HOUSE BILL 2247

State of Washington 68th Legislature 2024 Regular Session

By Representatives Bateman, Bronoske, Simmons, Duerr, Callan, Reed, Macri, Doglio, Leavitt, and Davis

Read first time 01/09/24. Referred to Committee on Health Care & Wellness.

Relating to addressing behavioral health provider 1 AN ACT 2 shortages; amending RCW 18.19.020, 18.83.020, 18.83.050, 18.83.080, 3 18.83.105, 18.83.110, 18.83.115, 18.83.135, 18.83.170, 18.83.180, 18.83.190, 18.225.180, 48.43.045, 4 18.83.210, 18.225.145, and 5 74.09.522; reenacting and amending RCW 18.205.095 and 18.225.090; creating new sections; and providing an effective date. 6

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

8 Sec. 1. RCW 18.19.020 and 2023 c 425 s 13 are each amended to 9 read as follows:

10 The definitions in this section apply throughout this chapter 11 unless the context clearly requires otherwise.

(1) "Agency" means (a) an agency or facility operated, licensed,
or certified by the state of Washington; (b) a federally recognized
Indian tribe located within the state; ((or)) (c) a county; or (d) a
<u>federally qualified health center</u>.

(2) "Agency affiliated counselor" means a person registered,
certified, or licensed under this chapter who is employed by an
agency or is a student intern, as defined by the department.

(3) "Certified adviser" means a person certified under this chapter who is engaged in private practice counseling to the extent authorized in RCW 18.19.200. 1 (4) "Certified agency affiliated counselor" means a person 2 certified under this chapter who is engaging in counseling to the 3 extent authorized in RCW 18.19.215.

4 (5) "Certified counselor" means a person certified under this 5 chapter who is engaged in private practice counseling to the extent 6 authorized in RCW 18.19.200.

7 (6) "Client" means an individual who receives or participates in8 counseling or group counseling.

(7) "Counseling" means employing any therapeutic techniques, 9 including but not limited to social work, mental health counseling, 10 marriage and family therapy, and hypnotherapy, for a fee that offer, 11 12 assist or attempt to assist an individual or individuals in the amelioration or adjustment of mental, emotional, or behavioral 13 problems, and includes therapeutic techniques to achieve sensitivity 14 and awareness of self and others and the development of human 15 16 potential. For the purposes of this chapter, nothing may be construed 17 to imply that the practice of hypnotherapy is necessarily limited to 18 counseling.

(8) "Counselor" means an individual, practitioner, therapist, or
analyst who engages in the practice of counseling to the public for a
fee, including for the purposes of this chapter, hypnotherapists.

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(9) "Department" means the department of health.

(10) "Hypnotherapist" means a person registered under this chapter who is practicing hypnosis as a modality.

(11) "Licensed agency affiliated counselor" means a person licensed under this chapter who is engaged in counseling to the extent authorized in RCW 18.19.215.

28 (12) "Mental health professional" has the same definition as 29 under RCW 71.05.020.

30 (13) "Private practice counseling" means the practice of 31 counseling by a certified counselor or certified adviser as specified 32 in RCW 18.19.200.

(14) "Psychotherapy" means the practice of counseling using diagnosis of mental disorders according to the fourth edition of the diagnostic and statistical manual of mental disorders, published in 1994, and the development of treatment plans for counseling based on diagnosis of mental disorders in accordance with established practice standards.

39 (15) "Registered agency affiliated counselor" means a person 40 registered under this chapter who is engaged in counseling to the

extent authorized in RCW 18.19.215. This includes juvenile probation counselors who are employees of the juvenile court under RCW 13.04.035 and 13.04.040 and juvenile court employees providing functional family therapy, aggression replacement training, or other evidence-based programs approved by the department of children, youth, and families. A student intern as defined by the department may be a registered agency affiliated counselor.

8 (16) "Secretary" means the secretary of the department or the 9 secretary's designee.

10 Sec. 2. RCW 18.83.020 and 1986 c 27 s 1 are each amended to read 11 as follows:

12 (1) To safeguard the people of the state of Washington from the 13 dangers of unqualified and improper practice of psychology, it is 14 unlawful for any person to whom this chapter applies to represent 15 himself or herself to be a psychologist <u>or a licensed psychological</u> 16 <u>associate</u> without first obtaining a license as provided in this 17 chapter.

18 (2) A person represents himself or herself to be a psychologist 19 <u>or a licensed psychological associate</u> when the person adopts or uses 20 any title or any description of services which incorporates one or 21 more of the following terms: "psychology," "psychological," 22 "psychologist," or any term of like import.

23 (3) A licensed psychological associate shall provide each client 24 or patient, during the first professional contact, with a disclosure 25 form disclosing that the licensed psychological associate is an 26 associate under the supervision of an approved supervisor.

27 Sec. 3. RCW 18.83.050 and 2004 c 262 s 8 are each amended to 28 read as follows:

(1) The board shall adopt such rules as it deems necessary tocarry out its functions.

31 (2) The board shall examine the qualifications of applicants for 32 licensing under this chapter, to determine which applicants are 33 eligible for licensing under this chapter and shall forward to the 34 secretary the names of applicants so eligible.

35 (3) The board shall administer examinations to qualified 36 applicants on at least an annual basis. The board shall determine the 37 subject matter and scope of the examination, except as provided in 38 RCW 18.83.170. The board may allow applicants to take the examination

1 upon the granting of their doctoral degree before completion of their 2 internship for supervised experience.

3 (4) The board shall keep a complete record of its own 4 proceedings, of the questions given in examinations, of the names and 5 qualifications of all applicants, and the names and addresses of all 6 licensed psychologists <u>and licensed psychological associates</u>. The 7 examination paper of such applicant shall be kept on file for a 8 period of at least one year after examination.

9 (5) The board shall, by rule, adopt a code of ethics for 10 psychologists <u>and licensed psychological associates</u> which is designed 11 to protect the public interest.

12 (6) The board may require that persons licensed under this 13 chapter as psychologists <u>or licensed psychological associates</u> obtain 14 and maintain professional liability insurance in amounts determined 15 by the board to be practicable and reasonably available.

16 Sec. 4. RCW 18.83.080 and 1996 c 191 s 66 are each amended to 17 read as follows:

18 The board shall forward to the secretary the name of each 19 applicant entitled to a license under this chapter. The secretary 20 shall promptly issue to such applicant a license authorizing such 21 applicant to use the title "psychologist"((\div)) or "licensed 22 psychological associate." Each licensed psychologist or licensed 23 psychological associate shall keep his or her license displayed in a 24 conspicuous place in his or her principal place of business.

25 Sec. 5. RCW 18.83.105 and 1996 c 191 s 69 are each amended to 26 read as follows:

(1) The board ((may issue certificates of qualification with 27 appropriate title to applicants who meet all the licensing 28 29 requirements except the possession of the degree of Doctor of 30 Philosophy or its equivalent in psychology from an accredited educational institution. These certificates of qualification certify 31 32 that the holder has been examined by the board and is deemed competent to perform certain functions within the practice of 33 psychology under the periodic direct supervision of a psychologist 34 licensed by the board. Such functions will be specified on the 35 certificate issued by the board. Such applicant shall comply with 36 administrative procedures, administrative requirements, and fees 37 38 determined under RCW 43.70.250 and 43.70.280. Upon petition by a

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1 holder the board of examiners may grant authority to function without immediate supervision.)) shall issue a licensed psychological 2 3 associate license to an applicant who: 4 (a) Is: (i) Currently enrolled in a doctor of philosophy, doctor of 5 6 psychology program, or its equivalent in psychology at an accredited 7 educational institution; or (ii) Participating in a postdoctoral residency, postdoctoral 8 fellowship, or another supervised postdoctoral experience; 9 (b) Has been deemed competent by the director of clinical 10 training or postdoctoral supervisor to practice psychology under the 11 12 supervision of a licensed supervisor subject to rules adopted by the board; and 13 14 (c) Has complied with administrative procedures, administrative 15 requirements, and fees determined under RCW 43.70.250 and 43.70.280. (2) A holder of a licensed psychological associate license may 16 17 only practice under the supervision of a licensed supervisor pursuant to rules adopted by the board. An applicant for a licensed 18 psychological associate license may practice under the direct 19 supervision of a licensed supervisor until the applicant's license is 20 21 issued or denied, pursuant to rules adopted by the board.

22 Sec. 6. RCW 18.83.110 and 2020 c 302 s 116 are each amended to 23 read as follows:

24 Confidential communications between a client and a psychologist 25 <u>or licensed psychological associate</u> shall be privileged against 26 compulsory disclosure to the same extent and subject to the same 27 conditions as confidential communications between attorney and 28 client, but this exception is subject to the limitations under RCW 29 71.05.217 (6) and (7).

30 Sec. 7. RCW 18.83.115 and 1986 c 27 s 9 are each amended to read 31 as follows:

(1) Psychologists <u>and licensed psychological associates</u> licensed under this chapter shall provide clients at the commencement of any program of treatment with accurate disclosure information concerning their practice, in accordance with guidelines developed by the board, which will inform clients of the purposes of and resources available under this chapter, including the right of clients to refuse treatment, the responsibility of clients for choosing the provider

and treatment modality which best suits their needs, and the extent 1 of confidentiality provided by this chapter. The disclosure 2 information provided by the psychologist or licensed psychological 3 associate, the receipt of which shall be acknowledged in writing by 4 the psychologist or licensed psychological associate and client, 5 6 shall include any relevant education and training, the therapeutic 7 orientation of the practice, the proposed course of treatment where known, any financial requirements, and such other information as the 8 9 board may require by rule.

10 (2) In inpatient settings, the health facility shall provide 11 clients with the disclosure statement at the commencement of any 12 program of treatment, and shall post the statement in a conspicuous 13 location accessible to the client.

14 (3) The board shall provide for modification of the guidelines as 15 appropriate in cases where the client has been referred by the court, 16 a state agency, or other governmental body to a particular provider 17 for specified evaluation or treatment.

18 Sec. 8. RCW 18.83.135 and 2000 c 93 s 7 are each amended to read 19 as follows:

In addition to the authority prescribed under RCW 18.130.050, the board shall have the following authority:

(1) To maintain records of all activities, and to publish and distribute to all psychologists <u>and licensed psychological associates</u> at least once each year abstracts of significant activities of the board;

(2) To obtain the written consent of the complaining client or patient or their legal representative, or of any person who may be affected by the complaint, in order to obtain information which otherwise might be confidential or privileged; and

30 (3) To apply the provisions of the uniform disciplinary act,
 31 chapter 18.130 RCW, to all persons licensed as psychologists or
 32 <u>licensed psychological associates</u> under this chapter.

33 Sec. 9. RCW 18.83.170 and 2023 c 425 s 1 are each amended to 34 read as follows:

35 (1) (a) Upon compliance with administrative procedures, 36 administrative requirements, and fees determined under RCW 43.70.250 37 and 43.70.280, the board may grant a license, without oral 38 examination, to any applicant who has not previously failed any

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1 examination held by the board of psychology of the state of 2 Washington and furnishes evidence satisfactory to the board that the 3 applicant:

4 (((a))) <u>(i)</u> Holds a doctoral degree with primary emphasis on 5 psychology from an accredited college or university; and

6 (((b)(i))) (ii)(A) Is licensed or certified to practice 7 psychology in another state or country in which the requirements for 8 such licensing or certification are, in the judgment of the board, 9 essentially equivalent to those required by this chapter and the 10 rules and regulations of the board. Such individuals must have been 11 licensed or certified in another state for a period of at least two 12 years; or

13 (((ii))) <u>(B)</u> Is a diplomate in good standing of the American 14 Board of Examiners in Professional Psychology; or

15 ((((iii))) (C) Is a member of a professional organization and 16 holds a certificate deemed by the board to meet standards equivalent 17 to this chapter.

18 (b) The board may adopt rules waiving any of the requirements of 19 this subsection (1) for an applicant who has continuously held a 20 license to practice psychology in good standing in another state, 21 territory, or country for a period of time that, in the judgment of 22 the board, renders the waived requirements duplicative or 23 unnecessary.

(2) (a) (i) The department shall establish a reciprocity programfor applicants for licensure as a psychologist in Washington.

26 (ii) The reciprocity program applies to applicants for a license 27 as a psychologist who:

(A) Hold or have held within the past twelve months a credential
in good standing from another state or territory of the United States
which has a scope of practice that is substantially equivalent to or
greater than the scope of practice for licensed psychologists as
established under this chapter; and

33 (B) Have no disciplinary record or disqualifying criminal 34 history.

35 (b) The department shall issue a probationary license to an 36 applicant who meets the requirements of (a)(ii)(B) of this 37 subsection. The department must determine what deficiencies, if any, 38 exist between the education and experience requirements of the other 39 state's credential and, after consideration of the experience and 40 capabilities of the applicant, determine whether it is appropriate to

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require the applicant to complete additional education or experience requirements to maintain the probationary license and, within a reasonable time period, transition to a full license. The department may place a reasonable time limit on a probationary license and may, if appropriate, require the applicant to pass a jurisprudential examination.

7 The department must maintain and publish a list (C) of credentials in other states and territories that the department has 8 determined to have a scope of practice that is substantially 9 equivalent to or greater than the scope of practice for licensed 10 11 psychologists as established under this chapter. The department shall 12 prioritize identifying and publishing the department's determination for the five states or territories that have historically had the 13 most applicants for reciprocity under subsection (1) of this section 14 with a scope of practice that is substantially equivalent to or 15 16 greater than the scope of practice for licensed psychologists as 17 established under this chapter.

18 Sec. 10. RCW 18.83.180 and 1987 c 150 s 55 are each amended to 19 read as follows:

It shall be a gross misdemeanor and unlicensed practice for any person to:

(1) Use in connection with his or her name any designation tending to imply that he or she is a licensed psychologist or <u>licensed psychological associate</u> unless duly licensed under or specifically excluded from the provisions of this chapter;

(2) Practice as a licensed psychologist <u>or licensed psychological</u>
 <u>associate</u> during the time his or her license issued under the
 provisions of this chapter is suspended or revoked.

29 Sec. 11. RCW 18.83.190 and 1991 c 3 s 203 are each amended to 30 read as follows:

If any person represents himself or herself to be a psychologist 31 or licensed psychological associate, unless the person is exempt from 32 the provisions of this chapter, without possessing a valid license, 33 34 certificated qualification, or a temporary permit to do so, or if he she violates any of the provisions of this chapter, any 35 or prosecuting attorney, the secretary, or any citizen of the same 36 37 county may maintain an action in the name of the state to enjoin such person from representing himself or herself as a psychologist or 38

<u>licensed psychological associate</u>. The injunction shall not relieve the person from criminal prosecution, but the remedy by injunction shall be in addition to the liability of such offender to criminal prosecution and to suspension or revocation of his or her license.

5 **Sec. 12.** RCW 18.83.210 and 1965 c 70 s 25 are each amended to 6 read as follows:

Nothing in this chapter shall be construed as prohibiting any individual from offering counseling or guidance provided that such individuals do not hold themselves forth as psychologists <u>or licensed</u> <u>psychological associates</u>.

Sec. 13. RCW 18.205.095 and 2021 c 165 s 1 and 2021 c 57 s 1 are each reenacted and amended to read as follows:

(1) The secretary shall issue a trainee certificate to any applicant who demonstrates to the satisfaction of the secretary that he or she is working toward the education and experience requirements in RCW 18.205.090.

17 (2) A trainee certified under this section shall submit to the 18 secretary for approval a declaration, in accordance with rules 19 adopted by the department, which shall be updated with the trainee's 20 annual renewal, that he or she is actively pursuing the experience 21 requirements under RCW 18.205.090 and is enrolled in:

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(a) An approved education program; or

(b) An apprenticeship program reviewed by the substance use
 disorder certification advisory committee, approved by the secretary,
 and registered and approved under chapter 49.04 RCW.

(3) A trainee certified under this section may practice only under the supervision of a certified substance use disorder professional. The first 50 hours of any face-to-face client contact must be under direct observation. All remaining experience must be under supervision in accordance with rules adopted by the department.

31 (4) A certified substance use disorder professional trainee 32 provides substance use disorder assessments, counseling, and case 33 management ((with a state regulated agency)) and can provide clinical 34 services to patients consistent with his or her education, training, 35 and experience as approved by his or her supervisor.

36 (5) ((A trainee certification may only be renewed four times, 37 unless the secretary finds that a waiver to allow additional renewals 38 is justified due to barriers to testing or training resulting from a 1 governor-declared emergency.)) <u>A person whose trainee certification</u> 2 was not renewed due to the person exceeding the four-renewal limit in 3 place prior to the effective date of this section shall be treated as 4 if the person's certification expired. The secretary shall allow such 5 a person to return the person's trainee certification to active 6 status pursuant to standard rules and procedures in place for 7 returning an expired credential to active status.

8 (6) Applicants are subject to denial of a certificate or issuance 9 of a conditional certificate for the reasons set forth in chapter 10 18.130 RCW.

(7) A person certified under this chapter holding the title of chemical dependency professional trainee is considered to hold the title of substance use disorder professional trainee until such time as the person's present certification expires or is renewed.

Sec. 14. RCW 18.225.090 and 2023 c 425 s 3 and 2023 c 58 s 16 are each reenacted and amended to read as follows:

(1) The secretary shall issue a license to any applicant who demonstrates to the satisfaction of the secretary that the applicant meets the following education and experience requirements for the applicant's practice area.

21 22 (a) Licensed social work classifications:

(i) Licensed advanced social worker:

(A) Graduation from a master's social work educational program accredited by the council on social work education or a social work doctorate program at a university accredited by a recognized accrediting organization, and approved by the secretary based upon nationally recognized standards;

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(B) Successful completion of an approved examination;

(C) Successful completion of a supervised experience requirement.
 The supervised experience requirement consists of a minimum of 3,200
 hours with supervision by an approved supervisor who has been
 licensed for at least two years. Of those supervised hours:

(I) At least 90 hours must include direct supervision as specified in this subsection by a licensed independent clinical social worker, a licensed advanced social worker, or an equally qualified licensed mental health professional. Of those hours of directly supervised experience at least 40 hours must be in one-toone supervision and 50 hours may be in one-to-one supervision or group supervision; and 1

(II) 800 hours must be in direct client contact; and

(D) Successful completion of continuing education requirements
((of 36 hours, with six)) established in rule by the secretary,
including a minimum number of hours in professional ethics.

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(ii) Licensed independent clinical social worker:

6 (A) Graduation from a master's level social work educational 7 program accredited by the council on social work education or a 8 social work doctorate program at a university accredited by a 9 recognized accrediting organization, and approved by the secretary 10 based upon nationally recognized standards;

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(B) Successful completion of an approved examination;

12 (C) Successful completion of a supervised experience requirement. The supervised experience requirement consists of a minimum of 3,000 13 hours of experience, over a period of not less than two years, with 14 supervision by an approved supervisor who has been licensed for at 15 16 least two years and, as specified in this subsection, may be either a 17 licensed independent clinical social worker who has had at least one year of experience in supervising the clinical social work of others 18 19 or an equally qualified licensed mental health practitioner. Of those 20 supervised hours:

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(I) At least 1,000 hours must be direct client contact; and(II) Hours of direct supervision must include:

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(1) At least 100 hours by a licensed mental health practitioner;

(2) At least 70 hours of supervision with a licensed independent
 clinical social worker meeting the qualifications under this
 subsection (1) (a) (ii) (C); the remaining hours may be supervised by an
 equally qualified licensed mental health practitioner; and

(3) At least 60 hours must be in one-to-one supervision and the remaining hours may be in one-to-one supervision or group supervision; and

31 (D) Successful completion of continuing education requirements 32 ((of 36 hours, with six)) <u>established in rule by the secretary,</u> 33 <u>including a minimum number of hours</u> in professional ethics.

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(b) Licensed mental health counselor:

(i) (A) Graduation from a master's or doctoral level educational program in counseling that consists of at least 60 semester hours or 90 quarter hours, or includes at least 60 semester hours or 90 quarter hours of graduate coursework that includes the following topic areas:

40 (I) Mental health counseling orientation and ethical practice;

- 1 (II) Social and cultural diversity;
- 2 (III) Human growth and development;
- 3 (IV) Career development;
- 4 (V) Counseling and helping relationships;
- 5 (VI) Group counseling and group work;
- 6 (VII) Diagnosis and treatment;
- 7 (VIII) Assessment and testing; and
 - (IX) Research and program evaluation; or

(B) Graduation from a master's or doctoral level educational 9 program in a related discipline from a college or university approved 10 11 by the secretary based upon nationally recognized standards. An applicant who satisfies the educational requirements for licensure 12 under this subsection (1)(b)(i)(B) is not qualified to exercise the 13 privilege to practice under the counseling compact established in 14 chapter 18.17 RCW unless the master's or doctoral level educational 15 16 program in a related discipline consists of at least 60 semester 17 hours or 90 quarter hours, or includes at least 60 semester hours or 90 quarter hours of graduate coursework that includes the topic areas 18 19 specified in ((subsection (1)))(b)(i)(A)(I) through (IX) of this ((section [(b)(i)(A)(I) through (IX) of this subsection])) 20 21 subsection;

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(ii) Successful completion of an approved examination;

(iii) Successful completion of a 23 supervised experience requirement. The experience requirement consists of a minimum of 36 24 25 months full-time counseling or 3,000 hours of postgraduate mental health counseling under the supervision of a qualified licensed 26 27 mental health counselor or equally qualified licensed mental health 28 practitioner, in an approved setting. The 3,000 hours of required experience includes a minimum of 100 hours spent in immediate 29 supervision with the qualified licensed mental health counselor, and 30 a minimum of 31 includes 1,200 hours of direct counseling with individuals, couples, families, or groups; and 32

(iv) Successful completion of continuing education requirements
 ((of 36 hours, with six)) established in rule by the secretary,
 including a minimum number of hours in professional ethics.

36 (c) Licensed marriage and family therapist:

Graduation from a master's degree or doctoral degree
 educational program in marriage and family therapy or graduation from
 an educational program in an allied field equivalent to a master's

1 degree or doctoral degree in marriage and family therapy approved by 2 the secretary based upon nationally recognized standards;

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(ii) Successful passage of an approved examination;

Successful completion of a supervised experience 4 (iii) requirement. The experience requirement consists of a minimum of 5 6 3,000 hours of marriage and family therapy. Of the total supervision, 100 hours must be with a licensed marriage and family therapist with 7 at least ((five)) two years' clinical experience; the other 100 hours 8 may be with an equally qualified licensed mental health practitioner. 9 Total experience requirements include: 10

(A) 1,000 hours of direct client contact; at least 500 hours must
 be gained in diagnosing and treating couples and families; plus

(B) At least 200 hours of qualified supervision with a supervisor. At least 100 of the 200 hours must be one-on-one supervision, and the remaining hours may be in one-on-one or group supervision.

Applicants who have completed a master's program accredited by the commission on accreditation for marriage and family therapy education of the American association for marriage and family therapy may be credited with 500 hours of direct client contact and 100 hours of formal meetings with an approved supervisor; and

(iv) Successful completion of continuing education requirements ((of 36 hours, with six)) established in rule by the secretary, including a minimum number of hours in professional ethics.

25 (2) The department shall establish by rule what constitutes 26 adequate proof of meeting the criteria. Only rules in effect on the 27 date of submission of a completed application of an associate for her 28 or his license shall apply. If the rules change after a completed 29 application is submitted but before a license is issued, the new 30 rules shall not be reason to deny the application.

31 (3) In addition, applicants shall be subject to the grounds for 32 denial of a license or issuance of a conditional license under 33 chapter 18.130 RCW.

34 Sec. 15. RCW 18.225.145 and 2021 c 57 s 2 are each amended to 35 read as follows:

36 (1) The secretary shall issue an associate license to any 37 applicant who demonstrates to the satisfaction of the secretary that 38 the applicant meets the following requirements for the applicant's

1 practice area and submits a declaration that the applicant is working 2 toward full licensure in that category:

3 (a) Licensed social worker associate—advanced or licensed social 4 worker associate—independent clinical: Graduation from a master's 5 degree or doctoral degree educational program in social work 6 accredited by the council on social work education and approved by 7 the secretary based upon nationally recognized standards.

8 (b) Licensed mental health counselor associate: Graduation from a 9 master's degree or doctoral degree educational program in mental 10 health counseling or a related discipline from a college or 11 university approved by the secretary based upon nationally recognized 12 standards.

(c) Licensed marriage and family therapist associate: Graduation from a master's degree or doctoral degree educational program in marriage and family therapy or graduation from an educational program in an allied field equivalent to a master's degree or doctoral degree in marriage and family therapy approved by the secretary based upon nationally recognized standards.

19 (2) Associates may not provide independent social work, mental 20 health counseling, or marriage and family therapy for a fee, monetary or otherwise. Associates must work under the supervision of an 21 approved supervisor. An applicant for an associate license under this 22 23 section may practice, for up to 120 days after the department receives the applicant's completed application, under the direct 24 supervision of an approved supervisor until the applicant's license 25 26 is issued or denied.

(3) Associates shall provide each client or patient, during the
first professional contact, with a disclosure form according to RCW
18.225.100, disclosing that he or she is an associate under the
supervision of an approved supervisor.

31 (4) The department shall adopt by rule what constitutes adequate 32 proof of compliance with the requirements of this section.

33 (5) Applicants are subject to the denial of a license or issuance 34 of a conditional license for the reasons set forth in chapter 18.130 35 RCW.

(6) (a) ((Except as provided in (b) of this subsection, an)) An associate license may be renewed ((no more than six times)), provided that the applicant for renewal has successfully completed ((eighteen hours of)), in the preceding year, continuing education ((in the preceding year)) requirements established in rule by the secretary.

Beginning with the second renewal, ((at least six of)) the <u>continuing</u> education requirements established in rule by the secretary must <u>require the applicant to complete a minimum number of</u> continuing education hours in the preceding two years ((must be)) in professional ethics.

6 (b) ((If the secretary finds that a waiver to allow additional renewals is justified due to barriers to testing or training 7 resulting from a governor-declared emergency, additional renewals may 8 be approved.)) A person whose associate license was not renewed due 9 10 to the person exceeding the six-renewal limit in place prior to the effective date of this section shall be treated as if the person's 11 license expired. The secretary shall allow such a person to return 12 the person's associate license to active status pursuant to standard 13 rules and procedures in place for returning an expired credential to 14 15 active status.

16 Sec. 16. RCW 18.225.180 and 2023 c 425 s 7 are each amended to 17 read as follows:

(1) (a) Subject to the availability of amounts appropriated for 18 this specific purpose, by October 1, 2023, the department shall 19 20 develop a program to facilitate placement of associates with clinical 21 supervision services. The program must include a database of license holders with the required qualifications who are willing to serve as 22 23 approved supervisors and agencies or facilities that offer 24 supervision services through their facilities to associates seeking 25 to satisfy supervised experience requirements under RCW 18.225.090.

26 (b) The department shall adopt, by rule, minimum qualifications 27 for supervisors or facilities to be included in the database and 28 minimum standards for adequate supervision of associates. The 29 department may not include in the database any person who, or 30 facility that, does not meet the minimum qualifications. The 31 department shall periodically audit the list to remove persons who, 32 or facilities that, no longer meet the minimum qualifications or fail 33 to meet the minimum standards.

34 (2) Subject to the availability of amounts appropriated for this 35 specific purpose, the department shall establish a stipend program to 36 ((defray the out-of-pocket expenses incurred by)) offset the costs of 37 providing supervision for associates completing supervised experience 38 requirements under RCW 18.225.090. 1 (a) ((Out-of-pocket expenses eligible for defrayment under this 2 section include costs incurred in order to obtain supervised 3 experience, such as fees or charges imposed by the individual or 4 entity providing supervision, and any other expenses deemed 5 appropriate by the department.)) To be eligible for the stipend 6 program under this subsection (2), a supervisor must:

7 <u>(i) Meet all requirements of a qualified supervisor in this</u> 8 <u>chapter and chapter 246-809 WAC;</u>

9 <u>(ii) Charge no more than \$150 per hour to the associate receiving</u> 10 <u>supervision, up to a total of \$2,000 per year; and</u>

11 <u>(iii) Be actively providing supervision to at least one associate</u> 12 <u>completing supervised experience requirements under RCW 18.225.090.</u>

(b) ((Associates)) <u>Supervisors</u> participating in the stipend program established in this section shall document their ((out-of- pocket)) expenses, time spent supervising each associate under their supervision, and any fees that the supervisors charge the associate in a manner specified by the department.

18 (c) ((When adopting the stipend program, the department shall 19 consider defraying out-of-pocket expenses associated with unpaid internships that are part of an applicant's educational program.)) 20 21 Supervisors receiving a stipend under this section are eligible for 22 up to \$2,000 per year per associate if the supervisor maintains the supervisory relationship for the entire year and subject to the 23 24 availability of funds. If the supervisor does not provide supervision 25 for an entire year, the department shall prorate the stipend amount 26 accordingly.

27 (d) The department shall establish the stipend program no later 28 than July 1, ((2024)) 2025.

29 (((-+))) (3) The department may adopt any rules necessary to 30 implement this section.

31 Sec. 17. RCW 48.43.045 and 2015 c 237 s 2 are each amended to 32 read as follows:

33 (1) Every health plan delivered, issued for delivery, or renewed34 by a health carrier on and after January 1, 1996, shall:

35 (a) Permit every category of health care provider to provide 36 health services or care included in the basic essential health 37 benefits benchmark plan established by the commissioner consistent 38 with RCW 48.43.715, to the extent that: (i) The provision of such health services or care is within the
 health care providers' permitted scope of practice;

(ii) The providers agree to abide by standards related to:

4 (A) Provision, utilization review, and cost containment of health 5 services;

(B) Management and administrative procedures; and

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7 (C) Provision of cost-effective and clinically efficacious health8 services; and

9 (iii) The plan covers such services or care in the essential 10 health benefits benchmark plan. The reference to the essential health 11 benefits does not create a mandate to cover a service that is 12 otherwise not a covered benefit.

(b) Annually report the names and addresses of all officers, 13 14 directors, or trustees of the health carrier during the preceding year, and the amount of wages, expense reimbursements, or other 15 16 payments to such individuals, unless substantially similar 17 information is filed with the commissioner or the national association of insurance commissioners. This requirement does not 18 apply to a foreign or alien insurer regulated under chapter 48.20 or 19 20 48.21 RCW that files a supplemental compensation exhibit in its 21 annual statement as required by law.

(2) If a health plan's provider network includes participating
 providers licensed under chapter 18.83 or 18.225 RCW, the plan may
 not categorically exclude associate licensees under those chapters.

25 <u>(3)</u> The requirements of subsection (1)(a) of this section do not 26 apply to a licensed health care profession regulated under Title 18 27 RCW when the licensing statute for the profession states that such 28 requirements do not apply.

29 Sec. 18. RCW 74.09.522 and 2023 c 51 s 43 are each amended to 30 read as follows:

(1) For the purposes of this section, "nonparticipating provider" means a person, health care provider, practitioner, facility, or entity, acting within their scope of practice, that does not have a written contract to participate in a managed care organization's provider network, but provides health care services to enrollees of programs authorized under this chapter or other applicable law whose health care services are provided by the managed care organization.

1 (2) The authority shall enter into agreements with managed care 2 organizations to provide health care services to recipients of 3 medicaid under the following conditions:

4 (a) Agreements shall be made for at least thirty thousand 5 recipients statewide;

6 (b) Agreements in at least one county shall include enrollment of 7 all recipients of programs as allowed for in the approved state plan 8 amendment or federal waiver for Washington state's medicaid program;

(c) To the extent that this provision is consistent with section 9 10 1903(m) of Title XIX of the federal social security act or federal 11 demonstration waivers granted under section 1115(a) of Title XI of 12 the federal social security act, recipients shall have a choice of systems in which to enroll and shall have the right to terminate 13 their enrollment in a system: PROVIDED, That the authority may limit 14 recipient termination of enrollment without cause to the first month 15 16 of a period of enrollment, which period shall not exceed twelve 17 months: AND PROVIDED FURTHER, That the authority shall not restrict a 18 recipient's right to terminate enrollment in a system for good cause 19 as established by the authority by rule;

(d) To the extent that this provision is consistent with section 20 21 1903(m) of Title XIX of the federal social security act, 22 participating managed care organizations shall not enroll а disproportionate number of medical assistance recipients within the 23 total numbers of persons served by the managed care organizations, 24 25 except as authorized by the authority under federal demonstration waivers granted under section 1115(a) of Title XI of the federal 26 27 social security act;

(e) (i) In negotiating with managed care organizations the authority shall adopt a uniform procedure to enter into contractual arrangements, including:

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(A) Standards regarding the quality of services to be provided;

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(B) The financial integrity of the responding system;

33 (C) Provider reimbursement methods that incentivize chronic care 34 management within health homes, including comprehensive medication 35 management services for patients with multiple chronic conditions 36 consistent with the findings and goals established in RCW 74.09.5223;

37 (D) Provider reimbursement methods that reward health homes that, 38 by using chronic care management, reduce emergency department and 39 inpatient use; 1 (E) Promoting provider participation in the program of training 2 and technical assistance regarding care of people with chronic 3 conditions described in RCW 43.70.533, including allocation of funds 4 to support provider participation in the training, unless the managed 5 care organization is an integrated health delivery system that has 6 programs in place for chronic care management;

7 (F) Provider reimbursement methods within the medical billing 8 processes that incentivize pharmacists or other qualified providers 9 licensed in Washington state to provide comprehensive medication 10 management services consistent with the findings and goals 11 established in RCW 74.09.5223;

12 (G) Evaluation and reporting on the impact of comprehensive 13 medication management services on patient clinical outcomes and total 14 health care costs, including reductions in emergency department 15 utilization, hospitalization, and drug costs; and

(H) Established consistent processes to incentivize integration
 of behavioral health services in the primary care setting, promoting
 care that is integrated, collaborative, colocated, and preventive.

(ii) (A) Health home services contracted for under this subsection may be prioritized to enrollees with complex, high cost, or multiple chronic conditions.

(B) Contracts that include the items in (e)(i)(C) through (G) of this subsection must not exceed the rates that would be paid in the absence of these provisions;

25 (f) The authority shall seek waivers from federal requirements as 26 necessary to implement this chapter;

(g) The authority shall, wherever possible, enter into prepaid capitation contracts that include inpatient care. However, if this is not possible or feasible, the authority may enter into prepaid capitation contracts that do not include inpatient care;

(h) The authority shall define those circumstances under which a managed care organization is responsible for out-of-plan services and assure that recipients shall not be charged for such services;

(i) Nothing in this section prevents the authority from entering
 into similar agreements for other groups of people eligible to
 receive services under this chapter; and

37 (j) The authority must consult with the federal center for 38 medicare and medicaid innovation and seek funding opportunities to 39 support health homes. 1 (3) The authority shall ensure that publicly supported community 2 health centers and providers in rural areas, who show serious intent 3 and apparent capability to participate as managed care organizations 4 are seriously considered as contractors. The authority shall 5 coordinate its managed care activities with activities under chapter 6 70.47 RCW.

7 (4) The authority shall work jointly with the state of Oregon and 8 other states in this geographical region in order to develop 9 recommendations to be presented to the appropriate federal agencies 10 and the United States congress for improving health care of the poor, 11 while controlling related costs.

12 (5) The legislature finds that competition in the managed health care marketplace is enhanced, in the long term, by the existence of a 13 large number of managed care organization options for medicaid 14 clients. In a managed care delivery system, whose goal is to focus on 15 16 prevention, primary care, and improved enrollee health status, 17 continuity in care relationships is of substantial importance, and disruption to clients and health care providers should be minimized. 18 19 To help ensure these goals are met, the following principles shall quide the authority in its healthy options managed health care 20 21 purchasing efforts:

(a) All managed care organizations should have an opportunity to contract with the authority to the extent that minimum contracting requirements defined by the authority are met, at payment rates that enable the authority to operate as far below appropriated spending levels as possible, consistent with the principles established in this section.

(b) Managed care organizations should compete for the award of contracts and assignment of medicaid beneficiaries who do not voluntarily select a contracting system, based upon:

31 (i) Demonstrated commitment to or experience in serving low-32 income populations;

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(ii) Quality of services provided to enrollees;

34 (iii) Accessibility, including appropriate utilization, of 35 services offered to enrollees;

36 (iv) Demonstrated capability to perform contracted services, 37 including ability to supply an adequate provider network;

38 (v) Payment rates; and

39 (vi) The ability to meet other specifically defined contract 40 requirements established by the authority, including consideration of

1 past and current performance and participation in other state or 2 federal health programs as a contractor.

3 (c) Consideration should be given to using multiple year 4 contracting periods.

5 (d) Quality, accessibility, and demonstrated commitment to 6 serving low-income populations shall be given significant weight in 7 the contracting, evaluation, and assignment process.

(e) All contractors that are regulated health carriers must meet 8 state minimum net worth requirements as defined in applicable state 9 laws. The authority shall adopt rules establishing the minimum net 10 11 worth requirements for contractors that are not regulated health 12 carriers. This subsection does not limit the authority of the Washington state health care authority to take action under a 13 contract upon finding that a contractor's financial status seriously 14 jeopardizes the contractor's ability to meet its contract 15 16 obligations.

(f) Procedures for resolution of disputes between the authority and contract bidders or the authority and contracting carriers related to the award of, or failure to award, a managed care contract must be clearly set out in the procurement document.

(6) The authority may apply the principles set forth in subsection (5) of this section to its managed health care purchasing efforts on behalf of clients receiving supplemental security income benefits to the extent appropriate.

(7) Any contract with a managed care organization to provide services to medical assistance enrollees shall require that managed care organizations offer contracts to mental health providers and substance use disorder treatment providers to provide access to primary care services integrated into behavioral health clinical settings, for individuals with behavioral health and medical comorbidities.

32 (8) Managed care organization contracts effective on or after 33 April 1, 2016, shall serve geographic areas that correspond to the 34 regional service areas established in RCW 74.09.870.

(9) A managed care organization shall pay a nonparticipating provider that provides a service covered under this chapter or other applicable law to the organization's enrollee no more than the lowest amount paid for that service under the managed care organization's contracts with similar providers in the state if the managed care 1 organization has made good faith efforts to contract with the 2 nonparticipating provider.

(10) For services covered under this chapter or other applicable 3 law to medical assistance or medical care services enrollees, 4 nonparticipating providers must accept as payment in full the amount 5 6 paid by the managed care organization under subsection (9) of this 7 section in addition to any deductible, coinsurance, or copayment that is due from the enrollee for the service provided. An enrollee is not 8 liable to any nonparticipating provider for covered services, except 9 for amounts due for any deductible, coinsurance, or copayment under 10 11 the terms and conditions set forth in the managed care organization 12 contract to provide services under this section.

(11) Pursuant to federal managed care access standards, 42 C.F.R. 13 Sec. 438, managed care organizations must maintain a network of 14 appropriate providers that is supported by written agreements 15 16 sufficient to provide adequate access to all services covered under 17 the contract with the authority, including hospital-based physician services. The authority will monitor and periodically report on the 18 19 proportion of services provided by contracted providers and nonparticipating providers, by county, for each managed care 20 21 organization to ensure that managed health care systems are meeting 22 network adequacy requirements. No later than January 1st of each year, the authority will review and report its findings to the 23 appropriate policy and fiscal committees of the legislature for the 24 25 preceding state fiscal year.

26 (12) If a managed care organization's provider network includes 27 participating providers licensed under chapter 18.83 or 18.225 RCW, 28 the plan may not categorically exclude associate licensees under 29 those chapters.

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(13) Payments under RCW 74.60.130 are exempt from this section.

31 <u>NEW SECTION.</u> Sec. 19. The health care authority shall ensure 32 that all services provided by associate licenses under chapters 33 18.225 and 18.83 RCW are included in the state medicaid program, 34 including filing any necessary state plan amendments by January 1, 35 2025.

36 <u>NEW SECTION.</u> Sec. 20. The board of psychology and the secretary 37 of health may adopt any rules necessary to implement this act.

<u>NEW SECTION.</u> Sec. 21. Sections 1 through 18 of this act take
 effect October 1, 2025.

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