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HOUSE BILL 1650

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State of Washington

57th Legislature

2001 Regular Session

By Representatives Cody, Alexander, Tokuda, Mulliken, Doumit,  
Schual-Berke, Edwards and Kagi

Read first time 01/31/2001. Referred to Committee on Health Care.

1 AN ACT Relating to community mental health services; amending RCW  
2 71.24.015, 71.24.025, 71.24.030, 71.24.035, 71.24.037, 71.24.045,  
3 71.24.049, 71.24.155, 71.24.160, 71.24.250, 71.24.310, 71.24.400, and  
4 71.24.405; reenacting and amending RCW 71.24.300; and adding new  
5 sections to chapter 71.24 RCW.

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

7 **Sec. 1.** RCW 71.24.015 and 1999 c 214 s 7 are each amended to read  
8 as follows:

9 It is the intent of the legislature to establish a community mental  
10 health program which shall help people experiencing mental illness to  
11 retain a respected and productive position in the community. This will  
12 be accomplished through programs which provide for:

13 (1) Access to mental health services for adults of the state who  
14 are acutely mentally ill, chronically mentally ill, or seriously  
15 disturbed and children of the state who are acutely mentally ill,  
16 severely emotionally disturbed, or seriously disturbed, which services  
17 recognize the special needs of underserved populations, including  
18 minorities, children, the elderly, disabled, and low-income persons.  
19 Access to mental health services shall not be limited by a person's

1 history of confinement in a state, federal, or local correctional  
2 facility. It is also the purpose of this chapter to promote the early  
3 identification of mentally ill children and to ensure that they receive  
4 the mental health care and treatment which is appropriate to their  
5 developmental level. This care should improve home, school, and  
6 community functioning, maintain children in a safe and nurturing home  
7 environment, and should enable treatment decisions to be made in  
8 response to clinical needs in accordance with sound professional  
9 judgment while also recognizing parents' rights to participate in  
10 treatment decisions for their children;

11 (2) Accountability of efficient and effective services through  
12 state of the art performance measures and statewide standards for  
13 monitoring client and system outcomes, performance measures, and  
14 reporting of information. These processes shall be designed so as to  
15 maximize the use of available resources for direct care of the mentally  
16 ill;

17 (3) Minimum service delivery standards;

18 (4) Priorities for the use of available resources for the care of  
19 the mentally ill consistent with the priorities defined in the statute;

20 (5) Coordination of services within the department, including those  
21 divisions within the department that provide services to children,  
22 between the department and the office of the superintendent of public  
23 instruction, and among state mental hospitals, county authorities,  
24 community mental health services, and other support services, which  
25 shall to the maximum extent feasible also include the families of the  
26 mentally ill, and other service providers; and

27 (6) Coordination of services aimed at reducing duplication in  
28 service delivery and promoting complementary services among all  
29 entities that provide mental health services to adults and children.

30 It is the policy of the state to encourage the provision of a full  
31 range of treatment and rehabilitation services in the state for mental  
32 disorders. The legislature intends to encourage the development of  
33 county-based and county-managed mental health services with adequate  
34 local flexibility, consistent with the standard benefit design, to  
35 assure eligible people in need of care access to the least-restrictive  
36 treatment alternative appropriate to their needs, and the availability  
37 of treatment components to assure continuity of care. To this end,  
38 counties are encouraged to enter into joint operating agreements with  
39 other counties to form regional systems of care which integrate

1 planning, administration, and service delivery duties assigned to  
2 counties under chapters 71.05 and 71.24 RCW to consolidate  
3 administration, reduce administrative layering, and reduce  
4 administrative costs.

5 It is further the intent of the legislature to integrate the  
6 provision of services to provide continuity of care through all phases  
7 of treatment. To this end the legislature intends to promote active  
8 engagement with mentally ill persons and collaboration between families  
9 and service providers.

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

12 The department shall operate the community mental health service  
13 delivery system authorized under this chapter within the following  
14 constraints:

15 (1) The full amount of federal funds for mental health services,  
16 plus qualifying state expenditures as appropriated in the biennial  
17 operating budget, shall be appropriated to the department each year in  
18 the biennial appropriations act to carry out the provisions of the  
19 community mental health service delivery system authorized in this  
20 chapter.

21 (2) The department may expend funds defined in subsection (1) of  
22 this section in any manner that will effectively accomplish the outcome  
23 measures defined in section 4 of this act. No more than twenty percent  
24 of the amount provided in subsection (1) of this section may be spent  
25 for administrative purposes. For the purpose of this subsection,  
26 "administrative purposes" does not include expenditures for information  
27 technology and computerization needed for tracking and monitoring  
28 required under RCW 71.24.035.

29 (3) The department shall implement strategies that accomplish the  
30 outcome measures identified in section 4 of this act that are within  
31 the funding constraints in this section. The department may transfer  
32 appropriation authority between funding categories within the health  
33 and rehabilitation services administration, the children and family  
34 services administration, the aging and adult services administration,  
35 and the medical assistance administration in order to carry out the  
36 requirements of this subsection.

37 (4) The department shall monitor expenditures against the  
38 appropriation levels provided for in subsection (1) of this section.

1 The department shall quarterly make a determination as to whether  
2 expenditure levels will exceed available funding and communicate its  
3 finding to the legislature. If the determination indicates that  
4 expenditures will exceed funding at the end of the fiscal year, the  
5 department shall take all necessary actions to ensure that all services  
6 provided under this chapter shall be made available only to the extent  
7 of the availability and level of appropriation made by the legislature.

8 NEW SECTION. **Sec. 3.** A new section is added to chapter 71.24 RCW  
9 to read as follows:

10 It is the intent of the legislature that the community mental  
11 health service delivery system focus on maintaining mentally ill  
12 individuals in the community. The program shall be evaluated and  
13 managed through a limited number of performance measures designed to  
14 hold each regional support network accountable for program success.

15 NEW SECTION. **Sec. 4.** A new section is added to chapter 71.24 RCW  
16 to read as follows:

17 (1) The department, in collaboration with a work group made up of  
18 consumers, service providers, and representatives of regional support  
19 networks shall develop performance measures for use in evaluating and  
20 managing the community mental health service delivery system authorized  
21 under this chapter. The performance measures shall be reviewed, and  
22 updated as needed, by January 15th of each odd-numbered year. The  
23 performance measures shall be consistent with the provisions of RCW  
24 71.24.405(3) which may include but are not limited to:

- 25 (a) Access to services;
- 26 (b) Quality and appropriateness of care;
- 27 (c) Outcome measures; including, but not limited to:
  - 28 (i) Consumer change over time;
  - 29 (ii) Percent of consumers who have safe and stable housing;
  - 30 (iii) Percent of consumers without a jail or detention stay;
  - 31 (iv) Percent of consumers without a psychiatric hospitalization;
- 32 and
- 33 (d) Structure and plan management.

34 (2) The department shall require that service providers and  
35 regional support networks collect performance measure information and  
36 report it to the department regularly. The department shall develop  
37 benchmarks that compare performance measure information from all

1 service providers to provide a clear indication of the most effective  
2 providers. Benchmark information shall be published quarterly and  
3 provided to the legislature, the governor, and all providers of mental  
4 health services.

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

7 Every regional support network and mental health services provider  
8 shall be evaluated using the criteria in section 4 of this act.

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

11 The department shall provide a report to the appropriate committees  
12 of the legislature on achievement of the performance measures by  
13 regional support networks and service providers on an annual basis, no  
14 later than January 15th of each year, beginning in 2002. The report  
15 shall include how the department is using the outcome measure  
16 information obtained under section 4 of this act to manage the  
17 community mental health service delivery system.

18 **Sec. 7.** RCW 71.24.025 and 1999 c 10 s 2 are each amended to read  
19 as follows:

20 Unless the context clearly requires otherwise, the definitions in  
21 this section apply throughout this chapter.

22 (1) "Acutely mentally ill" means a condition which is limited to a  
23 short-term severe crisis episode of:

24 (a) A mental disorder as defined in RCW 71.05.020 or, in the case  
25 of a child, as defined in RCW 71.34.020;

26 (b) Being gravely disabled as defined in RCW 71.05.020 or, in the  
27 case of a child, a gravely disabled minor as defined in RCW 71.34.020;  
28 or

29 (c) Presenting a likelihood of serious harm as defined in RCW  
30 71.05.020 or, in the case of a child, as defined in RCW 71.34.020.

31 (2) "Available resources" means funds appropriated for the purpose  
32 of providing community mental health programs under RCW 71.24.045,  
33 federal funds, except those provided according to Title XIX of the  
34 Social Security Act, and state funds appropriated under this chapter or  
35 chapter 71.05 RCW by the legislature during any biennium for the  
36 purpose of providing residential services, (~~resource management~~

1 ~~services,~~) community support services, and other mental health  
2 services. This does not include funds appropriated for the purpose of  
3 operating and administering the state psychiatric hospitals, except as  
4 negotiated according to RCW 71.24.300(1)(d).

5 (3) "Child" means a person under the age of eighteen years.

6 (4) "Chronically mentally ill adult" means an adult who has a  
7 mental disorder and meets at least one of the following criteria:

8 (a) Has undergone two or more episodes of hospital care for a  
9 mental disorder within the preceding two years; or

10 (b) Has experienced a continuous psychiatric hospitalization or  
11 residential treatment exceeding six months' duration within the  
12 preceding year; or

13 (c) Has been unable to engage in any substantial gainful activity  
14 by reason of any mental disorder which has lasted for a continuous  
15 period of not less than twelve months. "Substantial gainful activity"  
16 shall be defined by the department by rule consistent with Public Law  
17 92-603, as amended.

18 (5) "Community mental health program" means all mental health  
19 services, activities, or programs using available resources.

20 (6) "Community mental health service delivery system" means public  
21 or private agencies that provide services specifically to persons with  
22 mental disorders as defined under RCW 71.05.020 and receive funding  
23 from public sources.

24 (7) "Community support services" means services (~~(authorized,~~  
25 ~~planned,~~ ~~and~~ ~~coordinated~~ ~~through~~ ~~resource~~ ~~management~~ ~~services~~))  
26 including, at (~~least~~) a minimum, assessment, diagnosis, emergency  
27 crisis intervention available twenty-four hours, seven days a week,  
28 prescreening determinations for mentally ill persons being considered  
29 for placement in nursing homes as required by federal law, screening  
30 for patients being considered for admission to residential services,  
31 diagnosis and treatment for acutely mentally ill and severely  
32 emotionally disturbed children discovered under screening through the  
33 federal Title XIX early and periodic screening, diagnosis, and  
34 treatment program, investigation, legal, and other nonresidential  
35 services under chapter 71.05 RCW, case management services, psychiatric  
36 treatment including medication supervision, counseling, psychotherapy,  
37 assuring transfer of relevant patient information between service  
38 providers, and other services determined by regional support  
39 networks(~~(,~~ ~~and~~ ~~maintenance~~ ~~of~~ ~~a~~ ~~patient~~ ~~tracking~~ ~~system~~ ~~for~~

1 ~~chronically mentally ill adults and severely emotionally disturbed~~  
2 ~~children~~)).

3 (8) "County authority" means the board of county commissioners,  
4 county council, or county executive having authority to establish a  
5 community mental health program, or two or more of the county  
6 authorities specified in this subsection which have entered into an  
7 agreement to provide a community mental health program.

8 (9) "Department" means the department of social and health  
9 services.

10 (10) "Licensed service provider" means an entity licensed according  
11 to this chapter or chapter 71.05 RCW or an entity deemed to meet state  
12 minimum standards as a result of accreditation by a recognized  
13 accrediting body that meets state minimum standards or individuals  
14 licensed under chapter 18.57, 18.71, 18.83, or 18.79 RCW, as it applies  
15 to registered nurses and advanced registered nurse practitioners.

16 (11) "Mental health services" means all services provided by  
17 regional support networks and other services provided by the state for  
18 the mentally ill.

19 (12) "Mentally ill persons" and "the mentally ill" mean persons and  
20 conditions defined in subsections (1), (4), ~~((+17))~~ (16), and ~~((+18))~~  
21 (17) of this section.

22 (13) "Regional support network" means a county authority or group  
23 of county authorities recognized by the secretary that enter into joint  
24 operating agreements to contract with the secretary pursuant to this  
25 chapter.

26 (14) "Residential services" means a complete range of residences  
27 and supports ~~((authorized by resource management services and))~~ which  
28 may involve a facility, a distinct part thereof, or services which  
29 support community living, for acutely mentally ill persons, chronically  
30 mentally ill adults, severely emotionally disturbed children, or  
31 seriously disturbed adults determined by the regional support network  
32 to be at risk of becoming acutely or chronically mentally ill. The  
33 services shall include at least evaluation and treatment services as  
34 defined in chapter 71.05 RCW, acute crisis respite care, long-term  
35 adaptive and rehabilitative care, and supervised and supported living  
36 services, and shall also include any residential services developed to  
37 service mentally ill persons in nursing homes. Residential services  
38 for children in out-of-home placements related to their mental disorder

1 shall not include the costs of food and shelter, except for children's  
2 long-term residential facilities existing prior to January 1, 1991.

3       ~~(( "Resource management services" mean the planning,~~  
4 ~~coordination, and authorization of residential services and community~~  
5 ~~support services administered pursuant to an individual service plan~~  
6 ~~for: (a) Acutely mentally ill adults and children; (b) chronically~~  
7 ~~mentally ill adults; (c) severely emotionally disturbed children; or~~  
8 ~~(d) seriously disturbed adults determined solely by a regional support~~  
9 ~~network to be at risk of becoming acutely or chronically mentally ill.~~  
10 ~~Such planning, coordination, and authorization shall include mental~~  
11 ~~health screening for children eligible under the federal Title XIX~~  
12 ~~early and periodic screening, diagnosis, and treatment program.~~  
13 ~~Resource management services include seven day a week, twenty-four hour~~  
14 ~~a day availability of information regarding mentally ill adults' and~~  
15 ~~children's enrollment in services and their individual service plan to~~  
16 ~~county-designated mental health professionals, evaluation and treatment~~  
17 ~~facilities, and others as determined by the regional support network.~~

18       ~~(16))~~ "Secretary" means the secretary of social and health  
19 services.

20       ~~((17))~~ (16) "Seriously disturbed person" means a person who:

21       (a) Is gravely disabled or presents a likelihood of serious harm to  
22 himself or herself or others, or to the property of others, as a result  
23 of a mental disorder as defined in chapter 71.05 RCW;

24       (b) Has been on conditional release status, or under a less  
25 restrictive alternative order, at some time during the preceding two  
26 years from an evaluation and treatment facility or a state mental  
27 health hospital;

28       (c) Has a mental disorder which causes major impairment in several  
29 areas of daily living;

30       (d) Exhibits suicidal preoccupation or attempts; or

31       (e) Is a child diagnosed by a mental health professional, as  
32 defined in chapter 71.34 RCW, as experiencing a mental disorder which  
33 is clearly interfering with the child's functioning in family or school  
34 or with peers or is clearly interfering with the child's personality  
35 development and learning.

36       ~~((18))~~ (17) "Severely emotionally disturbed child" means a child  
37 who has been determined by the regional support network to be  
38 experiencing a mental disorder as defined in chapter 71.34 RCW,  
39 including those mental disorders that result in a behavioral or conduct



1 disorder, that is clearly interfering with the child's functioning in  
2 family or school or with peers and who meets at least one of the  
3 following criteria:

4 (a) Has undergone inpatient treatment or placement outside of the  
5 home related to a mental disorder within the last two years;

6 (b) Has undergone involuntary treatment under chapter 71.34 RCW  
7 within the last two years;

8 (c) Is currently served by at least one of the following child-  
9 serving systems: Juvenile justice, child-protection/welfare, special  
10 education, or developmental disabilities;

11 (d) Is at risk of escalating maladjustment due to:

12 (i) Chronic family dysfunction involving a mentally ill or  
13 inadequate caretaker;

14 (ii) Changes in custodial adult;

15 (iii) Going to, residing in, or returning from any placement  
16 outside of the home, for example, psychiatric hospital, short-term  
17 inpatient, residential treatment, group or foster home, or a  
18 correctional facility;

19 (iv) Subject to repeated physical abuse or neglect;

20 (v) Drug or alcohol abuse; or

21 (vi) Homelessness.

22 (~~((19))~~) (18) "State minimum standards" means minimum requirements  
23 established by rules adopted by the secretary and necessary to  
24 implement this chapter for: (a) Delivery of mental health services;  
25 (b) licensed service providers for the provision of mental health  
26 services; (c) residential services; and (d) community support services  
27 (~~and resource management services~~)).

28 (~~((20))~~) (19) "Tribal authority," for the purposes of this section  
29 and RCW 71.24.300 only, means: The federally recognized Indian tribes  
30 and the major Indian organizations recognized by the secretary insofar  
31 as these organizations do not have a financial relationship with any  
32 regional support network that would present a conflict of interest.

33 **Sec. 8.** RCW 71.24.030 and 1999 c 10 s 3 are each amended to read  
34 as follows:

35 The secretary is authorized to make grants to and/or purchase  
36 services from counties or combinations of counties in the establishment  
37 and operation of community mental health programs.

1       **Sec. 9.** RCW 71.24.035 and 1999 c 10 s 4 are each amended to read  
2 as follows:

3       (1) The department is designated as the state mental health  
4 authority.

5       (2) The secretary (~~may~~) shall provide for public, client, and  
6 licensed service provider participation in developing and managing the  
7 state mental health program, development and negotiation of contracts  
8 with regional support networks, and any waiver request to the federal  
9 government under medicaid.

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

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

17       (5) The secretary shall:

18       (a) Develop a biennial plan for the state mental health program  
19 that incorporates county biennial needs assessments and county mental  
20 health service plans and state services for mentally ill adults and  
21 children. The secretary may also develop a six-year state mental  
22 health plan. This plan shall include a standard benefit design  
23 reflecting the minimum array of services to be provided within  
24 available resources;

25       (b) Assure that any regional or county community mental health  
26 program provides access to treatment for the county's residents in the  
27 following order of priority: (i) The acutely mentally ill; (ii)  
28 chronically mentally ill adults and severely emotionally disturbed  
29 children; and (iii) the seriously disturbed. Such programs shall  
30 provide:

31       (A) Outpatient services;

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

33       (C) Day treatment for mentally ill persons which includes training  
34 in basic living and social skills, supported work, vocational  
35 rehabilitation, and day activities. Such services may include  
36 therapeutic treatment. In the case of a child, day treatment includes  
37 age-appropriate basic living and social skills, educational and  
38 prevocational services, day activities, and therapeutic treatment;

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

3 (E) Employment services, which may include supported employment,  
4 transitional work, placement in competitive employment, and other work-  
5 related services, that result in mentally ill persons becoming engaged  
6 in meaningful and gainful full or part-time work. Other sources of  
7 funding such as the division of vocational rehabilitation may be  
8 utilized by the secretary to maximize federal funding and provide for  
9 integration of services;

10 (F) Consultation and education services; and

11 (G) Community support services;

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

15 (i) Licensed service providers. The secretary shall provide for  
16 deeming of compliance with state minimum standards for those entities  
17 accredited by recognized accrediting bodies;

18 (ii) Regional support networks; and

19 (iii) ~~((Residential and))~~ Inpatient services, evaluation and  
20 treatment services and facilities under chapter 71.05 RCW, ~~((resource~~  
21 ~~management services,))~~ and community support services;

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

25 (e) Establish a standard contract or contracts, consistent with  
26 state minimum standards, which shall be used ~~((by the))~~ in contracting  
27 with regional support networks or counties;

28 (f) Establish, to the extent possible, a standardized auditing  
29 procedure which minimizes paperwork requirements of county authorities  
30 and licensed service providers. The audit procedure shall focus on the  
31 outcomes of service and the processes for accomplishing them;

32 (g) Develop and maintain an information system to be used by the  
33 state, counties, and regional support networks that includes a tracking  
34 method which allows the department and regional support networks to  
35 identify mental health clients' participation in any mental health  
36 service or public program on an immediate basis. The information  
37 system shall not include individual patient's case history files.  
38 Confidentiality of client information and records shall be maintained  
39 as provided in this chapter and in RCW 71.05.390, 71.05.400, 71.05.410,

1 71.05.420, 71.05.430, and 71.05.440. The design of the system and the  
2 data elements to be collected shall be evaluated and approved each  
3 biennium by a committee appointed by the secretary and representing the  
4 department, regional support networks, service providers, consumers,  
5 and advocates;

6 (h) License service providers who meet state minimum standards;

7 (i) Certify regional support networks that meet state minimum  
8 standards;

9 (j) Periodically (~~inspect~~) monitor the compliance of certified  
10 regional support networks and their network of licensed service  
11 providers for compliance with the contract between the department and  
12 the regional support network at reasonable times and in a reasonable  
13 manner;

14 (k) Fix fees to be paid by evaluation and treatment centers to the  
15 secretary for the required inspections;

16 (l) Monitor and audit counties, regional support networks, and  
17 licensed service providers as needed to assure compliance with  
18 contractual agreements authorized by this chapter; and

19 (m) Adopt such rules as are necessary to implement the department's  
20 responsibilities under this chapter. The secretary may not adopt rules  
21 that divert resources from the direct care of the mentally ill unless  
22 they are directly required for the health and safety of consumers, the  
23 implementation of this chapter, or any federal requirements.

24 (6) The secretary shall use available resources only for regional  
25 support networks.

26 (7) Each certified regional support network and licensed service  
27 provider shall file with the secretary, on request, such data,  
28 statistics, schedules, and information as the secretary reasonably  
29 requires. The data, statistics, schedules, and information to be  
30 collected shall be determined by the committee in (g) of this  
31 subsection and explicitly stated in the contract between the department  
32 and the regional support network. A certified regional support network  
33 or licensed service provider which, without good cause, fails to  
34 furnish any data, statistics, schedules, or information as requested,  
35 or files fraudulent reports thereof, may have its certification or  
36 license revoked or suspended.

37 (8) The secretary may suspend, revoke, limit, or restrict a  
38 certification or license, or refuse to grant a certification or license

1 for failure to conform to: (a) The law; (b) applicable rules and  
2 regulations; (c) applicable standards; or (d) state minimum standards.

3 (9) The superior court may restrain any regional support network or  
4 service provider from operating without certification or a license or  
5 any other violation of this section. The court may also review,  
6 pursuant to procedures contained in chapter 34.05 RCW, any denial,  
7 suspension, limitation, restriction, or revocation of certification or  
8 license, and grant other relief required to enforce the provisions of  
9 this chapter.

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

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

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

26 (13)(a) The department, in consultation with affected parties,  
27 shall establish a distribution formula that reflects county needs  
28 assessments based on the number of persons who are acutely mentally  
29 ill, chronically mentally ill, severely emotionally disturbed children,  
30 and seriously disturbed. The formula shall take into consideration the  
31 impact on counties of demographic factors in counties which result in  
32 concentrations of priority populations as set forth in subsection  
33 (5)(b) of this section. These factors shall include the population  
34 concentrations resulting from commitments under chapters 71.05 and  
35 71.34 RCW to state psychiatric hospitals, as well as concentration in  
36 urban areas, at border crossings at state boundaries, and other  
37 significant demographic and workload factors.

38 (b) The formula shall also include a projection of the funding  
39 allocations that will result for each county, which specifies

1 allocations according to priority populations, including the allocation  
2 for services to children and other underserved populations.

3 (14) The secretary shall assume all duties assigned to the  
4 nonparticipating counties under chapters 71.05, 71.34, and 71.24 RCW.  
5 Such responsibilities shall include those which would have been  
6 assigned to the nonparticipating counties under regional support  
7 networks.

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

14 (15) The secretary shall:

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

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

24 (c) Allocate one hundred percent of available resources to the  
25 regional support networks in accordance with subsection (13) of this  
26 section.

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

30 (e) Deny funding allocations to regional support networks based  
31 solely upon formal findings of noncompliance with the terms of the  
32 regional support network's contract with the department. Written  
33 notice and at least thirty days for corrective action must precede any  
34 such action. In such cases, regional support networks shall have full  
35 rights to appeal under chapter 34.05 RCW.

36 (f) Identify in its departmental biennial operating and capital  
37 budget requests the funds requested by regional support networks to  
38 implement their responsibilities under this chapter. The department  
39 shall also submit this information to the fiscal committees of the

1 senate and house of representatives no later than December 22nd of each  
2 even-numbered year.

3 (16) The department, in cooperation with the state congressional  
4 delegation, shall actively seek waivers of federal requirements and  
5 such modifications of federal regulations as are necessary to allow  
6 federal medicaid reimbursement for services provided by free-standing  
7 evaluation and treatment facilities certified under chapter 71.05 RCW.  
8 It is the intent of the legislature that the department take great care  
9 to avoid, in the processing of a waiver request, creating requirements  
10 that divert available resources from direct care. The department shall  
11 periodically report its efforts to the health and long-term care ((and  
12 ~~corrections~~)) committee of the senate and the ((~~human services~~)) health  
13 care committee of the house of representatives.

14 (17) The secretary shall establish a task force to examine the  
15 recruitment, training, and compensation of qualified mental health  
16 professionals in the community, which shall include the advantages and  
17 disadvantages of establishing a training academy, loan forgiveness  
18 program, or educational stipends offered in exchange for commitments of  
19 employment in mental health. The task force shall report its findings  
20 and recommendations to the secretary and the appropriate committees of  
21 the legislature by October 15, 2002.

22 **Sec. 10.** RCW 71.24.037 and 1999 c 10 s 5 are each amended to read  
23 as follows:

24 (1) The secretary shall by rule establish state minimum standards  
25 for licensed service providers and services.

26 (2) Minimum standards for licensed service providers shall, at a  
27 minimum, establish: Qualifications for staff providing services  
28 directly to mentally ill persons, the intended result of each service,  
29 and the rights and responsibilities of persons receiving mental health  
30 services pursuant to this chapter. The secretary shall deem licensed  
31 service providers as meeting state minimum standards as a result of  
32 accreditation by a recognized accrediting body.

33 (3) ~~((Minimum standards for residential services shall be based on~~  
34 ~~clients' functional abilities and not solely on their diagnoses,~~  
35 ~~limited to health and safety, staff qualifications, and program~~  
36 ~~outcomes. Minimum standards for residential services shall be~~  
37 ~~developed in collaboration with consumers, families, counties,~~  
38 ~~regulators, and residential providers serving the mentally ill. The~~

1 ~~minimum standards shall encourage the development of broad range~~  
2 ~~residential programs, including integrated housing and cross systems~~  
3 ~~programs where appropriate, and shall not unnecessarily restrict~~  
4 ~~programming flexibility.~~

5 (4)) Minimum standards for community support services ((and  
6 ~~resource management services~~)) shall include at least qualifications  
7 for ((~~resource management services~~,)) client tracking systems((,)) and  
8 the transfer of patient information between service providers.

9 **Sec. 11.** RCW 71.24.045 and 1992 c 230 s 5 are each amended to read  
10 as follows:

11 The county authority shall:

12 (1) Contract as needed with licensed service providers. The county  
13 authority may, in the absence of a licensed service provider entity,  
14 become a licensed service provider entity pursuant to minimum standards  
15 required for licensing by the department for the purpose of providing  
16 services not available from licensed service providers;

17 (2) Operate as a licensed service provider if it deems that doing  
18 so is more efficient and cost effective than contracting for services.  
19 When doing so, the county authority shall comply with rules promulgated  
20 by the secretary that shall provide measurements to determine when a  
21 county provided service is more efficient and cost effective;

22 (3) Monitor and perform biennial fiscal audits of licensed service  
23 providers who have contracted with the county to provide services  
24 required by this chapter. The monitoring and audits shall be performed  
25 by means of a formal process which insures that the licensed service  
26 providers and professionals designated in this subsection meet the  
27 terms of their contracts((, ~~including the minimum standards of service~~  
28 ~~delivery as established by the department~~));

29 (4) Assure that the special needs of minorities, the elderly,  
30 disabled, children, and low-income persons are met within the  
31 priorities established in this chapter;

32 (5) Maintain patient tracking information in a central location as  
33 required for ((~~resource management services~~)) the department's  
34 information system;

35 (6) Use not more than two percent of state-appropriated community  
36 mental health funds, which shall not include federal funds, to  
37 administer community mental health programs under RCW 71.24.155:  
38 PROVIDED, That county authorities serving a county or combination of



1 counties whose population is one hundred twenty-five thousand or more  
2 may be entitled to sufficient state-appropriated community mental  
3 health funds to employ up to one full-time employee or the equivalent  
4 thereof in addition to the two percent limit established in this  
5 subsection when such employee is providing staff services to a county  
6 mental health advisory board;

7 (7) Coordinate services for individuals who have received services  
8 through the community mental health system and who become patients at  
9 a state mental hospital.

10 (8) If the county is participating in a regional support network,  
11 the county authority may delegate these responsibilities to the  
12 regional support network. The county may retain the right to select  
13 service providers or to operate as a service provider.

14 **Sec. 12.** RCW 71.24.049 and 1999 c 10 s 6 are each amended to read  
15 as follows:

16 By January 1st of each odd-numbered year, the county authority or  
17 regional support network, where in place, shall identify: (1) The  
18 number of children in each priority group, as defined by this chapter,  
19 who are receiving mental health services funded in part or in whole  
20 under this chapter, (2) the amount of funds under this chapter used for  
21 children's mental health services, (3) an estimate of the number of  
22 unserved children in each priority group, and (4) the estimated cost of  
23 serving these additional children and their families.

24 **Sec. 13.** RCW 71.24.155 and 1987 c 505 s 65 are each amended to  
25 read as follows:

26 Grants shall be made by the department to counties or regional  
27 support networks, where in place, for community mental health programs  
28 totaling not less than ninety-five percent of available resources. The  
29 department may use up to forty percent of the remaining five percent to  
30 provide community demonstration projects, including early intervention  
31 or primary prevention programs for children, and the remainder shall be  
32 for emergency needs and technical assistance under this chapter.

33 **Sec. 14.** RCW 71.24.160 and 1989 c 205 s 7 are each amended to read  
34 as follows:

35 The county authority or regional support networks, where in place,  
36 shall make satisfactory showing to the secretary that state funds shall

1 in no case be used to replace local funds from any source being used to  
2 finance mental health services prior to January 1, 1990.

3 **Sec. 15.** RCW 71.24.250 and 1982 c 204 s 14 are each amended to  
4 read as follows:

5 The county authority or regional support network, where in place,  
6 may accept and expend gifts and grants received from private, county,  
7 state, and federal sources.

8 **Sec. 16.** RCW 71.24.300 and 1999 c 214 s 8 and 1999 c 10 s 9 are  
9 each reenacted and amended to read as follows:

10 A county authority or a group of county authorities whose combined  
11 population is no less than forty thousand may enter into a joint  
12 operating agreement to form a regional support network. Upon the  
13 request of a tribal authority or authorities within a regional support  
14 network the joint operating agreement or the county authority shall  
15 allow for the inclusion of the tribal authority to be represented as a  
16 party to the regional support network. The roles and responsibilities  
17 of the county and tribal authorities shall be determined by the terms  
18 of that agreement including a determination of membership on the  
19 governing board and advisory committees, the number of tribal  
20 representatives to be party to the agreement, and the provisions of law  
21 and shall assure the provision of culturally competent services to the  
22 tribes served. The state mental health authority may not determine the  
23 roles and responsibilities of county authorities as to each other under  
24 regional support networks by rule, except to assure that all duties  
25 required of regional support networks are assigned and that counties  
26 and the regional support network do not duplicate functions and that a  
27 single authority has final responsibility for all available resources  
28 and performance under the regional support network's contract with the  
29 secretary.

30 (1) Regional support networks shall submit an overall six-year  
31 operating and capital plan, timeline, and budget and submit progress  
32 reports and an updated two-year plan biennially thereafter, to assure  
33 within available resources all of the following duties:

34 (a) Administer and provide for the availability of all ((resource  
35 management services,)) residential services((,)) and community support  
36 services.

1 (b) Assume the powers and duties of county authorities within its  
2 area as described in RCW 71.24.045 (1) through (8).

3 (c) Administer and provide for the availability of all  
4 investigation, transportation, court-related, and other services  
5 provided by the state or counties pursuant to chapter 71.05 RCW.

6 ~~((e))~~ (d) Provide within the boundaries of each regional support  
7 network evaluation and treatment services for at least eighty-five  
8 percent of persons detained or committed for periods up to seventeen  
9 days according to chapter 71.05 RCW. Regional support networks with  
10 populations of less than one hundred fifty thousand may contract to  
11 purchase evaluation and treatment services from other networks.  
12 Insofar as the original intent of serving persons in the community is  
13 maintained, the secretary is authorized to approve exceptions on a  
14 case-by-case basis to the requirement to provide evaluation and  
15 treatment services within the boundaries of each regional support  
16 network. Such exceptions are limited to contracts with neighboring or  
17 contiguous regions.

18 ~~((d))~~ (e) Administer a portion of funds appropriated by the  
19 legislature to house mentally ill persons in state institutions from  
20 counties within the boundaries of any regional support network, with  
21 the exception of persons currently confined at, or under the  
22 supervision of, a state mental hospital pursuant to chapter 10.77 RCW,  
23 and provide for the care of all persons needing evaluation and  
24 treatment services for periods up to seventeen days according to  
25 chapter 71.05 RCW in appropriate residential services, which may  
26 include state institutions. The regional support networks shall  
27 reimburse the state for use of state institutions at a rate equal to  
28 that assumed by the legislature when appropriating funds for such care  
29 at state institutions during the biennium when reimbursement occurs.  
30 The secretary shall submit a report to the appropriate committees of  
31 the senate and house of representatives on the efforts to implement  
32 this section by October 15, 2002. The duty of a state hospital to  
33 accept persons for evaluation and treatment under chapter 71.05 RCW is  
34 limited by the responsibilities assigned to regional support networks  
35 under this section.

36 ~~((e))~~ (f) Administer and provide for ~~((the availability of all~~  
37 ~~other mental health services, which shall include patient counseling,~~  
38 ~~day treatment, consultation, education services, employment services as~~

1 defined in RCW 71.24.035, and mental health services to children as  
2 provided in this chapter.

3 ~~(f) Establish standards and procedures for reviewing individual~~  
4 ~~service plans and determining when that person may be discharged from~~  
5 ~~resource management services)), at a minimum, the standard benefit~~  
6 ~~package defined by the department.~~

7 (2) Regional support networks shall assume all duties assigned to  
8 county authorities by this chapter and chapter 71.05 RCW.

9 (3) A regional support network may request that any state-owned  
10 land, building, facility, or other capital asset which was ever  
11 purchased, deeded, given, or placed in trust for the care of the  
12 mentally ill and which is within the boundaries of a regional support  
13 network be made available to support the operations of the regional  
14 support network. State agencies managing such capital assets shall  
15 give first priority to requests for their use pursuant to this chapter.

16 (4) Each regional support network shall appoint a mental health  
17 advisory board which shall review and provide comments on plans and  
18 policies developed under this chapter. The composition of the board  
19 shall be broadly representative of the demographic character of the  
20 region and the mentally ill persons served therein. Length of terms of  
21 board members shall be determined by the regional support network.

22 (5) Regional support networks shall assume all duties specified in  
23 their plans and joint operating agreements through biennial contractual  
24 agreements with the secretary. ~~((Such contracts may include agreements~~  
25 ~~to provide periods of stable community living and work or other day~~  
26 ~~activities for specific chronically mentally ill persons who have~~  
27 ~~completed commitments at state hospitals on ninety-day or one hundred~~  
28 ~~eighty-day civil commitments or who have been residents at state~~  
29 ~~hospitals for no less than one hundred eighty days within the previous~~  
30 ~~year. Periods of stable community living may involve acute care in~~  
31 ~~local evaluation and treatment facilities but may not involve use of~~  
32 ~~state hospitals.))~~

33 (6) Counties or groups of counties participating in a regional  
34 support network are not subject to RCW 71.24.045(6).

35 (7) As part of each biennial plan, each regional support network  
36 shall establish and submit to the state, procedures and agreements to  
37 assure access to sufficient additional local evaluation and treatment  
38 facilities to meet the requirements of this chapter while reducing  
39 short-term admissions to state hospitals. ~~((These shall be commitments~~

1 to construct and operate, or contract for the operation of,  
2 freestanding evaluation and treatment facilities or agreements with  
3 local evaluation and treatment facilities which shall include (a)  
4 required admission and treatment for short term inpatient care for any  
5 person enrolled in community support or residential services, (b)  
6 discharge planning procedures, (c) limitations on admissions or  
7 transfers to state hospitals, (d) adequate psychiatric supervision, (e)  
8 prospective payment methods, and (f) contractual assurances regarding  
9 referrals to local evaluation and treatment facilities from regional  
10 support networks.))

11 (8) Regional support networks may receive technical assistance from  
12 the housing trust fund and may identify and submit projects for housing  
13 and housing support services to the housing trust fund established  
14 under chapter 43.185 RCW. Projects identified or submitted under this  
15 subsection must be fully integrated with the regional support network  
16 six-year operating and capital plan, timeline, and budget required by  
17 subsection (1) of this section.

18 **Sec. 17.** RCW 71.24.310 and 1989 c 205 s 6 are each amended to read  
19 as follows:

20 The legislature finds that administration of chapter 71.05 RCW and  
21 this chapter can be most efficiently and effectively implemented as  
22 part of the regional support network defined in RCW 71.24.025. For  
23 this reason, the legislature intends that any enhanced program funding  
24 for implementation of chapter 71.05 RCW or this chapter, except for  
25 funds allocated for implementation of mandatory statewide programs as  
26 required by federal statute, be made available ((primarily)) only to  
27 those counties participating in regional support networks.

28 **Sec. 18.** RCW 71.24.400 and 1999 c 10 s 10 are each amended to read  
29 as follows:

30 The legislature finds that the current complex set of federal,  
31 state, and local rules and regulations, audited and administered at  
32 multiple levels, which affect the community mental health service  
33 delivery system, focus primarily on the process of providing mental  
34 health services and do not sufficiently address consumer and system  
35 outcomes. The legislature finds that the department and the community  
36 mental health service delivery system must make ongoing efforts to  
37 achieve the purposes set forth in RCW 71.24.015 related to reduced

1 administrative layering, duplication, elimination of process measures,  
2 and reduced administrative costs.

3 **Sec. 19.** RCW 71.24.405 and 1999 c 10 s 11 are each amended to read  
4 as follows:

5 The department shall establish a (~~single~~) comprehensive and  
6 collaborative (~~project~~) effort within regional support networks and  
7 with local mental health service providers aimed at creating innovative  
8 and streamlined community mental health service delivery systems, in  
9 order to carry out the purposes set forth in RCW 71.24.400 and to  
10 capture the diversity of the community mental health service delivery  
11 system.

12 The (~~project~~) department must accomplish the following:

13 (1) Identification, review, and cataloging of all rules,  
14 regulations, duplicative administrative and monitoring functions, and  
15 other requirements that currently lead to inefficiencies in the  
16 community mental health service delivery system and, if possible,  
17 eliminate the requirements;

18 (2) The systematic and incremental development of a single system  
19 of accountability for all federal, state, and local funds provided to  
20 the community mental health service delivery system. Systematic  
21 efforts should be made to include federal and local funds into the  
22 single system of accountability;

23 (3) The elimination of process regulations and related contract and  
24 reporting requirements. In place of the regulations and requirements,  
25 a set of outcomes for mental health adult and children clients  
26 according to chapter 71.24 RCW must be used to measure the performance  
27 of mental health service providers and regional support networks. Such  
28 outcomes shall focus on stabilizing out-of-home and hospital care,  
29 increasing stable community living, increasing age-appropriate  
30 activities, achieving family and consumer satisfaction with services,  
31 and system efficiencies;

32 (4) Evaluation of the feasibility of contractual agreements between  
33 the department of social and health services and regional support  
34 networks and mental health service providers that link financial  
35 incentives to the success or failure of mental health service providers  
36 and regional support networks to meet outcomes established for mental  
37 health service clients;

1       (5) The involvement of mental health consumers and their  
2 representatives (~~(in the pilot projects)~~). Mental health consumers and  
3 their representatives will be involved in the development of outcome  
4 standards for mental health clients under section 4 of this act and  
5 other related aspects of the pilot projects; and

6       (6) An independent evaluation component to measure the success of  
7 the (~~projects~~) department in fully implementing the provisions of RCW  
8 71.24.400 and this section.

--- END ---