

HOUSE BILL REPORT

ESSB 6547

As Passed House - Amended
March 1, 1994

Title: An act relating to mental health systems accountability.

Brief Description: Providing for auditing of mental health systems.

Sponsors: Senators Sheldon, Niemi, Prentice and Anderson.

Brief History:

Reported by House Committee on:
Human Services, February 23, 1994, DPA.
Passed House - Amended, March 1, 1994, 97-0.

HOUSE COMMITTEE ON HUMAN SERVICES

Majority Report: Do pass as amended. Signed by 11 members: Representatives Leonard, Chair; Thibaudeau, Vice Chair; Cooke, Ranking Minority Member; Talcott, Assistant Ranking Minority Member; Brown; Caver; Karahalios; Lisk; Padden; Patterson and Wolfe.

Staff: Dave Knutson (786-7146).

Background: The 1989 reform of the state's mental health system (SB 5400) had as one of its goals "... reduced administrative layering, duplication, and reduced administrative costs..." (RCW 71.24.015).

Evaluation reports by the Legislative Budget Committee, the University of Washington and others have documented that this aim of the legislation may not have been achieved. In addition, mental health service providers, county personnel and state personnel continue to voice concern about duplicative auditing procedures, paperwork and other accountability measures. Some claim as much as half of the funding now provided to mental health programs is consumed in administrative oversight activities, making these funds unavailable to support direct patient care.

Summary of Bill: The Department of Social and Health Services will establish a project to streamline accountability systems for mental health programs by: identifying rules; monitoring functions and other

requirements leading to inefficiencies and eliminating them; developing a single accountability system for all state-appropriated funds for mental health services; replacing process regulations and reporting requirements with a set of outcome objectives; and evaluating the feasibility of including financial incentives for achieving outcomes in contracts with mental health service providers and regional support networks.

The project must be implemented in between two and six regional support networks by July 1995, with full implementation statewide by July 1997. The department must report to the Legislature annually. The department, regional support networks and mental health service providers must also report on the need to change state or federal statutes, rules, policies or procedures to ensure the purposes of the act are implemented.

Fiscal Note: Requested February 17, 1994.

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

Testimony For: Duplicative and unnecessary audits, regulations and administration should be eliminated. Mental health services should be evaluated on outcomes for clients not process regulations.

Testimony Against: None.

Witnesses: David Hanig, Department of Social and Health Services (pro); Larry Keller, Kitsap Mental Health (pro); Steve Norson, Mental Health Council (pro); and Jean Wessman, Washington State Association of Counties (pro).