

# SENATE BILL REPORT

## SB 5228

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As Reported by Senate Committee On:  
Health & Long Term Care, February 2, 2023

**Title:** An act relating to providing occupational therapy services for persons with behavioral health disorders.

**Brief Description:** Providing occupational therapy services for persons with behavioral health disorders.

**Sponsors:** Senators Dhingra, Hunt, Keiser, Lovelett, Lovick, Nguyen, Valdez and Wilson, C..

**Brief History:**

**Committee Activity:** Health & Long Term Care: 1/27/23, 2/02/23 [DP-WM].

**Brief Summary of Bill**

- Allows managed care organizations and behavioral health administrative services organizations to provide occupational therapy services to clients who have behavioral health disorders.
- Directs the Health Care Authority to expand coverage under the Medicaid program to provide reimbursement to behavioral health agencies for the medically necessary occupational therapy needs of their clients.

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### SENATE COMMITTEE ON HEALTH & LONG TERM CARE

**Majority Report:** Do pass and be referred to Committee on Ways & Means.

Signed by Senators Cleveland, Chair; Robinson, Vice Chair; Rivers, Ranking Member; Muzzall, Assistant Ranking Member; Conway, Dhingra, Holy, Padden, Randall and Van De Wege.

**Staff:** Kevin Black (786-7747)

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.*

**Background:** Public Behavioral Health Services. The state funds behavioral health services in Washington through the Medicaid program, by including behavioral health services as a mandatory benefit, and through behavioral health administrative services organizations (BHASOs), which within appropriated funding, provide behavioral health services which either are not covered by the Medicaid program, or provide covered services who do not qualify for Medicaid coverage. Medicaid services for nontribal enrollees are administered by managed care organizations (MCOs), which are risk-bearing entities that contract with the state to provide services to covered individuals within regional service areas.

The State Medicaid Plan. The State Medicaid Plan (state plan) is a document negotiated between the state and federal government to define the services available to Medicaid enrollees. Under the state plan medically necessary occupational therapy services are covered subject to limitations as part of:

- home health services;
- medical and remedial care services;
- habilitative therapy services;
- early and periodic screening, diagnosis, and treatment;
- school-based health care services to a child with a disability;
- hospice care; and
- speech, hearing, and language disorder services.

Coverage for occupational therapy services is not listed under rehabilitative services, the section of the state plan that defines the benefit package available to clients of licensed or certified behavioral health agencies (BHAs).

Occupational Therapy. Occupational therapy is a form of therapy for those recuperating from physical or mental illness that encourages rehabilitation through performance of activities required in daily life. Occupational therapists (OTs) are rehabilitative practitioners with master's degree level training in psychology, functional anatomy, neurology, and kinesiology whose goal is to facilitate participation in preferred or necessary daily activities. OTs work in a consultative, short-term capacity with clients.

**Summary of Bill:** Managed care organizations and BHASOs may provide occupational therapy services to persons with behavioral health disorders who are enrolled in the Medicaid program, or who qualify for BHASO services.

The Health Care Authority must expand coverage in the state Medicaid program to ensure that licensed or certified behavioral health agencies are reimbursed by managed care organizations for the medically necessary occupational therapy needs of their clients.

**Appropriation:** None.

**Fiscal Note:** Requested on January 11, 2023.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: This bill came about when I was touring crisis centers around the state looking for creative interventions. A BHA I visited uses OTs but pays them using temporary funding outside the Medicaid program. OTs use a holistic approach to teach skills to manage acute symptoms. OTs support the effort to decrease psychiatric hospitalizations. We need OTs in behavioral health, not just medical. Permanent supportive housing is a challenge after years of living unsheltered so help with daily activities is needed. This bill has the capacity to improve the life of thousands. I left my OT career and transitioned to a different profession because I couldn't use my degree to work with people with behavioral health disorders. Working as a social worker I still use my OT skills every day. Almost no OTs are in outpatient settings, leaving clients without the care they need.

**Persons Testifying:** PRO: Senator Manka Dhingra, Prime Sponsor; Abigail Cooper, Downtown Emergency Service Center; Diane Norell.

**Persons Signed In To Testify But Not Testifying:** No one.