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**SENATE BILL 5240**

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**State of Washington**

**67th Legislature**

**2021 Regular Session**

**By** Senator Wilson, J.

1 AN ACT Relating to protecting continuity in the community  
2 behavioral health system; adding a new section to chapter 71.24 RCW;  
3 providing an expiration date; and declaring an emergency.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 71.24  
6 RCW to read as follows:

7 (1) To maintain continuity in the community behavioral health  
8 system, any managed care organization which contracts with the state  
9 to provide integrated managed care services in a region shall  
10 contract with any licensed or certified behavioral health agency  
11 which provided behavioral health services for the region's former  
12 behavioral health organization during its final year of operation as  
13 the community behavioral health network administrator in the region.  
14 The managed care organization must contract with the community  
15 behavioral health agency until at least four years have elapsed  
16 following the end of the administration of the community behavioral  
17 health network by the former behavioral health organization. The  
18 managed care organization must contract with the behavioral health  
19 agency for services which are, at a minimum, equally as extensive as  
20 the services which the behavioral health agency provided for the  
21 former behavioral health organization unless the parties agree to a

1 more limited contract. Such contract shall not be terminated by the  
2 managed care organization within the term of the contract except for  
3 malfeasance or breach of contract.

4 (2) To qualify, the licensed or certified behavioral health  
5 agency must:

6 (a) Request to form a contract with the managed care organization  
7 within 24 months following the end of the behavioral health  
8 organization's administration of the community behavioral health  
9 network in its region;

10 (b) Hold and maintain a license in good standing from the  
11 department to perform the services for which the contract is  
12 requested; and

13 (c) Agree to a reasonable rate of compensation for its services,  
14 subject to review by the director if the behavioral health agency and  
15 managed care organization cannot reach an agreement through arms-  
16 length negotiations.

17 (3) Contracts between behavioral health agencies and managed care  
18 organizations under this section may include provisions for  
19 adjustments to contract terms at reasonable intervals, including  
20 costs and payments for services, as agreed by the parties.

21 (4) In order to minimize disruption to the community behavioral  
22 health system, managed care organizations must respond to requests to  
23 form a contract under this section in good faith and without undue  
24 delay.

25 (5) This section expires January 1, 2025.

26 NEW SECTION. **Sec. 2.** This act is necessary for the immediate  
27 preservation of the public peace, health, or safety, or support of  
28 the state government and its existing public institutions, and takes  
29 effect immediately.

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