

HOUSE BILL REPORT

HB 1913

As Reported by House Committee On:

Juvenile Justice
Appropriations

Title: An act relating to a blended funding demonstration project to provide services to disturbed youth.

Brief Description: Creating a demonstration project to provide services to disturbed youth.

Sponsors: Representative Boldt.

Brief History:

Committee Activity:

Juvenile Justice: 2/20/01, 2/27/01 [DP];
Appropriations: 3/6/01, 3/8/01 [DPS].

Brief Summary of Substitute Bill

- Allows the secretary of the Department of Social and Health Services (DSHS) and the Office of the Superintendent of Public Instruction (OSPI) to jointly contract with an organization using private and public funding to implement a blended funding demonstration project to serve youth with serious emotional and/or behavioral disturbances.
- Requires a competitive open bid process to be used in the selection of the organization to provide the blended funding demonstration project.

HOUSE COMMITTEE ON JUVENILE JUSTICE

Majority Report: Do pass. Signed by 6 members: Representatives Delvin, Republican Co-Chair; Dickerson, Democratic Co-Chair; Marine, Republican Vice Chair; Armstrong, Carrell and Tokuda.

Minority Report: Do not pass. Signed by 2 members: Representatives Eickmeyer and Democratic Vice Chair; Darneille.

Staff: Deborah Frazier (786-7152).

Background:

Serving children with serious emotional disturbances, who require intensive services from multiple service systems, has typically been accomplished by each service system funding and providing services separately, with little or no coordination or collaboration with the other service systems. The service systems usually involved with these children are: education; child welfare; mental health; alcohol and drug; and juvenile rehabilitation.

This approach places parents, guardians, or custodians of the child in the position of trying to understand multiple funding streams, eligibility requirements and program limitations and, managing relationships with multiple entities.

Pilot programs are underway in the states to address the complex needs of these children through blended funding. Under this approach, each service system for which the child is eligible contributes funding to the care of the child. The total funding is managed by one entity that works with each service system's administrative requirements.

Summary of Bill:

The Legislature finds that new approaches are needed to serve youth with serious emotional and/or behavioral disturbances, and, that an organization has secured private funding to be combined with public funding to implement a blended funding demonstration project for these youth.

The secretary of the Department of Social and Health Services (DSHS) and the Superintendent of Public Instruction are required to jointly contract with the organization to test new approaches to serving these youth. The DSHS is given primary responsibility to negotiate the agreement. Both agencies are instructed to transfer existing appropriations to support the demonstration project. Both agencies are instructed to seek any necessary federal waivers and to exercise their existing authority to the extent necessary to implement the blended funding demonstration project.

The demonstration project is described. The project will serve at least 27 youth for two years in a residential setting and is required to serve them at a lower cost than traditional approaches. The project will be evaluated based on the individual outcomes of the youth served, and is required to compare the results of these youth with the results of a similar cohort of children receiving traditional services in a residential setting.

Appropriation: None.**Fiscal Note:** Requested on February 13, 2001.

Effective Date: The bill takes effect on July 1, 2001.

Testimony For: (In support) This pilot project will allow streamlined services by combining all the funds related to services for these youth and produce savings that can be applied to other youth needs. At the end of the project we hope to bring to the department good outcomes for these youth that can be enacted in legislation for the whole system.

(With concerns) The department recognizes that these children have cross system needs and agree that new approaches can be useful. We strongly encourage the private agency referred to in the bill to work with community partners such as the local Educational Service District and the local Regional Support Network to try to develop this project outside of legislation. We are concerned about the total financial commitment for the proposed project and don't consider savings to be assured. The department suggests a smaller scale pilot.

Testimony Against: None.

Testified: Representative Boldt, prime sponsor.

(With concerns) Marianna Conner, Children's Administration, Department of Social and Health Services.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 31 members: Representatives Sehlin, Republican Co-Chair; H. Sommers, Democratic Co-Chair; Barlean, Republican Vice Chair; Doumit, Democratic Vice Chair; Lisk, Republican Vice Chair; Alexander, Benson, Boldt, Buck, Clements, Cody, Cox, Dunshee, Fromhold, Gombosky, Grant, Kagi, Keiser, Kenney, Kessler, Lambert, Linville, Mastin, Mulliken, Pearson, Pflug, Ruderman, D. Schmidt, Schual-Berke, Talcott and Tokuda.

Staff: Denise Graham (786-7137).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Juvenile Justice:

The substitute bill allows but does not require the DSHS secretary or the superintendent of public instruction to enter into a joint agreement with an organization to provide a demonstration blended funding project. The substitute bill requires that an open, competitive process be used to select a provider for the project.

Appropriation: None.

Fiscal Note: Requested on February 13, 2001.

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

Testimony For: The prime objective of the bill is to get money to the children who need it and to save money in the process.

(With concerns) Decisions on how best to serve students now rests with individual school districts. This bill would take those decisions away from the local school districts and give them to OSPI.

Testimony Against: The regional support networks (RSNs) must receive funding under current law, and this bill would change that without involving them in the decision to take money away from them. It is not clear that the children who would be served by the project are currently eligible for mental health funding, so it could mean a reduction in funding for those currently eligible.

Testified: (In support) Representative Boldt, prime sponsor.

(Concerns) Ken Kanikeberg, Office of the Superintendent of Public Instruction.

(Opposed) Jean Wessman, Washington State Association of Counties.