

CERTIFICATION OF ENROLLMENT

SECOND SUBSTITUTE HOUSE BILL 1088

Chapter 359, Laws of 2007

60th Legislature
2007 Regular Session

CHILDREN'S MENTAL HEALTH SERVICES

EFFECTIVE DATE: 07/22/07

Passed by the House April 19, 2007
Yeas 94 Nays 4

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 19, 2007
Yeas 39 Nays 10

BRAD OWEN

President of the Senate

Approved May 8, 2007, 3:21 p.m.

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 **SECOND SUBSTITUTE HOUSE BILL 1088** as passed by the House of Representatives and the Senate on the dates hereon set forth.

RICHARD NAFZIGER

Chief Clerk

FILED

May 10, 2007

**Secretary of State
State of Washington**

SECOND SUBSTITUTE HOUSE BILL 1088

AS AMENDED BY THE SENATE

Passed Legislature - 2007 Regular Session

State of Washington 60th Legislature 2007 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Dickerson, Kagi, Haler, Cody, Appleton, Darneille, Simpson, Takko, Kenney, Williams, Green, McDermott, Roberts, Lantz, McCoy, Ormsby, Schual-Berke, B. Sullivan, Hurst, Pettigrew, O'Brien, Lovick, P. Sullivan, Hasegawa, Hunt, Hudgins, Clibborn, Upthegrove, Morrell, Conway, Sells, Haigh, Quall, Moeller, Goodman, Wallace, Wood and Santos)

READ FIRST TIME 03/05/07.

1 AN ACT Relating to children's mental health services; amending RCW
2 71.36.005 and 71.36.010; adding new sections to chapter 71.36 RCW;
3 adding new sections to chapter 74.09 RCW; adding a new section to
4 chapter 71.24 RCW; creating new sections; repealing RCW 71.36.020 and
5 71.36.030; and providing expiration dates.

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

7 **Sec. 1.** RCW 71.36.005 and 1991 c 326 s 11 are each amended to read
8 as follows:

9 The legislature intends to (~~encourage the development of~~
10 ~~community based interagency collaborative efforts to plan for and~~
11 ~~provide mental health services to children in a manner that~~)
12 substantially improve the delivery of children's mental health services
13 in Washington state through the development and implementation of a
14 children's mental health system that:

- 15 (1) Values early identification, intervention, and prevention;
16 (2) Coordinates existing categorical children's mental health
17 programs and funding, through efforts that include elimination of
18 duplicative care plans and case management;

1 (3) Treats each child in the context of his or her family, and
2 provides services and supports needed to maintain a child with his or
3 her family and community;

4 (4) Integrates families into treatment through choice of treatment,
5 participation in treatment, and provision of peer support;

6 (5) Focuses on resiliency and recovery;

7 (6) Relies to a greater extent on evidence-based practices;

8 (7) Is sensitive to the unique cultural circumstances of children
9 of color(~~(, eliminates duplicative case management,)~~) and children in
10 families whose primary language is not English;

11 (8) Integrates educational support services that address students'
12 diverse learning styles; and

13 (9) To the greatest extent possible, blends categorical funding to
14 offer more service and support options to each child.

15 **Sec. 2.** RCW 71.36.010 and 1991 c 326 s 12 are each amended to read
16 as follows:

17 Unless the context clearly requires otherwise, the definitions in
18 this section apply throughout this chapter.

19 (1) "Agency" means a state, tribal, or local governmental entity or
20 a private not-for-profit organization.

21 (2) "Child" means a person under eighteen years of age, except as
22 expressly provided otherwise in state or federal law.

23 (3) "Consensus-based" means a program or practice that has general
24 support among treatment providers and experts, based on experience or
25 professional literature, and may have anecdotal or case study support,
26 or that is agreed but not possible to perform studies with random
27 assignment and controlled groups.

28 (4) "County authority" means the board of county commissioners or
29 county executive.

30 ~~((4))~~ (5) "Department" means the department of social and health
31 services.

32 ~~((5))~~ (6) "Early periodic screening, diagnosis, and treatment"
33 means the component of the federal medicaid program established
34 pursuant to 42 U.S.C. Sec. 1396d(r), as amended.

35 ~~((6))~~ (7) "Evidence-based" means a program or practice that has
36 had multiple site random controlled trials across heterogeneous

1 populations demonstrating that the program or practice is effective for
2 the population.

3 (8) "Family" means a child's biological parents, adoptive parents,
4 foster parents, guardian, legal custodian authorized pursuant to Title
5 26 RCW, a relative with whom a child has been placed by the department
6 of social and health services, or a tribe.

7 (9) "Promising practice" or "emerging best practice" means a
8 practice that presents, based upon preliminary information, potential
9 for becoming a research-based or consensus-based practice.

10 (10) "Regional support network" means a county authority or group
11 of county authorities or other nonprofit entity that ((have)) has
12 entered into contracts with the secretary pursuant to chapter 71.24
13 RCW.

14 ((+7)) (11) "Research-based" means a program or practice that has
15 some research demonstrating effectiveness, but that does not yet meet
16 the standard of evidence-based practices.

17 (12) "Secretary" means the secretary of social and health services.

18 (13) "Wraparound process" means a family driven planning process
19 designed to address the needs of children and youth by the formation of
20 a team that empowers families to make key decisions regarding the care
21 of the child or youth in partnership with professionals and the
22 family's natural community supports. The team produces a community-
23 based and culturally competent intervention plan which identifies the
24 strengths and needs of the child or youth and family and defines goals
25 that the team collaborates on achieving with respect for the unique
26 cultural values of the family. The "wraparound process" shall
27 emphasize principles of persistence and outcome-based measurements of
28 success.

29 NEW SECTION. Sec. 3. A new section is added to chapter 71.36 RCW
30 to read as follows:

31 ELEMENTS OF A CHILDREN'S MENTAL HEALTH SYSTEM. (1) It is the goal
32 of the legislature that, by 2012, the children's mental health system
33 in Washington state include the following elements:

34 (a) A continuum of services from early identification,
35 intervention, and prevention through crisis intervention and inpatient
36 treatment, including peer support and parent mentoring services;

1 (b) Equity in access to services for similarly situated children,
2 including children with co-occurring disorders;

3 (c) Developmentally appropriate, high quality, and culturally
4 competent services available statewide;

5 (d) Treatment of each child in the context of his or her family and
6 other persons that are a source of support and stability in his or her
7 life;

8 (e) A sufficient supply of qualified and culturally competent
9 children's mental health providers;

10 (f) Use of developmentally appropriate evidence-based and
11 research-based practices;

12 (g) Integrated and flexible services to meet the needs of children
13 who, due to mental illness or emotional or behavioral disturbance, are
14 at risk of out-of-home placement or involved with multiple child-
15 serving systems.

16 (2) The effectiveness of the children's mental health system shall
17 be determined through the use of outcome-based performance measures.
18 The department and the evidence-based practice institute established in
19 section 7 of this act, in consultation with parents, caregivers, youth,
20 regional support networks, mental health services providers, health
21 plans, primary care providers, tribes, and others, shall develop
22 outcome-based performance measures such as:

23 (a) Decreased emergency room utilization;

24 (b) Decreased psychiatric hospitalization;

25 (c) Lessening of symptoms, as measured by commonly used assessment
26 tools;

27 (d) Decreased out-of-home placement, including residential, group,
28 and foster care, and increased stability of such placements, when
29 necessary;

30 (e) Decreased runaways from home or residential placements;

31 (f) Decreased rates of chemical dependency;

32 (g) Decreased involvement with the juvenile justice system;

33 (h) Improved school attendance and performance;

34 (i) Reductions in school or child care suspensions or expulsions;

35 (j) Reductions in use of prescribed medication where cognitive
36 behavioral therapies are indicated;

37 (k) Improved rates of high school graduation and employment; and

1 (1) Decreased use of mental health services upon reaching adulthood
2 for mental disorders other than those that require ongoing treatment to
3 maintain stability.

4 Performance measure reporting for children's mental health services
5 should be integrated into existing performance measurement and
6 reporting systems developed and implemented under chapter 71.24 RCW.

7 NEW SECTION. **Sec. 4.** REGIONAL SUPPORT NETWORK SERVICES--
8 CHILDREN'S ACCESS TO CARE STANDARDS AND BENEFIT PACKAGE. As part of
9 the system transformation initiative, the department of social and
10 health services shall undertake the following activities related
11 specifically to children's mental health services:

12 (1) The development of recommended revisions to the access to care
13 standards for children. The recommended revisions shall reflect the
14 policies and principles set out in RCW 71.36.005, 71.36.010, and
15 section 3 of this act, and recognize that early identification,
16 intervention and prevention services, and brief intervention services
17 may be provided outside of the regional support network system.
18 Revised access to care standards shall assess a child's need for mental
19 health services based upon the child's diagnosis and its negative
20 impact upon his or her persistent impaired functioning in family,
21 school, or the community, and should not solely condition the receipt
22 of services upon a determination that a child is engaged in high risk
23 behavior or is in imminent need of hospitalization or out-of-home
24 placement. Assessment and diagnosis for children under five years of
25 age shall be determined using a nationally accepted assessment tool
26 designed specifically for children of that age. The recommendations
27 shall also address whether amendments to RCW 71.24.025 (26) and (27)
28 and 71.24.035(5) are necessary to implement revised access to care
29 standards;

30 (2) Development of a revised children's mental health benefit
31 package. The department shall ensure that services included in the
32 children's mental health benefit package reflect the policies and
33 principles included in RCW 71.36.005 and section 3 of this act, to the
34 extent allowable under medicaid, Title XIX of the federal social
35 security act. Strong consideration shall be given to developmentally
36 appropriate evidence-based and research-based practices, family-based
37 interventions, the use of natural and peer supports, and community

1 support services. This effort shall include a review of other states'
2 efforts to fund family-centered children's mental health services
3 through their medicaid programs;

4 (3) Consistent with the timeline developed for the system
5 transformation initiative, recommendations for revisions to the
6 children's access to care standards and the children's mental health
7 services benefits package shall be presented to the legislature by
8 January 1, 2009.

9 NEW SECTION. **Sec. 5.** A new section is added to chapter 74.09 RCW
10 to read as follows:

11 IMPROVING MEDICATION MANAGEMENT AND CARE COORDINATION. (1)(a) The
12 department, in consultation with the evidence-based practice institute
13 established in section 7 of this act, shall develop and implement
14 policies to improve prescribing practices for treatment of emotional or
15 behavioral disturbances in children, improve the quality of children's
16 mental health therapy through increased use of evidence-based and
17 research-based practices and reduced variation in practice, improve
18 communication and care coordination between primary care and mental
19 health providers, and prioritize care in the family home or care which
20 integrates the family where out-of-home placement is required.

21 (b) The department shall identify those children with emotional or
22 behavioral disturbances who may be at high risk due to off-label use of
23 prescription medication, use of multiple medications, high medication
24 dosage, or lack of coordination among multiple prescribing providers,
25 and establish one or more mechanisms to evaluate the appropriateness of
26 the medication these children are using, including but not limited to
27 obtaining second opinions from experts in child psychiatry.

28 (c) The department shall review the psychotropic medications of all
29 children under five and establish one or more mechanisms to evaluate
30 the appropriateness of the medication these children are using,
31 including but not limited to obtaining second opinions from experts in
32 child psychiatry.

33 (d) The department shall track prescriptive practices with respect
34 to psychotropic medications with the goal of reducing the use of
35 medication.

36 (e) The department shall encourage the use of cognitive behavioral

1 therapies and other treatments which are empirically supported or
2 evidence-based, in addition to or in the place of prescription
3 medication where appropriate.

4 (2) The department shall convene a representative group of regional
5 support networks, community mental health centers, and managed health
6 care systems contracting with the department under RCW 74.09.522 to:

7 (a) Establish mechanisms and develop contract language that ensures
8 increased coordination of and access to medicaid mental health benefits
9 available to children and their families, including ensuring access to
10 services that are identified as a result of a developmental screen
11 administered through early periodic screening, diagnosis, and
12 treatment;

13 (b) Define managed health care system and regional support network
14 contractual performance standards that track access to and utilization
15 of services; and

16 (c) Set standards for reducing the number of children that are
17 prescribed antipsychotic drugs and receive no outpatient mental health
18 services with their medication.

19 (3) The department shall submit a report on progress and any
20 findings under this section to the legislature by January 1, 2009.

21 NEW SECTION. **Sec. 6.** A new section is added to chapter 71.36 RCW
22 to read as follows:

23 MEDICAID ELIGIBLE CHILDREN IN TEMPORARY JUVENILE DETENTION. The
24 department shall explore the feasibility of obtaining a medicaid state
25 plan amendment to allow the state to receive medicaid matching funds
26 for health services provided to medicaid enrolled youth who are
27 temporarily placed in a juvenile detention facility. Temporary
28 placement shall be defined as until adjudication or up to sixty
29 continuous days, whichever occurs first.

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

32 CHILDREN'S MENTAL HEALTH PROVIDERS. (1) The department shall
33 provide flexibility in provider contracting to regional support
34 networks for children's mental health services. Beginning with 2007-
35 2009 biennium contracts, regional support network contracts shall
36 authorize regional support networks to allow and encourage licensed

1 community mental health centers to subcontract with individual licensed
2 mental health professionals when necessary to meet the need for an
3 adequate, culturally competent, and qualified children's mental health
4 provider network.

5 (2) To the extent that funds are specifically appropriated for this
6 purpose or that nonstate funds are available, a children's mental
7 health evidence-based practice institute shall be established at the
8 University of Washington division of public behavioral health and
9 justice policy. The institute shall closely collaborate with entities
10 currently engaged in evaluating and promoting the use of evidence-
11 based, research-based, promising, or consensus-based practices in
12 children's mental health treatment, including but not limited to the
13 University of Washington department of psychiatry and behavioral
14 sciences, children's hospital and regional medical center, the
15 University of Washington school of nursing, the University of
16 Washington school of social work, and the Washington state institute
17 for public policy. To ensure that funds appropriated are used to the
18 greatest extent possible for their intended purpose, the University of
19 Washington's indirect costs of administration shall not exceed ten
20 percent of appropriated funding. The institute shall:

21 (a) Improve the implementation of evidence-based and research-based
22 practices by providing sustained and effective training and
23 consultation to licensed children's mental health providers and
24 child-serving agencies who are implementing evidence-based or
25 researched-based practices for treatment of children's emotional or
26 behavioral disorders, or who are interested in adapting these practices
27 to better serve ethnically or culturally diverse children. Efforts
28 under this subsection should include a focus on appropriate oversight
29 of implementation of evidence-based practices to ensure fidelity to
30 these practices and thereby achieve positive outcomes;

31 (b) Continue the successful implementation of the "partnerships for
32 success" model by consulting with communities so they may select,
33 implement, and continually evaluate the success of evidence-based
34 practices that are relevant to the needs of children, youth, and
35 families in their community;

36 (c) Partner with youth, family members, family advocacy, and
37 culturally competent provider organizations to develop a series of

1 information sessions, literature, and on-line resources for families to
2 become informed and engaged in evidence-based and research-based
3 practices;

4 (d) Participate in the identification of outcome-based performance
5 measures under section 3(2) of this act and partner in a statewide
6 effort to implement statewide outcomes monitoring and quality
7 improvement processes; and

8 (e) Serve as a statewide resource to the department and other
9 entities on child and adolescent evidence-based, research-based,
10 promising, or consensus-based practices for children's mental health
11 treatment, maintaining a working knowledge through ongoing review of
12 academic and professional literature, and knowledge of other evidence-
13 based practice implementation efforts in Washington and other states.

14 (3) To the extent that funds are specifically appropriated for this
15 purpose, the department in collaboration with the evidence-based
16 practice institute shall implement a pilot program to support primary
17 care providers in the assessment and provision of appropriate diagnosis
18 and treatment of children with mental and behavioral health disorders
19 and track outcomes of this program. The program shall be designed to
20 promote more accurate diagnoses and treatment through timely case
21 consultation between primary care providers and child psychiatric
22 specialists, and focused educational learning collaboratives with
23 primary care providers.

24 NEW SECTION. **Sec. 8.** A new section is added to chapter 74.09 RCW
25 to read as follows:

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

33 (2) The department, in collaboration with county juvenile court
34 administrators and regional support networks, shall establish
35 procedures for coordination between department field offices, juvenile
36 rehabilitation administration institutions, and county juvenile courts
37 that result in prompt reinstatement of eligibility and speedy

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

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

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

10 (c) Mechanisms for providing medical assistance services' identity
11 cards to youth eligible for medical assistance services immediately
12 upon their release from confinement.

13 (3) For purposes of this section, "confined" or "confinement" means
14 detained in a facility operated by or under contract with the
15 department of social and health services, juvenile rehabilitation
16 administration, or detained in a juvenile detention facility operated
17 under chapter 13.04 RCW.

18 (4) The department shall adopt standardized statewide screening and
19 application practices and forms designed to facilitate the application
20 of a confined youth who is likely to be eligible for a medical
21 assistance program.

22 NEW SECTION. **Sec. 9.** Educational service district boards may
23 partner with regional support networks to respond to a request for
24 proposal for operation of a wraparound model site under this act and,
25 if selected, may contract for the provision of services to coordinate
26 care and facilitate the delivery of services and other supports under
27 a wraparound model.

28 NEW SECTION. **Sec. 10.** WRAPAROUND MODEL OF INTEGRATED CHILDREN'S
29 MENTAL HEALTH SERVICES DELIVERY. To the extent funds are specifically
30 appropriated for this purpose, the department of social and health
31 services shall contract for implementation of a wraparound model of
32 integrated children's mental health services delivery in up to four
33 regional support network regions in Washington state in which
34 wraparound programs are not currently operating, and in up to two
35 regional support network regions in which wraparound programs are

1 currently operating. Contracts in regions with existing wraparound
2 programs shall be for the purpose of expanding the number of children
3 served.

4 (1) Funding provided may be expended for: Costs associated with a
5 request for proposal and contracting process; administrative costs
6 associated with successful bidders' operation of the wraparound model;
7 the evaluation under subsection (5) of this section; and funding for
8 services needed by children enrolled in wraparound model sites that are
9 not otherwise covered under existing state programs. The services
10 provided through the wraparound model sites shall include, but not be
11 limited to, services covered under the medicaid program. The
12 department shall maximize the use of medicaid and other existing state-
13 funded programs as a funding source. However, state funds provided may
14 be used to develop a broader service package to meet needs identified
15 in a child's care plan. Amounts provided shall supplement, and not
16 supplant, state, local, or other funding for services that a child
17 being served through a wraparound site would otherwise be eligible to
18 receive.

19 (2) The wraparound model sites shall serve children with serious
20 emotional or behavioral disturbances who are at high risk of
21 residential or correctional placement or psychiatric hospitalization,
22 and who have been referred for services from the department, a county
23 juvenile court, a tribal court, a school, or a licensed mental health
24 provider or agency.

25 (3) Through a request for proposal process, the department shall
26 contract, with regional support networks, alone or in partnership with
27 either educational service districts or entities licensed to provide
28 mental health services to children with serious emotional or behavioral
29 disturbances, to operate the wraparound model sites. The contractor
30 shall provide care coordination and facilitate the delivery of services
31 and other supports to families using a strength-based, highly
32 individualized wraparound process. The request for proposal shall
33 require that:

34 (a) The regional support network agree to use its medicaid revenues
35 to fund services included in the existing regional support network's
36 benefit package that a medicaid-eligible child participating in the
37 wraparound model site is determined to need;

1 (b) The contractor provide evidence of commitments from at least
2 the following entities to participate in wraparound care plan
3 development and service provision when appropriate: Community mental
4 health agencies, schools, the department of social and health services
5 children's administration, juvenile courts, the department of social
6 and health services juvenile rehabilitation administration, and managed
7 health care systems contracting with the department under RCW
8 74.09.522; and

9 (c) The contractor will operate the wraparound model site in a
10 manner that maintains fidelity to the wraparound process as defined in
11 RCW 71.36.010.

12 (4) Contracts for operation of the wraparound model sites shall be
13 executed on or before April 1, 2008, with enrollment and service
14 delivery beginning on or before July 1, 2008.

15 (5) The evidence-based practice institute established in section 7
16 of this act shall evaluate the wraparound model sites, measuring
17 outcomes for children served. Outcomes measured shall include, but are
18 not limited to: Decreased out-of-home placement, including
19 residential, group, and foster care, and increased stability of such
20 placements, school attendance, school performance, recidivism,
21 emergency room utilization, involvement with the juvenile justice
22 system, decreased use of psychotropic medication, and decreased
23 hospitalization.

24 (6) The evidence-based practice institute shall provide a report
25 and recommendations to the appropriate committees of the legislature by
26 December 1, 2010.

27 NEW SECTION. **Sec. 11.** A new section is added to chapter 74.09 RCW
28 to read as follows:

29 (1) To the extent that funds are specifically appropriated for this
30 purpose the department shall revise its medicaid healthy options
31 managed care and fee-for-service program standards under medicaid,
32 Title XIX of the federal social security act to improve access to
33 mental health services for children who do not meet the regional
34 support network access to care standards. Effective July 1, 2008, the
35 program standards shall be revised to allow outpatient therapy services
36 to be provided by licensed mental health professionals, as defined in

1 RCW 71.34.020, and up to twenty outpatient therapy hours per calendar
2 year, including family therapy visits integral to a child's treatment.

3 (2) This section expires July 1, 2010.

4 NEW SECTION. **Sec. 12.** (1) The evidence-based practice institute
5 established in section 7 of this act, in consultation with the
6 Washington state institute for public policy, shall review and
7 summarize current law with respect to inpatient and outpatient mental
8 health treatment for minors.

9 (2) The review shall include current practices to determine the
10 percentage of cases in which parents are engaged by treatment providers
11 and the extent to which they are actively involved in the treatment of
12 their minor children.

13 (3) The evidence-based practice institute shall provide a report
14 and recommendations to the appropriate legislative committees by
15 December 1, 2008.

16 (4) This section expires December 1, 2008.

17 NEW SECTION. **Sec. 13.** The following acts or parts of acts are
18 each repealed:

19 (1) RCW 71.36.020 (Plan for early periodic screening, diagnosis,
20 and treatment services) and 2003 c 281 s 4 & 1991 c 326 s 13; and

21 (2) RCW 71.36.030 (Children's mental health services delivery
22 system--Local planning efforts) and 1991 c 326 s 14.

23 NEW SECTION. **Sec. 14.** Captions used in this act are not part of
24 the law.

25 NEW SECTION. **Sec. 15.** If specific funding for the purposes of
26 sections 4, 5, 7, 8, 10, and 11 of this act, referencing the section by
27 section number and by bill or chapter number, is not provided by June
28 30, 2007, each section not referenced is null and void.

Passed by the House April 19, 2007.
Passed by the Senate April 19, 2007.
Approved by the Governor May 8, 2007.
Filed in Office of Secretary of State May 10, 2007.