

EHB 2107 - S COMM AMD
By Committee on Ways & Means

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

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 71.24
4 RCW to read as follows:

5 (1) The state intends to develop new capacity for delivery of
6 long-term treatment in the community in diverse regions of the state
7 and to study the cost and outcomes associated with treatment in
8 community facilities. In furtherance of this goal, the department
9 shall purchase a portion of the state's long-term treatment capacity
10 allocated to behavioral health organizations under RCW 71.24.310 in
11 willing community facilities capable of providing alternatives to
12 treatment in a state hospital. The state shall increase its
13 purchasing of long-term involuntary treatment capacity in the
14 community over time.

15 (2) The department shall:

16 (a) Work with willing community hospitals licensed under chapters
17 70.41 and 71.12 RCW and evaluation and treatment facilities certified
18 under chapter 71.05 RCW to assess their capacity to become certified
19 to provide long-term mental health placements and to meet the
20 requirements of this chapter; and

21 (b) Enter into contracts and payment arrangements with such
22 hospitals and evaluation and treatment facilities choosing to provide
23 long-term mental health placements, to the extent that willing
24 certified facilities are available. Nothing in this chapter requires
25 any community hospital or evaluation and treatment facility to be
26 certified to provide long-term mental health placements.

27 (3) The department must establish rules for the certification of
28 facilities interested in providing care under this section.

29 (4) Contracts developed by the department to implement this
30 section must be constructed to allow the department to obtain
31 complete identification information and admission and discharge dates
32 for patients served under this authority. Prior to requesting

1 identification information and admission and discharge dates or
2 reports from certified facilities, the department must determine that
3 this information cannot be identified or obtained from existing data
4 sources available to state agencies. In addition, until January 1,
5 2022, facilities certified by the department to provide community
6 long-term involuntary treatment to adults shall report to the
7 department:

8 (a) All instances where a patient on a ninety or one hundred
9 eighty-day involuntary commitment order experiences an adverse event
10 required to be reported to the department of health pursuant to
11 chapter 70.56 RCW; and

12 (b) All hospital-based inpatient psychiatric service core
13 measures reported to the joint commission or other accrediting body
14 occurring from psychiatric departments, in the format in which the
15 report was made to the joint commission.

16 **Sec. 2.** RCW 71.24.310 and 2014 c 225 s 40 are each amended to
17 read as follows:

18 The legislature finds that administration of chapter 71.05 RCW
19 and this chapter can be most efficiently and effectively implemented
20 as part of the behavioral health organization defined in RCW
21 71.24.025. For this reason, the legislature intends that the
22 department and the behavioral health organizations shall work
23 together to implement chapter 71.05 RCW as follows:

24 (1) By June 1, 2006, behavioral health organizations shall
25 recommend to the department the number of state hospital beds that
26 should be allocated for use by each behavioral health organization.
27 The statewide total allocation shall not exceed the number of state
28 hospital beds offering long-term inpatient care, as defined in this
29 chapter, for which funding is provided in the biennial appropriations
30 act.

31 (2) If there is consensus among the behavioral health
32 organizations regarding the number of state hospital beds that should
33 be allocated for use by each behavioral health organization, the
34 department shall contract with each behavioral health organization
35 accordingly.

36 (3) If there is not consensus among the behavioral health
37 organizations regarding the number of beds that should be allocated
38 for use by each behavioral health organization, the department shall
39 establish by emergency rule the number of state hospital beds that

1 are available for use by each behavioral health organization. The
2 emergency rule shall be effective September 1, 2006. The primary
3 factor used in the allocation shall be the estimated number of adults
4 with acute and chronic mental illness in each behavioral health
5 organization area, based upon population-adjusted incidence and
6 utilization.

7 (4) The allocation formula shall be updated at least every three
8 years to reflect demographic changes, and new evidence regarding the
9 incidence of acute and chronic mental illness and the need for long-
10 term inpatient care. In the updates, the statewide total allocation
11 shall include (a) all state hospital beds offering long-term
12 inpatient care for which funding is provided in the biennial
13 appropriations act; plus (b) the estimated equivalent number of beds
14 or comparable diversion services contracted in accordance with
15 subsection (5) of this section.

16 (5)(a) The department ((is encouraged to enter)) shall enter into
17 performance-based contracts with ((behavioral health organizations))
18 facilities certified by the department to provide treatment to adults
19 on a ninety or one hundred eighty-day inpatient involuntary
20 commitment order to provide some or all of the behavioral health
21 organization's allocated long-term inpatient treatment capacity in
22 the community, rather than in the state hospital, to the extent that
23 willing certified facilities and funding are available. The
24 performance contracts shall specify the number of patient days of
25 care available for use by the behavioral health organization in the
26 state hospital and the number of patient days of care available for
27 use by the behavioral health organization in a facility certified by
28 the department to provide treatment to adults on a ninety or one
29 hundred eighty-day inpatient involuntary commitment order, including
30 hospitals licensed under chapters 70.41 and 71.12 RCW and evaluation
31 and treatment facilities certified under chapter 71.05 RCW.

32 (b) A hospital licensed under chapter 70.41 or 71.12 RCW is not
33 required to undergo certification to treat patients on ninety or one
34 hundred eighty-day involuntary commitment orders in order to treat
35 adults who are waiting for placement at either the state hospital or
36 in certified facilities that voluntarily contract to provide
37 treatment to patients on ninety or one hundred eighty-day involuntary
38 commitment orders.

39 (6) If a behavioral health organization uses more state hospital
40 patient days of care than it has been allocated under subsection (3)

1 or (4) of this section, or than it has contracted to use under
2 subsection (5) of this section, whichever is less, it shall reimburse
3 the department for that care, except during the period of July 1,
4 2012, through December 31, 2013, where reimbursements may be
5 temporarily altered per section 204, chapter 4, Laws of 2013 2nd sp.
6 sess. The reimbursement rate per day shall be the hospital's total
7 annual budget for long-term inpatient care, divided by the total
8 patient days of care assumed in development of that budget.

9 (7) One-half of any reimbursements received pursuant to
10 subsection (6) of this section shall be used to support the cost of
11 operating the state hospital and, during the 2007-2009 fiscal
12 biennium, implementing new services that will enable a behavioral
13 health organization to reduce its utilization of the state hospital.
14 The department shall distribute the remaining half of such
15 reimbursements among behavioral health organizations that have used
16 less than their allocated or contracted patient days of care at that
17 hospital, proportional to the number of patient days of care not
18 used.

19 NEW SECTION. **Sec. 3.** A new section is added to chapter 71.05
20 RCW to read as follows:

21 Treatment under RCW 71.05.320 may be provided at a state hospital
22 or any willing and able facility certified to provide ninety-day or
23 one hundred eighty-day care. The order for such treatment must remand
24 the person to the custody of the department or designee. A prepaid
25 inpatient health plan, managed care organization, or the department,
26 when responsible for the cost of care, may designate where treatment
27 is to be provided, at a willing certified facility or a state
28 hospital, after consultation with the facility currently providing
29 treatment. The prepaid inpatient health plan, managed care
30 organization, or the department, when responsible for the cost of
31 care, may not require prior authorization for treatment under RCW
32 71.05.320. The designation of a treatment facility must not result in
33 a delay of the transfer of the person to a state hospital or
34 certified treatment facility if there is an open bed available at
35 either the state hospital or a certified facility.

36 NEW SECTION. **Sec. 4.** The department of social and health
37 services shall confer with the department of health and hospitals
38 licensed under chapters 70.41 and 71.12 RCW to review laws and

1 regulations and identify changes that may be necessary to address
2 care delivery and cost-effective treatment for adults on ninety or
3 one hundred eighty-day commitment orders which may be different than
4 the requirements for short-term psychiatric hospitalization. The
5 department of social and health services shall report its findings to
6 the select committee on quality improvement in state hospitals by
7 November 1, 2017."

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8 On page 1, line 3 of the title, after "services;" strike the
9 remainder of the title and insert "amending RCW 71.24.310; adding a
10 new section to chapter 71.24 RCW; adding a new section to chapter
11 71.05 RCW; and creating a new section."

EFFECT: Replaces the bill with similar provisions from ESSB 5894. Differences between bills include requiring DSHS to contract with long-term involuntary treatment facilities to provide treatment instead of requiring BHOs to contract with the facilities, requiring DSHS to establish rules for certification of such facilities, and providing authority for the entity responsible for the cost of care to designate an available facility for treatment.

The Department of Health licenses psychiatric beds. The Department of Social and Health Services would be responsible for certifying a program in hospitals serving patients on 90/180 day commitment orders. Hospitals must comply with both sets of regulations. Current DOH regulations for short-term psychiatric beds may need to be changed in order for community hospitals to provide cost-effective treatment for psychiatric patients on long-term commitment orders.

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