

CERTIFICATION OF ENROLLMENT

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2779

Chapter 175, Laws of 2018

65th Legislature
2018 Regular Session

MENTAL HEALTH--YOUTH AND CHILDREN

EFFECTIVE DATE: June 7, 2018—Except for section 11, which becomes effective July 1, 2020.

Passed by the House March 5, 2018
Yeas 88 Nays 10

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate March 1, 2018
Yeas 48 Nays 0

CYRUS HABIB

President of the Senate

Approved March 22, 2018 11:05 AM

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2779** as passed by House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

Chief Clerk

FILED

March 26, 2018

**Secretary of State
State of Washington**

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2779

AS AMENDED BY THE SENATE

Passed Legislature - 2018 Regular Session

State of Washington **65th Legislature** **2018 Regular Session**

By House Appropriations (originally sponsored by Representatives Senn, Dent, Eslick, Bergquist, Tharinger, Goodman, Doglio, Pollet, Kloba, Macri, and Santos)

READ FIRST TIME 02/06/18.

1 AN ACT Relating to improving access to mental health services for
2 children and youth; amending RCW 74.09.495, 71.24.385, 71.24.045, and
3 28A.630.500; adding new sections to chapter 74.09 RCW; creating new
4 sections; providing an effective date; and providing expiration
5 dates.

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

7 NEW SECTION. **Sec. 1.** The legislature finds that the children's
8 mental health work group established in chapter 96, Laws of 2016
9 reported recommendations in December 2016 related to increasing
10 access to adequate, appropriate, and culturally and linguistically
11 relevant mental health services for children and youth. The
12 legislature further finds that legislation implementing many of the
13 recommendations of the children's mental health work group was
14 enacted in 2017. Despite these gains, barriers to service remain and
15 additional work is required to assist children with securing adequate
16 mental health treatment. The legislature further finds that by
17 January 1, 2020, the community behavioral health program must be
18 fully integrated in a managed care health system that provides
19 behavioral and physical health care services to medicaid clients.
20 Therefore, it is the intent of the legislature to reestablish the
21 children's mental health work group through December 2020 and to

1 implement additional recommendations from the work group in order to
2 improve mental health care access for children and their families.

3 NEW SECTION. **Sec. 2.** (1) A children's mental health work group
4 is established to identify barriers to and opportunities for
5 accessing mental health services for children and families and to
6 advise the legislature on statewide mental health services for this
7 population.

8 (2) The work group shall consist of members and alternates as
9 provided in this subsection. Members must represent the regional,
10 racial, and cultural diversity of all children and families in the
11 state. Members of the children's mental health work group created in
12 chapter 96, Laws of 2016, and serving on the work group as of
13 December 1, 2017, may continue to serve as members of the work group
14 without reappointment.

15 (a) The president of the senate shall appoint one member and one
16 alternate from each of the two largest caucuses in the senate.

17 (b) The speaker of the house of representatives shall appoint one
18 member and one alternate from each of the two largest caucuses in the
19 house of representatives.

20 (c) The governor shall appoint six members representing the
21 following state agencies and offices: The department of children,
22 youth, and families; the department of social and health services;
23 the health care authority; the department of health; the office of
24 homeless youth prevention and protection programs; and the office of
25 the governor.

26 (d) The governor shall appoint one member representing each of
27 the following:

- 28 (i) Behavioral health organizations;
- 29 (ii) Community mental health agencies;
- 30 (iii) Medicaid managed care organizations;
- 31 (iv) A regional provider of co-occurring disorder services;
- 32 (v) Pediatricians or primary care providers;
- 33 (vi) Providers specializing in infant or early childhood mental
34 health;
- 35 (vii) Child health advocacy groups;
- 36 (viii) Early learning and child care providers;
- 37 (ix) The evidence-based practice institute;
- 38 (x) Parents or caregivers who have been the recipient of early
39 childhood mental health services;

1 (xi) An education or teaching institution that provides training
2 for mental health professionals;

3 (xii) Foster parents;

4 (xiii) Providers of culturally and linguistically appropriate
5 health services to traditionally underserved communities;

6 (xiv) Pediatricians located east of the crest of the Cascade
7 mountains; and

8 (xv) Child psychiatrists.

9 (e) The governor shall request participation by a representative
10 of tribal governments.

11 (f) The superintendent of public instruction shall appoint one
12 representative from the office of the superintendent of public
13 instruction.

14 (g) The insurance commissioner shall appoint one representative
15 from the office of the insurance commissioner.

16 (h) The work group shall choose its cochairs, one from among its
17 legislative members and one from among the executive branch members.
18 The representative from the health care authority shall convene at
19 least two, but not more than four, meetings of the work group each
20 year.

21 (3) The work group shall:

22 (a) Monitor the implementation of enacted legislation, programs,
23 and policies related to children's mental health, including provider
24 payment for depression screenings for youth and new mothers,
25 consultation services for child care providers caring for children
26 with symptoms of trauma, home visiting services, and streamlining
27 agency rules for providers of behavioral health services;

28 (b) Consider system strategies to improve coordination and remove
29 barriers between the early learning, K-12 education, and health care
30 systems; and

31 (c) Identify opportunities to remove barriers to treatment and
32 strengthen mental health service delivery for children and youth.

33 (4) Staff support for the work group, including administration of
34 work group meetings and preparation of the updated report required
35 under subsection (6) of this section, must be provided by the health
36 care authority. Additional staff support for legislative members of
37 the work group may be provided by senate committee services and the
38 house of representatives office of program research.

39 (5) Legislative members of the work group are reimbursed for
40 travel expenses in accordance with RCW 44.04.120. Nonlegislative

1 members are not entitled to be reimbursed for travel expenses if they
2 are elected officials or are participating on behalf of an employer,
3 governmental entity, or other organization. Any reimbursement for
4 other nonlegislative members is subject to chapter 43.03 RCW.

5 (6) The work group shall update the findings and recommendations
6 reported to the legislature by the children's mental health work
7 group in December 2016 pursuant to chapter 96, Laws of 2016. The work
8 group must submit the updated report to the governor and the
9 appropriate committees of the legislature by December 1, 2020.

10 (7) This section expires December 30, 2020.

11 **Sec. 3.** RCW 74.09.495 and 2017 c 226 s 6 are each amended to
12 read as follows:

13 (1) To better assure and understand issues related to network
14 adequacy and access to services, the authority and the department
15 shall report to the appropriate committees of the legislature by
16 December 1, 2017, and annually thereafter, on the status of access to
17 behavioral health services for children birth through age seventeen
18 using data collected pursuant to RCW 70.320.050.

19 ~~((1))~~ (2) At a minimum, the report must include the following
20 components broken down by age, gender, and race and ethnicity:

21 (a) The percentage of discharges for patients ages six through
22 seventeen who had a visit to the emergency room with a primary
23 diagnosis of mental health or alcohol or other drug dependence during
24 the measuring year and who had a follow-up visit with any provider
25 with a corresponding primary diagnosis of mental health or alcohol or
26 other drug dependence within thirty days of discharge;

27 (b) The percentage of health plan members with an identified
28 mental health need who received mental health services during the
29 reporting period; ~~((and))~~

30 (c) The percentage of children served by behavioral health
31 organizations, including the types of services provided~~((-))~~;

32 ~~((2) The report must also include))~~ (d) The number of children's
33 mental health providers available in the previous year, the languages
34 spoken by those providers, and the overall percentage of children's
35 mental health providers who were actively accepting new patients; and

36 (e) Data related to mental health and medical services for eating
37 disorder treatment in children and youth by county, including the
38 number of:

39 (i) Eating disorder diagnoses;

1 (ii) Patients treated in outpatient, residential, emergency, and
2 inpatient care settings; and

3 (iii) Contracted providers specializing in eating disorder
4 treatment and the overall percentage of those providers who were
5 actively accepting new patients during the reporting period.

6 NEW SECTION. Sec. 4. A new section is added to chapter 74.09
7 RCW to read as follows:

8 (1) The authority shall collaborate with the department of
9 children, youth, and families to identify opportunities to leverage
10 medicaid funding for home visiting services.

11 (2) The authority must provide a set of recommendations relevant
12 to subsection (1) of this section to the legislature by December 1,
13 2018, that builds upon the research and strategies developed in the
14 Washington state home visiting and medicaid financing strategies
15 report submitted by the authority to the department of early learning
16 in August 2017.

17 NEW SECTION. Sec. 5. (1) By November 1, 2018, the department of
18 children, youth, and families must:

19 (a) Develop a common set of definitions to clarify differences
20 between evidence-based, research-based, and promising practices home
21 visiting programs and discrete services provided in the home;

22 (b) Develop a strategy to expand home visiting programs
23 statewide; and

24 (c) Collaborate with the health care authority to maximize
25 medicaid and other federal resources in implementing current home
26 visiting programs and the statewide strategy developed under this
27 section.

28 (2) This section expires December 30, 2018.

29 Sec. 6. RCW 71.24.385 and 2016 sp.s. c 29 s 510 are each amended
30 to read as follows:

31 (1) Within funds appropriated by the legislature for this
32 purpose, behavioral health organizations shall develop the means to
33 serve the needs of people:

34 (a) With mental disorders residing within the boundaries of their
35 regional service area. Elements of the program may include:

36 (i) Crisis diversion services;

37 (ii) Evaluation and treatment and community hospital beds;

- 1 (iii) Residential treatment;
2 (iv) Programs for intensive community treatment;
3 (v) Outpatient services, including family support;
4 (vi) Peer support services;
5 (vii) Community support services;
6 (viii) Resource management services; and
7 (ix) Supported housing and supported employment services.

8 (b) With substance use disorders and their families, people
9 incapacitated by alcohol or other psychoactive chemicals, and
10 intoxicated people.

11 (i) Elements of the program shall include, but not necessarily be
12 limited to, a continuum of substance use disorder treatment services
13 that includes:

- 14 (A) Withdrawal management;
15 (B) Residential treatment; and
16 (C) Outpatient treatment.

17 (ii) The program may include peer support, supported housing,
18 supported employment, crisis diversion, or recovery support services.

19 (iii) The department may contract for the use of an approved
20 substance use disorder treatment program or other individual or
21 organization if the secretary considers this to be an effective and
22 economical course to follow.

23 (2)(a) The behavioral health organization shall have the
24 flexibility, within the funds appropriated by the legislature for
25 this purpose and the terms of their contract, to design the mix of
26 services that will be most effective within their service area of
27 meeting the needs of people with behavioral health disorders and
28 avoiding placement of such individuals at the state mental hospital.
29 Behavioral health organizations are encouraged to maximize the use of
30 evidence-based practices and alternative resources with the goal of
31 substantially reducing and potentially eliminating the use of
32 institutions for mental diseases.

33 (b) The behavioral health organization may allow reimbursement to
34 providers for services delivered through a partial hospitalization or
35 intensive outpatient program. Such payment and services are distinct
36 from the state's delivery of wraparound with intensive services under
37 the T.R. v. Strange and McDermott, formerly the T.R. v. Dreyfus and
38 Porter, settlement agreement.

39 (3)(a) Treatment provided under this chapter must be purchased
40 primarily through managed care contracts.

1 (b) Consistent with RCW 71.24.580, services and funding provided
2 through the criminal justice treatment account are intended to be
3 exempted from managed care contracting.

4 **Sec. 7.** RCW 71.24.045 and 2016 sp.s. c 29 s 421 are each amended
5 to read as follows:

6 The behavioral health organization shall:

7 (1) Contract as needed with licensed service providers. The
8 behavioral health organization may, in the absence of a licensed
9 service provider entity, become a licensed service provider entity
10 pursuant to minimum standards required for licensing by the
11 department for the purpose of providing services not available from
12 licensed service providers;

13 (2) Operate as a licensed service provider if it deems that doing
14 so is more efficient and cost effective than contracting for
15 services. When doing so, the behavioral health organization shall
16 comply with rules promulgated by the secretary that shall provide
17 measurements to determine when a behavioral health organization
18 provided service is more efficient and cost effective;

19 (3) Monitor and perform biennial fiscal audits of licensed
20 service providers who have contracted with the behavioral health
21 organization to provide services required by this chapter. The
22 monitoring and audits shall be performed by means of a formal process
23 which insures that the licensed service providers and professionals
24 designated in this subsection meet the terms of their contracts;

25 (4) Establish reasonable limitations on administrative costs for
26 agencies that contract with the behavioral health organization;

27 (5) Assure that the special needs of minorities, older adults,
28 individuals with disabilities, children, and low-income persons are
29 met within the priorities established in this chapter;

30 (6) Maintain patient tracking information in a central location
31 as required for resource management services and the department's
32 information system;

33 (7) Collaborate to ensure that policies do not result in an
34 adverse shift of persons with mental illness into state and local
35 correctional facilities;

36 (8) Work with the department to expedite the enrollment or
37 reenrollment of eligible persons leaving state or local correctional
38 facilities and institutions for mental diseases;

1 (9) Work closely with the designated crisis responder to maximize
2 appropriate placement of persons into community services; (~~and~~)

3 (10) Coordinate services for individuals who have received
4 services through the community mental health system and who become
5 patients at a state psychiatric hospital to ensure they are
6 transitioned into the community in accordance with mutually agreed
7 upon discharge plans and upon determination by the medical director
8 of the state psychiatric hospital that they no longer need intensive
9 inpatient care; and

10 (11) Allow reimbursement for time spent supervising persons
11 working toward satisfying supervision requirements established for
12 the relevant practice areas pursuant to RCW 18.225.090.

13 NEW SECTION. Sec. 8. A new section is added to chapter 74.09
14 RCW to read as follows:

15 Upon adoption of a fully integrated managed health care system
16 pursuant to chapter 71.24 RCW, regional service areas:

17 (1) Must allow reimbursement for time spent supervising persons
18 working toward satisfying supervision requirements established for
19 the relevant practice areas pursuant to RCW 18.225.090; and

20 (2) may allow reimbursement for services delivered through a
21 partial hospitalization or intensive outpatient program as described
22 in RCW 71.24.385.

23 NEW SECTION. Sec. 9. (1) The department of social and health
24 services must convene an advisory group of stakeholders to review the
25 parent-initiated treatment process authorized by chapter 71.34 RCW.
26 The advisory group must develop recommendations regarding:

27 (a) The age of consent for the behavioral health treatment of a
28 minor;

29 (b) Options for parental involvement in youth treatment
30 decisions;

31 (c) Information communicated to families and providers about the
32 parent-initiated treatment process; and

33 (d) The definition of medical necessity for emergency mental
34 health services and options for parental involvement in those
35 determinations.

36 (2) The advisory group established in this section must review
37 the effectiveness of serving commercially sexually exploited children

1 using parent-initiated treatment, involuntary treatment, or other
2 treatment services delivered pursuant to chapter 71.34 RCW.

3 (3) By December 1, 2018, the department of social and health
4 services must report the findings and recommendations of the advisory
5 group to the children's mental health work group established in
6 section 2 of this act.

7 (4) This section expires December 30, 2018.

8 **Sec. 10.** RCW 28A.630.500 and 2017 c 202 s 6 are each amended to
9 read as follows:

10 (1) Subject to the availability of amounts appropriated for this
11 specific purpose, the office of the superintendent of public
12 instruction shall establish a competitive application process to
13 designate two educational service districts in which to pilot one
14 lead staff person for children's mental health and substance use
15 disorder services.

16 (2) The office must select two educational service districts as
17 pilot sites by October 1, 2017. When selecting the pilot sites, the
18 office must endeavor to achieve a balanced geographic distribution of
19 sites east of the crest of the Cascade mountains and west of the
20 crest of the Cascade mountains.

21 (3) The lead staff person for each pilot site must have the
22 primary responsibility for:

23 (a) Coordinating medicaid billing for schools and school
24 districts in the educational service district;

25 (b) Facilitating partnerships with community mental health
26 agencies, providers of substance use disorder treatment, and other
27 providers;

28 (c) Sharing service models;

29 (d) Seeking public and private grant funding;

30 (e) Ensuring the adequacy of other system level supports for
31 students with mental health and substance use disorder treatment
32 needs; (~~and~~)

33 (f) Collaborating with the other selected project and with the
34 office of the superintendent of public instruction; and

35 (g) Delivering a mental health literacy curriculum, mental health
36 literacy curriculum resource, or comprehensive instruction to
37 students in one high school in each pilot site that:

38 (i) Improves mental health literacy in students;

39 (ii) Is designed to support teachers; and

1 (iii) Aligns with the state health and physical education K-12
2 learning standards as they existed on January 1, 2018.

3 (4) The office of the superintendent of public instruction must
4 report on the results of the two pilot projects to the governor and
5 the appropriate committees of the legislature in accordance with RCW
6 43.01.036 by December 1, 2019. The report must also include:

7 (a) A case study of an educational service district that is
8 successfully delivering and coordinating children's mental health
9 activities and services. Activities and services may include but are
10 not limited to medicaid billing, facilitating partnerships with
11 community mental health agencies, and seeking and securing public and
12 private funding; and

13 (b) Recommendations regarding whether to continue or make
14 permanent the pilot projects and how the projects might be replicated
15 in other educational service districts.

16 (5) This section expires January 1, 2020.

17 NEW SECTION. Sec. 11. Subject to the availability of amounts
18 appropriated for this specific purpose, the child and adolescent
19 psychiatry residency program at the University of Washington shall
20 offer one additional twenty-four month residency position that is
21 approved by the accreditation council for graduate medical education
22 to one resident specializing in child and adolescent psychiatry. The
23 residency must include a minimum of twelve months of training in
24 settings where children's mental health services are provided under
25 the supervision of experienced psychiatric consultants and must be
26 located west of the crest of the Cascade mountains.

27 NEW SECTION. Sec. 12. Section 11 of this act takes effect July
28 1, 2020.

Passed by the House March 5, 2018.
Passed by the Senate March 1, 2018.
Approved by the Governor March 22, 2018.
Filed in Office of Secretary of State March 26, 2018.

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