
HOUSE BILL 2664

State of Washington

56th Legislature

2000 Regular Session

By Representatives Alexander, Cody, Parlette, Huff, Reardon, Benson, Boldt and Pflug

Read first time . Referred to Committee on .

1 AN ACT Relating to administrative costs of mental health services;
2 and amending RCW 71.24.035.

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

4 **Sec. 1.** RCW 71.24.035 and 1999 c 10 s 4 are each amended to read
5 as follows:

6 (1) The department is designated as the state mental health
7 authority.

8 (2) The secretary may provide for public, client, and licensed
9 service provider participation in developing the state mental health
10 program.

11 (3) The secretary shall provide for participation in developing the
12 state mental health program for children and other underserved
13 populations, by including representatives on any committee established
14 to provide oversight to the state mental health program.

15 (4) The secretary shall be designated as the county authority if a
16 county fails to meet state minimum standards or refuses to exercise
17 responsibilities under RCW 71.24.045.

18 (5) The secretary shall:

1 (a) Develop a biennial state mental health program that
2 incorporates county biennial needs assessments and county mental health
3 service plans and state services for mentally ill adults and children.
4 The secretary may also develop a six-year state mental health plan;

5 (b) Assure that any county community mental health program provides
6 access to treatment for the county's residents in the following order
7 of priority: (i) The acutely mentally ill; (ii) chronically mentally
8 ill adults and severely emotionally disturbed children; and (iii) the
9 seriously disturbed. Such programs shall provide:

10 (A) Outpatient services;

11 (B) Emergency care services for twenty-four hours per day;

12 (C) Day treatment for mentally ill persons which includes training
13 in basic living and social skills, supported work, vocational
14 rehabilitation, and day activities. Such services may include
15 therapeutic treatment. In the case of a child, day treatment includes
16 age-appropriate basic living and social skills, educational and
17 prevocational services, day activities, and therapeutic treatment;

18 (D) Screening for patients being considered for admission to state
19 mental health facilities to determine the appropriateness of admission;

20 (E) Employment services, which may include supported employment,
21 transitional work, placement in competitive employment, and other work-
22 related services, that result in mentally ill persons becoming engaged
23 in meaningful and gainful full or part-time work. Other sources of
24 funding such as the division of vocational rehabilitation may be
25 utilized by the secretary to maximize federal funding and provide for
26 integration of services;

27 (F) Consultation and education services; and

28 (G) Community support services;

29 (c) Develop and adopt rules establishing state minimum standards
30 for the delivery of mental health services pursuant to RCW 71.24.037
31 including, but not limited to:

32 (i) Licensed service providers;

33 (ii) Regional support networks; and

34 (iii) Residential and inpatient services, evaluation and treatment
35 services and facilities under chapter 71.05 RCW, resource management
36 services, and community support services;

37 (d) Assure that the special needs of minorities, the elderly,
38 disabled, children, and low-income persons are met within the
39 priorities established in this section;

1 (e) Establish a standard contract or contracts, consistent with
2 state minimum standards, which shall be used by the counties;

3 (f) Establish, ~~((to the extent possible, a standardized auditing
4 procedure which minimizes paperwork requirements of county
5 authorities))~~ by contract, a definition of administrative expenditures
6 applicable to the counties and regional support networks.
7 Administrative expenditures for contracted mental health services by
8 counties and regional support networks in relation to total contracted
9 mental health expenditures shall not exceed twenty percent;

10 (g) Establish a single audit methodology applicable to the
11 counties, regional support networks, and licensed service providers to
12 minimize administrative costs;

13 ~~((g))~~ (h) Develop and maintain an information system to be used
14 by the state, counties, and regional support networks that includes a
15 tracking method which allows the department and regional support
16 networks to identify mental health clients' participation in any mental
17 health service or public program on an immediate basis. The
18 information system shall not include individual patient's case history
19 files. Confidentiality of client information and records shall be
20 maintained as provided in this chapter and in RCW 71.05.390, 71.05.400,
21 71.05.410, 71.05.420, 71.05.430, and 71.05.440;

22 ~~((h))~~ (i) License service providers who meet state minimum
23 standards;

24 ~~((i))~~ (j) Certify regional support networks that meet state
25 minimum standards;

26 ~~((j))~~ (k) Periodically inspect certified regional support
27 networks and licensed service providers at reasonable times and in a
28 reasonable manner;

29 ~~((k))~~ (l) Fix fees to be paid by evaluation and treatment centers
30 to the secretary for the required inspections;

31 ~~((l))~~ (m) Monitor and audit counties, regional support networks,
32 and licensed service providers as needed to assure compliance with
33 contractual agreements authorized by this chapter; and

34 ~~((m))~~ (n) Adopt such rules as are necessary to implement the
35 department's responsibilities under this chapter.

36 (6) The secretary shall use available resources only for regional
37 support networks.

38 (7) Each certified regional support network and licensed service
39 provider shall file with the secretary, on request, such data,

1 statistics, schedules, and information as the secretary reasonably
2 requires. A certified regional support network or licensed service
3 provider which, without good cause, fails to furnish any data,
4 statistics, schedules, or information as requested, or files fraudulent
5 reports thereof, may have its certification or license revoked or
6 suspended.

7 (8) The secretary may suspend, revoke, limit, or restrict a
8 certification or license, or refuse to grant a certification or license
9 for failure to conform to: (a) The law; (b) applicable rules and
10 regulations; (c) applicable standards; or (d) state minimum standards.

11 (9) The superior court may restrain any regional support network or
12 service provider from operating without certification or a license or
13 any other violation of this section. The court may also review,
14 pursuant to procedures contained in chapter 34.05 RCW, any denial,
15 suspension, limitation, restriction, or revocation of certification or
16 license, and grant other relief required to enforce the provisions of
17 this chapter.

18 (10) Upon petition by the secretary, and after hearing held upon
19 reasonable notice to the facility, the superior court may issue a
20 warrant to an officer or employee of the secretary authorizing him or
21 her to enter at reasonable times, and examine the records, books, and
22 accounts of any regional support network or service provider refusing
23 to consent to inspection or examination by the authority.

24 (11) Notwithstanding the existence or pursuit of any other remedy,
25 the secretary may file an action for an injunction or other process
26 against any person or governmental unit to restrain or prevent the
27 establishment, conduct, or operation of a regional support network or
28 service provider without certification or a license under this chapter.

29 (12) The standards for certification of evaluation and treatment
30 facilities shall include standards relating to maintenance of good
31 physical and mental health and other services to be afforded persons
32 pursuant to this chapter and chapters 71.05 and 71.34 RCW, and shall
33 otherwise assure the effectuation of the purposes of these chapters.

34 (13)(a) The department, in consultation with affected parties,
35 shall establish a distribution formula that reflects county needs
36 assessments based on the number of persons who are acutely mentally
37 ill, chronically mentally ill, severely emotionally disturbed children,
38 and seriously disturbed. The formula shall take into consideration the
39 impact on counties of demographic factors in counties which result in

1 concentrations of priority populations as set forth in subsection
2 (5)(b) of this section. These factors shall include the population
3 concentrations resulting from commitments under chapters 71.05 and
4 71.34 RCW to state psychiatric hospitals, as well as concentration in
5 urban areas, at border crossings at state boundaries, and other
6 significant demographic and workload factors.

7 (b) The formula shall also include a projection of the funding
8 allocations that will result for each county, which specifies
9 allocations according to priority populations, including the allocation
10 for services to children and other underserved populations.

11 (14) The secretary shall assume all duties assigned to the
12 nonparticipating counties under chapters 71.05, 71.34, and 71.24 RCW.
13 Such responsibilities shall include those which would have been
14 assigned to the nonparticipating counties under regional support
15 networks.

16 The regional support networks, or the secretary's assumption of all
17 responsibilities under chapters 71.05, 71.34, and 71.24 RCW, shall be
18 included in all state and federal plans affecting the state mental
19 health program including at least those required by this chapter, the
20 medicaid program, and P.L. 99-660. Nothing in these plans shall be
21 inconsistent with the intent and requirements of this chapter.

22 (15) The secretary shall:

23 (a) Disburse funds for the regional support networks within sixty
24 days of approval of the biennial contract. The department must either
25 approve or reject the biennial contract within sixty days of receipt.

26 (b) Enter into biennial contracts with regional support networks.
27 The contracts shall be consistent with available resources. No
28 contract shall be approved that does not include progress toward
29 meeting the goals of this chapter by taking responsibility for: (i)
30 Short-term commitments; (ii) residential care; and (iii) emergency
31 response systems.

32 (c) Allocate one hundred percent of available resources to the
33 regional support networks in accordance with subsection (13) of this
34 section.

35 (d) Notify regional support networks of their allocation of
36 available resources at least sixty days prior to the start of a new
37 biennial contract period.

38 (e) Deny funding allocations to regional support networks based
39 solely upon formal findings of noncompliance with the terms of the

1 regional support network's contract with the department. Written
2 notice and at least thirty days for corrective action must precede any
3 such action. In such cases, regional support networks shall have full
4 rights to appeal under chapter 34.05 RCW.

5 (f) Identify in its departmental biennial operating and capital
6 budget requests the funds requested by regional support networks to
7 implement their responsibilities under this chapter.

8 (16) The department, in cooperation with the state congressional
9 delegation, shall actively seek waivers of federal requirements and
10 such modifications of federal regulations as are necessary to allow
11 federal medicaid reimbursement for services provided by free-standing
12 evaluation and treatment facilities certified under chapter 71.05 RCW.
13 The department shall periodically report its efforts to the health care
14 and corrections committee of the senate and the human services
15 committee of the house of representatives.

16 (17) The secretary shall establish a task force to examine the
17 recruitment, training, and compensation of qualified mental health
18 professionals in the community, which shall include the advantages and
19 disadvantages of establishing a training academy, loan forgiveness
20 program, or educational stipends offered in exchange for commitments of
21 employment in mental health.

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