

**SENATE BILL REPORT**

**ESHB 1897**

**AS REPORTED BY COMMITTEE ON HEALTH & HUMAN SERVICES,  
APRIL 1, 1993**

**Brief Description:** Modifying provisions regarding mental health.

**SPONSORS:** House Committee on Human Services (originally sponsored by Representatives Thibaudeau, Leonard, Brown, Patterson, J. Kohl and L. Johnson)

**HOUSE COMMITTEE ON HUMAN SERVICES**

**HOUSE COMMITTEE ON APPROPRIATIONS**

**SENATE COMMITTEE ON HEALTH & HUMAN SERVICES**

**Majority Report:** Do pass as amended.

Signed by Senators Talmadge, Chairman; Wojahn, Vice Chairman; Deccio, Erwin, Franklin, McAuliffe, McDonald, Moyer, Niemi, Quigley, Sheldon, and Winsley.

**Staff:** Martin Lovinger (786-7443)

**Hearing Dates:** March 26, 1993; April 1, 1993

**BACKGROUND:**

SB 5400, the Mental Health Reform Act of 1989, made significant changes to the mental health system. The major changes were the inclusion of a mandate to provide residential care and a shift of responsibility for administering mental health programs from the state to localities. Counties or groups of counties were encouraged to form regional support networks to administer mental health programs.

Mental health services are designed to help people with a mental illness stay in their home community, in the least restrictive treatment appropriate to their needs. To be successful, the mental health system must involve a partnership between everyone interested and involved in mental health care and treatment. Duplication between regional support networks and the state mental health program reduces the efficiency and effectiveness of all the participants in the mental health system.

A recent Legislative Budget Committee (LBC) evaluation of the mental health system found that generally good progress has been made toward implementing mental health reform including doubling the number of residential placements, expanding availability of crisis response services, more closely monitoring those with chronic mental illness and stabilizing state hospital populations. The LBC report did find that

administrative costs may be increasing and that both within Department of Social and Health Services (DSHS) divisions and between various administrative levels further consolidation and coordination could reduce costs and increase available services.

**SUMMARY:**

The Secretary of DSHS must adopt rules to eliminate duplication between regional support networks and the state, shift administrative requirements to an outcome based system and apply those requirements to mental health issues of children and adults.

Tribal authorities will participate with regional support networks in planning and providing mental health services.

The secretary must develop a proposal for caring for people currently being served by the mental health system who are elderly, have developmental disabilities, brain injuries or chemical dependency.

The secretary shall make a portion of state hospital funds available to regional support networks in exchange for commitments to treat persons who would otherwise be treated at state hospitals. However, the existing requirement for regional support networks to provide care for all persons needing short term evaluation and treatment services is eliminated.

The activities and operations of regional support networks to the extent they involve the operation of a managed care system under the federal Medicaid program are exempt from state Insurance Commissioner regulation under Title 48 RCW.

**SUMMARY OF PROPOSED SENATE AMENDMENT:**

Savings achieved by regional support networks through the reduction of state hospital use shall be retained by them. Allocations for mental health hospitals and mental health community programs will be combined into one line in the operating budget. Duplicate responsibilities and procedures will be eliminated at the county level. Tribal authorities and regional support networks must determine the number of tribal representatives in a joint operating agreement. It is clarified that the divisions of DSHS that provide services to persons with developmental disabilities, head injuries or substance abuse and geriatric populations who are also served by the mental health system shall coordinate their efforts and share responsibilities and funding.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** available

**TESTIMONY FOR:**

This bill is revised from one vetoed last year which allowed regional support networks to keep the savings from reduction of state hospital use for local programs. At issue is inclusion for tribes which want to receive modern care. Regional support networks becoming managed care systems need a waiver to avoid need to tie up large sums in reserve. Duplicate administration should be eliminated to save money and better serve recipients of mental health services.

**TESTIMONY AGAINST:** None

**TESTIFIED:** Representative Thibaudeau, prime sponsor; Jean Wessman, Washington State Association of Counties (pro); Randy Scott, Tribes (pro); Brian Sims, DSHS (pro); Steve Reinig, Mental Health Coalition (pro); Frank Winslow, Alzheimer's Society (pro)