 ~~system and the data elements to be collected shall be reviewed by the~~

1 ~~work group appointed by the secretary under section 5(1) of this act~~
2 ~~and representing the department, regional support networks, service~~
3 ~~providers, consumers, and advocates. The data elements shall be~~
4 ~~designed to provide information that is needed to measure performance~~
5 ~~and achieve the service outcomes identified in section 5 of this act));~~

6 (h) License service providers who meet state minimum standards;

7 (i) Certify regional support networks that meet state minimum
8 standards;

9 (j) Periodically monitor the compliance of certified regional
10 support networks and their network of licensed service providers for
11 compliance with the contract between the department, the regional
12 support network, and federal and state rules at reasonable times and in
13 a reasonable manner;

14 (k) Fix fees to be paid by evaluation and treatment centers to the
15 secretary for the required inspections;

16 (l) Monitor and audit (~~counties,~~) regional support networks(~~(,)~~)
17 and licensed service providers as needed to assure compliance with
18 contractual agreements authorized by this chapter; (~~and~~)

19 (m) Adopt such rules as are necessary to implement the department's
20 responsibilities under this chapter; and

21 (n) Assure the availability of an appropriate amount, as determined
22 by the legislature in the operating budget by amounts appropriated for
23 this specific purpose, of community-based, geographically distributed
24 residential services.

25 (6) The secretary shall use available resources only for regional
26 support networks, except to the extent authorized, and in accordance
27 with any priorities or conditions specified, in the biennial
28 appropriations act.

29 (7) Each certified regional support network and licensed service
30 provider shall file with the secretary, on request, such data,
31 statistics, schedules, and information as the secretary reasonably
32 requires. A certified regional support network or licensed service
33 provider which, without good cause, fails to furnish any data,
34 statistics, schedules, or information as requested, or files fraudulent
35 reports thereof, may have its certification or license revoked or
36 suspended.

37 (8) The secretary may suspend, revoke, limit, or restrict a

1 certification or license, or refuse to grant a certification or license
2 for failure to conform to: (a) The law; (b) applicable rules and
3 regulations; (c) applicable standards; or (d) state minimum standards.

4 (9) The superior court may restrain any regional support network or
5 service provider from operating without certification or a license or
6 any other violation of this section. The court may also review,
7 pursuant to procedures contained in chapter 34.05 RCW, any denial,
8 suspension, limitation, restriction, or revocation of certification or
9 license, and grant other relief required to enforce the provisions of
10 this chapter.

11 (10) Upon petition by the secretary, and after hearing held upon
12 reasonable notice to the facility, the superior court may issue a
13 warrant to an officer or employee of the secretary authorizing him or
14 her to enter at reasonable times, and examine the records, books, and
15 accounts of any regional support network or service provider refusing
16 to consent to inspection or examination by the authority.

17 (11) Notwithstanding the existence or pursuit of any other remedy,
18 the secretary may file an action for an injunction or other process
19 against any person or governmental unit to restrain or prevent the
20 establishment, conduct, or operation of a regional support network or
21 service provider without certification or a license under this chapter.

22 (12) The standards for certification of evaluation and treatment
23 facilities shall include standards relating to maintenance of good
24 physical and mental health and other services to be afforded persons
25 pursuant to this chapter and chapters 71.05 and 71.34 RCW, and shall
26 otherwise assure the effectuation of the purposes of these chapters.

27 (13)(a) The department, in consultation with affected parties,
28 shall establish a distribution formula that reflects ~~((county))~~
29 regional needs assessments based on the number of persons who are
30 acutely mentally ill, chronically mentally ill, severely emotionally
31 disturbed children, and seriously disturbed. The formula shall take
32 into consideration the impact on ~~((counties))~~ regions of demographic
33 factors ~~((in-counties))~~ which result in concentrations of priority
34 populations as set forth in subsection (5)(b) of this section. These
35 factors shall include the population concentrations resulting from
36 commitments under chapters 71.05 and 71.34 RCW to state psychiatric
37 hospitals, as well as concentration in urban areas, at border crossings

1 at state boundaries, and other significant demographic and workload
2 factors.

3 (b) The formula shall also include a projection of the funding
4 allocations that will result for each (~~county~~) region, which
5 specifies allocations according to priority populations, including the
6 allocation for services to children and other underserved populations.

7 (c) After July 1, 2003, the department may allocate up to two
8 percent of total funds to be distributed to the regional support
9 networks for incentive payments to reward the achievement of superior
10 outcomes, or significantly improved outcomes, as measured by a
11 statewide performance measurement system consistent with the framework
12 recommended in the joint legislative audit and review committee's
13 performance audit of the mental health system. The department shall
14 annually report to the legislature on its criteria and allocation of
15 the incentives provided under this subsection.

16 (14) The secretary shall assume all duties assigned to the
17 nonparticipating (~~counties~~) regional support networks under chapters
18 71.05, 71.34, and 71.24 RCW. Such responsibilities shall include those
19 which would have been assigned to the nonparticipating counties
20 (~~under~~) in regions where there are not participating regional support
21 networks.

22 The regional support networks, or the secretary's assumption of all
23 responsibilities under chapters 71.05, 71.34, and 71.24 RCW, shall be
24 included in all state and federal plans affecting the state mental
25 health program including at least those required by this chapter, the
26 medicaid program, and P.L. 99-660. Nothing in these plans shall be
27 inconsistent with the intent and requirements of this chapter.

28 (15) The secretary shall:

29 (a) Disburse funds for the regional support networks within sixty
30 days of approval of the biennial contract. The department must either
31 approve or reject the biennial contract within sixty days of receipt.

32 (b) Enter into biennial contracts with regional support networks.
33 The contracts shall be consistent with available resources. No
34 contract shall be approved that does not include progress toward
35 meeting the goals of this chapter by taking responsibility for: (i)
36 Short-term commitments; (ii) residential care; and (iii) emergency
37 response systems.

1 (c) (~~Allocate one hundred percent of available resources to the~~
2 ~~regional support networks in accordance with subsection (13) of this~~
3 ~~section. Incentive payments authorized under subsection (13) of this~~
4 ~~section may be allocated separately from other available resources.~~

5 (~~d~~)) Notify regional support networks of their allocation of
6 available resources at least sixty days prior to the start of a new
7 biennial contract period.

8 (~~(e)~~) (d) Deny funding allocations to regional support networks
9 based solely upon formal findings of noncompliance with the terms of
10 the regional support network's contract with the department. Written
11 notice and at least thirty days for corrective action must precede any
12 such action. In such cases, regional support networks shall have full
13 rights to appeal under chapter 34.05 RCW.

14 (16) The department, in cooperation with the state congressional
15 delegation, shall actively seek waivers of federal requirements and
16 such modifications of federal regulations as are necessary to allow
17 federal medicaid reimbursement for services provided by free-standing
18 evaluation and treatment facilities certified under chapter 71.05 RCW.
19 The department shall periodically report its efforts to the appropriate
20 committees of the senate and the house of representatives.

21 **Sec. 8.** RCW 71.24.045 and 2001 c 323 s 12 are each amended to read
22 as follows:

23 The (~~county authority~~) regional support network shall:

24 (1) Contract as needed with licensed service providers. The
25 (~~county authority~~) regional support network may, in the absence of a
26 licensed service provider entity, become a licensed service provider
27 entity pursuant to minimum standards required for licensing by the
28 department for the purpose of providing services not available from
29 licensed service providers;

30 (2) Operate as a licensed service provider if it deems that doing
31 so is more efficient and cost effective than contracting for services.
32 When doing so, the (~~county authority~~) regional support network shall
33 comply with rules promulgated by the secretary that shall provide
34 measurements to determine when a (~~county~~) regional support network
35 provided service is more efficient and cost effective;

36 (3) Monitor and perform biennial fiscal audits of licensed service
37 providers who have contracted with the (~~county~~) regional support

1 network to provide services required by this chapter. The monitoring
2 and audits shall be performed by means of a formal process which
3 insures that the licensed service providers and professionals
4 designated in this subsection meet the terms of their contracts;

5 (4) Assure that the special needs of minorities, the elderly,
6 disabled, children, and low-income persons are met within the
7 priorities established in this chapter;

8 (5) Maintain patient tracking information in a central location as
9 required for resource management services and the department's
10 information system;

11 (6) Use not more than two percent of state-appropriated community
12 mental health funds, which shall not include federal funds, to
13 administer community mental health programs under RCW 71.24.155:
14 PROVIDED, That county authorities serving a county or combination of
15 counties whose population is one hundred twenty-five thousand or more
16 may be entitled to sufficient state-appropriated community mental
17 health funds to employ up to one full-time employee or the equivalent
18 thereof in addition to the two percent limit established in this
19 subsection when such employee is providing staff services to a county
20 mental health advisory board;

21 (7) Collaborate to ensure that policies do not result in an adverse
22 shift of mentally ill persons into state and local correctional
23 facilities;

24 (8) Work with the department to expedite the enrollment or re-
25 enrollment of eligible persons leaving state or local correctional
26 facilities and institutions for mental diseases;

27 (9) If a regional support network is not operated by the county,
28 work closely with the county designated mental health professional or
29 county designated crisis responder to maximize appropriate placement of
30 persons into community services; and

31 (10) Coordinate services for individuals who have received services
32 through the community mental health system and who become patients at
33 a state mental hospital.

34 **Sec. 9.** RCW 71.24.100 and 1982 c 204 s 7 are each amended to read
35 as follows:

36 A county authority or a group of county authorities may enter into
37 a joint operating agreement to form a regional support network. Any

1 agreement between two or more county authorities for the establishment
2 of a (~~community mental health program~~) regional support network shall
3 provide:

4 (1) That each county shall bear a share of the cost of mental
5 health services; and

6 (2) That the treasurer of one participating county shall be the
7 custodian of funds made available for the purposes of such mental
8 health services, and that the treasurer may make payments from such
9 funds upon audit by the appropriate auditing officer of the county for
10 which he is treasurer.

11 **Sec. 10.** RCW 71.24.240 and 1982 c 204 s 13 are each amended to
12 read as follows:

13 In order to establish eligibility for funding under this chapter,
14 any (~~county or counties~~) regional support network seeking to obtain
15 federal funds for the support of any aspect of a community mental
16 health program as defined in this chapter shall submit program plans to
17 the secretary for prior review and approval before such plans are
18 submitted to any federal agency.

19 **Sec. 11.** RCW 71.24.300 and 2001 c 323 s 17 are each amended to
20 read as follows:

21 (~~(A county authority or a group of county authorities whose
22 combined population is no less than forty thousand may enter into a
23 joint operating agreement to form a regional support network.))~~ Upon
24 the request of a tribal authority or authorities within a regional
25 support network the joint operating agreement or the county authority
26 shall allow for the inclusion of the tribal authority to be represented
27 as a party to the regional support network. The roles and
28 responsibilities of the county and tribal authorities shall be
29 determined by the terms of that agreement including a determination of
30 membership on the governing board and advisory committees, the number
31 of tribal representatives to be party to the agreement, and the
32 provisions of law and shall assure the provision of culturally
33 competent services to the tribes served. The state mental health
34 authority may not determine the roles and responsibilities of county
35 authorities as to each other under regional support networks by rule,
36 except to assure that all duties required of regional support networks

1 are assigned and that counties and the regional support network do not
2 duplicate functions and that a single authority has final
3 responsibility for all available resources and performance under the
4 regional support network's contract with the secretary. If a regional
5 support network is a private entity, the department shall allow for the
6 inclusion of the tribal authority to be represented as a party to the
7 regional support network. The roles and responsibilities of the
8 private entity and the tribal authorities shall be determined by the
9 department, through negotiation with the tribal authority.

10 (1) Regional support networks shall submit an overall six-year
11 operating and capital plan, timeline, and budget and submit progress
12 reports and an updated two-year plan biennially thereafter, to assume
13 within available resources all of the following duties:

14 (a) Administer and provide for the availability of all resource
15 management services, residential services, and community support
16 services.

17 ~~((b)) ((Assume the powers and duties of county authorities within its~~
18 ~~area as described in RCW 71.24.045 (1) through (7)).~~

19 ~~((c))~~ Administer and provide for the availability of all
20 investigation, transportation, court-related, and other services
21 provided by the state or counties pursuant to chapter 71.05 RCW.

22 ~~((d))~~ (c) Provide within the boundaries of each regional support
23 network evaluation and treatment services for at least eighty-five
24 percent of persons detained or committed for periods up to seventeen
25 days according to chapter 71.05 RCW. Regional support networks with
26 populations of less than one hundred fifty thousand may contract to
27 purchase evaluation and treatment services from other networks.
28 Insofar as the original intent of serving persons in the community is
29 maintained, the secretary is authorized to approve exceptions on a
30 case-by-case basis to the requirement to provide evaluation and
31 treatment services within the boundaries of each regional support
32 network. Such exceptions are limited to contracts with neighboring or
33 contiguous regions.

34 ~~((e))~~ (d) Administer a portion of funds appropriated by the
35 legislature to house mentally ill persons in state institutions from
36 counties within the boundaries of any regional support network, with
37 the exception of persons currently confined at, or under the
38 supervision of, a state mental hospital pursuant to chapter 10.77 RCW,

1 and provide for the care of all persons needing evaluation and
2 treatment services for periods up to seventeen days according to
3 chapter 71.05 RCW in appropriate residential services, which may
4 include state institutions. The regional support networks shall
5 reimburse the state for use of state institutions at a rate equal to
6 that assumed by the legislature when appropriating funds for such care
7 at state institutions during the biennium when reimbursement occurs.
8 The secretary shall submit a report to the appropriate committees of
9 the senate and house of representatives on the efforts to implement
10 this section by October 1, 2002. The duty of a state hospital to
11 accept persons for evaluation and treatment under chapter 71.05 RCW is
12 limited by the responsibilities assigned to regional support networks
13 under this section.

14 ~~((f))~~ (e) Administer and provide for the availability of all
15 other mental health services, which shall include patient counseling,
16 day treatment, consultation, education services, employment services as
17 defined in RCW 71.24.035, and mental health services to children ~~((as
18 provided in this chapter designed to achieve the outcomes specified in
19 section 5 of this act))~~.

20 ~~((g))~~ (f) Establish standards and procedures for reviewing
21 individual service plans and determining when that person may be
22 discharged from resource management services.

23 ~~(2) ((Regional support networks shall assume all duties assigned to
24 county authorities by this chapter and chapter 71.05 RCW.~~

25 ~~(3))~~ A regional support network may request that any state-owned
26 land, building, facility, or other capital asset which was ever
27 purchased, deeded, given, or placed in trust for the care of the
28 mentally ill and which is within the boundaries of a regional support
29 network be made available to support the operations of the regional
30 support network. State agencies managing such capital assets shall
31 give first priority to requests for their use pursuant to this chapter.

32 ~~((4))~~ (3) Each regional support network shall appoint a mental
33 health advisory board which shall review and provide comments on plans
34 and policies developed under this chapter, provide local oversight
35 regarding the activities of the regional support network, and work with
36 the regional support network to resolve significant concerns regarding
37 service delivery and outcomes. The department shall establish
38 statewide procedures for the operation of regional advisory committees

1 including mechanisms for advisory board feedback to the department
2 regarding regional support network performance. The composition of the
3 board shall be broadly representative of the demographic character of
4 the region and ~~((the mentally ill persons served therein))~~ shall
5 include, but not be limited to, representatives of consumers and
6 families, law enforcement, and where the county is not the regional
7 support network, county elected officials. Composition and length of
8 terms of board members may differ between regional support networks but
9 shall be ~~((determined))~~ included in each regional support network's
10 contract and approved by the ~~((regional support network))~~ secretary.

11 ~~((+5))~~ (4) Regional support networks shall assume all duties
12 specified in their plans and joint operating agreements through
13 biennial contractual agreements with the secretary.

14 ~~((+6) Counties or groups of counties participating in a regional~~
15 ~~support network are not subject to RCW 71.24.045(6)).~~

16 ~~(+7))~~ (5) Regional support networks may receive technical
17 assistance from the housing trust fund and may identify and submit
18 projects for housing and housing support services to the housing trust
19 fund established under chapter 43.185 RCW. Projects identified or
20 submitted under this subsection must be fully integrated with the
21 regional support network six-year operating and capital plan, timeline,
22 and budget required by subsection (1) of this section.

23 NEW SECTION. Sec. 12. A new section is added to chapter 74.09 RCW
24 to read as follows:

25 (1) The department shall adopt rules and policies providing that
26 when persons with a mental disorder, who were enrolled in medical
27 assistance immediately prior to confinement, are released from
28 confinement, their medical assistance coverage will be fully reinstated
29 on the day of their release, subject to any expedited review of their
30 continued eligibility for medical assistance coverage that is required
31 under federal or state law.

32 (2) The department, in collaboration with the Washington
33 association of sheriffs and police chiefs, the department of
34 corrections, and the regional support networks, shall establish
35 procedures for coordination between department field offices,
36 institutions for mental disease, and correctional institutions, as
37 defined in RCW 9.94.049, that result in prompt reinstatement of

1 eligibility and speedy eligibility determinations for persons who are
2 likely to be eligible for medical assistance services upon release from
3 confinement. Procedures developed under this subsection must address:

4 (a) Mechanisms for receiving medical assistance services
5 applications on behalf of confined persons in anticipation of their
6 release from confinement;

7 (b) Expeditious review of applications filed by or on behalf of
8 confined persons and, to the extent practicable, completion of the
9 review before the person is released;

10 (c) Mechanisms for providing medical assistance services identity
11 cards to persons eligible for medical assistance services immediately
12 upon their release from confinement; and

13 (d) Coordination with the federal social security administration,
14 through interagency agreements or otherwise, to expedite processing of
15 applications for federal supplemental security income or social
16 security disability benefits, including federal acceptance of
17 applications on behalf of confined persons.

18 (3) Where medical or psychiatric examinations during a person's
19 confinement indicate that the person is disabled, the correctional
20 institution or institution for mental diseases shall provide the
21 department with that information for purposes of making medical
22 assistance eligibility and enrollment determinations prior to the
23 person's release from confinement. The department shall, to the
24 maximum extent permitted by federal law, use the examination in making
25 its determination whether the person is disabled and eligible for
26 medical assistance.

27 (4) For purposes of this section, "confined" or "confinement" means
28 incarcerated in a correctional institution, as defined in RCW 9.94.049,
29 or admitted to an institute for mental disease, as defined in 42 C.F.R.
30 part 435, Sec. 1009 on the effective date of this section.

31 (5) For purposes of this section, "likely to be eligible" means
32 that a person:

33 (a) Was enrolled in medicaid or supplemental security income or
34 general assistance immediately before he or she was confined and his or
35 her enrollment was terminated during his or her confinement; or

36 (b) Was enrolled in medicaid or supplemental security income or
37 general assistance at any time during the five years before his or her
38 confinement, and medical or psychiatric examinations during the

1 person's confinement indicate that the person continues to be disabled
2 and the disability is likely to last at least twelve months following
3 release.

4 (6) The economic services administration shall adopt standardized
5 statewide screening and application practices and forms designed to
6 facilitate the application of a confined person who is likely to be
7 eligible for medicaid.

8 NEW SECTION. **Sec. 13.** A new section is added to chapter 71.24 RCW
9 to read as follows:

10 The secretary shall require the regional support networks to
11 develop interlocal agreements pursuant to section 12 of this act. To
12 this end, the regional support networks shall accept referrals for
13 enrollment on behalf of a confined person, prior to the person's
14 release.

15 NEW SECTION. **Sec. 14.** (1) A joint legislative and executive task
16 force on mental health services delivery and financing is created. The
17 joint task force shall consist of eight members, as follows: The
18 secretary of the department of social and health services or his or her
19 designee; the president of the Washington state association of counties
20 or his or her designee; a representative from the governor's office;
21 two members of the senate appointed by the president of the senate, one
22 of whom shall be a member of the majority caucus and one of whom shall
23 be a member of the minority caucus; two members of the house of
24 representatives appointed by the speaker of the house of
25 representatives, one of whom shall be a member of the majority caucus
26 and one of whom shall be a member of the minority caucus; and the chair
27 of the joint legislative audit and review committee or his or her
28 designee. Staff support for the joint task force shall be provided by
29 the office of financial management, the house of representatives office
30 of program research, and senate committee services.

31 (2) The joint task force may create advisory committees to assist
32 the joint task force in its work.

33 (3) Joint task force members may be reimbursed for travel expenses
34 as authorized under RCW 43.03.050 and 43.03.060 and chapter 44.04 RCW,
35 as appropriate. Advisory committee members, if appointed, shall not
36 receive compensation or reimbursement for travel or expenses.

1 (4) The joint task force shall oversee and make recommendations
2 related to:

3 (a) The reorganization of the mental health administrative
4 structure within the department of social and health services;

5 (b) The standards and correction process and the procurement
6 process established by sections 4 through 6 of this act, including the
7 establishment of regional support networks through a procurement
8 process;

9 (c) The extent to which the current funding distribution
10 methodology achieves equity in funding and access to services for
11 mental health services consumers;

12 (d) Serving the needs of nonmedicaid consumers for the priority
13 populations under chapter 71.24 RCW; and

14 (e) The types, numbers, and locations of inpatient psychiatric
15 hospital and community residential beds needed to serve persons with a
16 mental illness.

17 (5) The joint task force shall report its initial findings and
18 recommendations to the governor and appropriate committees of the
19 legislature by January 1, 2006, and its final findings and
20 recommendations by June 30, 2007.

21 (6) This section expires June 30, 2007.

22 NEW SECTION. **Sec. 15.** (1) The department of social and health
23 services shall enter into a contract with regional support networks for
24 the period ending August 31, 2006. The department shall issue a
25 request for proposal to the extent required by section 4 of this act
26 and the contract shall be effective September 1, 2006.

27 (2) This section expires June 30, 2007.

28 NEW SECTION. **Sec. 16.** The code reviser shall replace all
29 references to "county designated mental health professional" with
30 "designated mental health professional" in the Revised Code of
31 Washington.

32 NEW SECTION. **Sec. 17.** This act does not affect any existing right
33 acquired or liability or obligation incurred under the sections amended
34 or repealed in this act or under any rule or order adopted under those

1 sections, nor does it affect any proceeding instituted under those
2 sections.

3 NEW SECTION. **Sec. 18.** If any provision of this act or its
4 application to any person or circumstance is held invalid, the
5 remainder of the act or the application of the provision to other
6 persons or circumstances is not affected.

7 NEW SECTION. **Sec. 19.** Section 4 of this act is necessary for the
8 immediate preservation of the public peace, health, or safety, or
9 support of the state government and its existing public institutions,
10 and takes effect immediately.

Passed by the House April 19, 2005.

Passed by the Senate April 14, 2005.

Approved by the Governor May 17, 2005, with the exception of
certain items that were vetoed.

Filed in Office of Secretary of State May 17, 2005.

Note: Governor's explanation of partial veto is as follows:

"I am returning, without my approval as to Section 5, Engrossed
Second Substitute House Bill No. 1290 entitled:

"AN ACT Relating to community mental health services."

Section 5 specifies that there should be a minimum of eight and a
maximum of fourteen community mental health Regional Support
Networks. This section is also included in Section 805 of Engrossed
Second Substitute Senate Bill 5763. It is not necessary to include
the same language in both bills.

Sections 12 and 13 of Engrossed Second Substitute House Bill No. 1290
require the Department of Social and Health Services (DSHS) to
establish new rules and policies. Those rules and policies concern
expediting new applications or reinstating Medicaid benefits for
persons with mental health disorders discharged from an institutional
setting such as jails, state correction facilities, or state
hospitals. The 2005-2007 state operating budget passed by the
Legislature may not have provided sufficient funding to implement
sections 12 and 13. Rather than veto these sections due to
insufficient funding, I am directing the DSHS to phase in the new
procedures on a statewide basis and continue to evaluate the funding
needs as the program is implemented.

For these reasons, I have vetoed Section 5 of Engrossed Second
Substitute House Bill No. 1290. With the exception of Section 5,
Engrossed Second Substitute House Bill No. 1290 is approved."