

# HOUSE BILL REPORT

## 2SSB 5667

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*As Reported By House Committee on:  
Health Care  
Appropriations*

**Title:** An act relating to local evaluation and treatment services.

**Brief Description:** Assuring access to local evaluation and treatment facilities.

**Sponsor(s):** Senate Committee on Ways & Means (originally sponsored by Senators Niemi, West, Vognild, Bailey, Stratton, Saling, McMullen, L. Smith, Skratek and Sutherland).

**Brief History:**

Reported by House Committee on:  
Health Care, April 1, 1991, DPA;  
Appropriations, April 8, 1991, DPA(HC).

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**HOUSE COMMITTEE ON  
HEALTH CARE**

**Majority Report:** *Do pass as amended.* Signed by 9 members: Representatives Braddock, Chair; Day, Vice Chair; Moyer, Ranking Minority Member; Cantwell; Edmondson; Franklin; Paris; Prentice; and Sprengle.

**Staff:** Bill Hagens (786-7131).

**Background:** Under the 1989 mental health reform, groups of counties called regional support networks (RSNs) have entered contractual agreements with the state to assume increased responsibility for mental health services within discrete geographic areas. RSNs must make progress toward assuming responsibility for short term hospitalizations as part of their contracts with the state. On July 1, 1993, RSNs must assume responsibility for all short term hospitalizations and provide the majority of such hospitalizations - at least 85 percent - locally. Most of this hospitalization is done in the psychiatric wards of local public or private hospitals.

Because of ratable reductions applied to state funding for hospitalization programs, local hospitals which accept state funded acute care patients now receive less than 40 percent

of billed charges, while they receive more than 65 percent of billed charges for Medicaid funded patients needing the same care.

There is some fear that long term in-patient care at the state hospitals will exceed physical capacity during the coming biennium. As part of their agreements with the state, RSNs may accept responsibility for the care of certain chronic patients, but there is no clear statutory mechanism to encourage this at the present time.

**Summary of Amended Bill:** By November 1, 1991, RSNs must submit procedures and agreements to the state to assure local access to sufficient additional local evaluation and treatment facilities to meet existing legal requirements, while reducing short-term admissions to state hospitals. These may include commitments to construct or operate facilities or agreements with local hospitals to make needed capacity available under specified conditions.

By January 1, 1992, the secretary of the Department of Social and Health Services must provide available funding to operate free standing evaluation and treatment facilities or pay an adequate reimbursement rate to hospitals that agree to provide short term, in-patient psychiatric care for RSN approved patients.

State contracts with RSNs may include agreements to provide periods of stable community living and work or other day activities for specific chronically mentally ill persons who have completed commitments at state hospitals for 90 days or 180 days or who have been residents at state hospitals for no less than 180 days within the previous year.

An emergency is declared and the act takes effect immediately.

The bill is contingent upon funding in the budget.

**Amended Bill Compared to Second Substitute Bill:** The amended bill provides regional support networks with greater flexibility in contracting with freestanding evaluation and treatment facilities and hospitals.

**Fiscal Note:** Available.

**Effective Date of Amended Bill:** The bill contains an emergency clause and takes effect immediately.

**Testimony For:** Changes are necessary to ensure that regional service networks are capable of handling the required percentage of short-term commitments.

**Testimony Against:** None.

**Witnesses:** Sharon Stewart-Johnson, Department of Social and Health Services (commented); Dr. Peter Davison; Berdie Muechit, AMI of Washington State (pro); Doug Stevenson, Association of Washington Counties (pro); Pat Thibaudeau, Washington Community Mental Health Centers (pro); and Jeff Mero, Washington State Hospital Association (pro).

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**HOUSE COMMITTEE ON  
APPROPRIATIONS**

**Majority Report:** *Do pass as amended by Committee on Health Care.* Signed by 24 members: Representatives Locke, Chair; Inslee, Vice Chair; Spanel, Vice Chair; Appelwick; Belcher; Braddock; Brekke; Dorn; Ebersole; Ferguson; Hine; Holland; Lisk; May; McLean; Mielke; Peery; Pruitt; Rust; H. Sommers; Valle; Vance; Wang; and Wineberry.

**Minority Report:** *Do not pass.* Signed by 5 members: Representatives Silver, Ranking Minority Member; Morton, Assistant Ranking Minority Member; Bowman; Fuhrman; and Nealey.

**Staff:** Bill Hagens (786-7131).

**Summary of Recommendation of Committee on Appropriations Compared to Recommendation of Committee on Health Care:** No new changes were recommended.

**Fiscal Note:** Available.

**Effective Date of Amended Bill:** The bill contains an emergency clause and takes effect immediately.

**Testimony For:** Same as Committee on Health Care.

**Testimony Against:** None.

**Witnesses:** Sharon Foster, Washington Community Mental Health Centers (pro).