
SUBSTITUTE HOUSE BILL 2358

State of Washington

55th Legislature

1998 Regular Session

By House Committee on Health Care (originally sponsored by Representatives Dyer, Cody, Cooke, Kastama, Tokuda, Linville, Carlson, Anderson, Mitchell and Mason)

Read first time 02/03/98. Referred to Committee on .

1 AN ACT Relating to managed public mental health care; adding new
2 sections to chapter 71.24 RCW; creating new sections; making an
3 appropriation; providing expiration dates; and declaring an emergency.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 71.24 RCW
6 to read as follows:

7 The legislature finds that it is important to ensure that the
8 design and implementation of managed care in the public mental health
9 care system preserves and strengthens the community-based delivery of
10 mental health services through the regional support networks created
11 under this chapter. The legislature further finds that public
12 involvement in the implementation of managed public mental health care
13 is essential for preserving the public interest that includes cost-
14 effectiveness, safety, security, access, equity, participation, and
15 accountability. The legislature further finds that successful managed
16 care efforts for public mental health services require collaboration
17 and coordination between the state mental health authority, the public,
18 regional support networks, and service providers. The legislature
19 intends to: (1) Create a managed public mental health care system that

1 meets national standards for effective managed mental health care
2 including best business practices for efficiency; (2) establish
3 performance and outcome standards; (3) clearly provide for consumer
4 protection, consumer rights and involvement, and community health and
5 security; (4) meet the needs of vulnerable populations, including the
6 requirement to promote early identification of, and services to,
7 mentally ill children, and ensure system accountability as required by
8 this chapter; and (5) reinvest public mental health funds for improved
9 outcomes for consumers and communities.

10 NEW SECTION. **Sec. 2.** A new section is added to chapter 71.24 RCW
11 to read as follows:

12 Managed public mental health care provided in Washington shall
13 comply with the following:

14 (1) Development and implementation of managed public mental health
15 care shall include collaboration among consumers, providers, and
16 payers;

17 (2) Provision of services and support shall be directed by the
18 consumers' needs and desires, whenever possible;

19 (3) Public mental health care services shall be adequate to meet
20 the demonstrated and estimated needs of the covered population;

21 (4) The department shall specify reasonable operating margins for
22 organizations serving public mental health care consumers;

23 (5) The department shall adopt a consumer bill of rights addressing
24 consumer rights and responsibilities, and rules governing grievance and
25 appeals procedures;

26 (6) Emphasize community-based care in lieu of institutional care as
27 appropriate to the acuity level or needs of the patient;

28 (7) Consistent, reliable, and valid outcome measures shall be used
29 for managed public mental health care;

30 (8) Entities responsible for the capitated risk in managed public
31 mental health care shall have the authority and flexibility to manage
32 the resources and the system of care relating to recovery and wellness;
33 and

34 (9) Public agencies shall clarify and distinguish their roles in
35 the service delivery system in order to avoid duplication and cost
36 shifting.

1 NEW SECTION. **Sec. 3.** (1) A task force to the legislature on
2 managed public mental health care is created. The task force shall
3 consist of six members representing service providers, regional support
4 networks, managed care agencies, and the public; two members of the
5 senate, one representing each of the two largest caucuses in the senate
6 and two members of the house of representatives, one representing each
7 of the two largest caucuses in the house of representatives; one member
8 representing the governor; and one member representing the department
9 of social and health services. The governor shall appoint the eight
10 members representing service providers, regional support networks,
11 managed care agencies, the public, and the two executive branch
12 members. The president of the senate and speaker of the house of
13 representatives shall appoint the legislative members. The appointed
14 members shall select a chair of the task force.

15 (2) This section expires June 30, 1999.

16 NEW SECTION. **Sec. 4.** (1) The task force shall make
17 recommendations relating to the design and implementation of managed
18 public mental health care services. In developing recommendations the
19 task force shall:

20 (a) Review the experiences of other states in designing and
21 implementing managed public mental health care;

22 (b) Review available research into medical cost offsets achieved as
23 the result of effective mental health care;

24 (c) Review the pros and cons of various financing models, including
25 full and partial capitation;

26 (d) Address the unique challenges of implementing managed public
27 mental health care in rural communities; and

28 (e) Review the advantages and disadvantages of: (i) Joint private-
29 public managed mental health service delivery, and (ii) sole
30 contracting of managed mental health services to private entities.

31 (2) The task force shall present its findings and recommendations
32 to the legislature and the governor no later than December 1, 1998.

33 (3) This section expires June 30, 1999.

34 NEW SECTION. **Sec. 5.** The sum of fifty thousand dollars, or as
35 much thereof as may be necessary, is appropriated from the general fund
36 to the house of representatives for the fiscal year ending June 30,
37 1999, to carry out the purposes of this act.

1 NEW SECTION. **Sec. 6.** This act is necessary for the immediate
2 preservation of the public peace, health, or safety, or support of the
3 state government and its existing public institutions, and takes effect
4 immediately.

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