HOUSE BILL REPORT
E2SHB 1290

As Passed Legislature

Title: An act relating to community mental health services.

Brief Description: Modifying community mental health services provisions.

Sponsors: By House Committee on Appropriations (originally sponsored by Representatives Cody, Bailey, Schual-Berke, Campbell, Morrell, Hinkle, Green, Appleton, Moeller, Haigh, Linville, Kenney, Wood and Santos).

Brief History:

Committee Activity:

Health Care: 1/27/05, 2/11/05 [DPS];
Appropriations: 2/23/05, 3/2/05 [DP2S(w/o sub HC)].

Floor Activity:

Passed House: 3/11/05, 84-10.
Senate Amended.
Passed Senate: 4/14/05, 45-0.
House Concurred.
Passed House: 4/19/05, 94-4.
Passed Legislature.

Brief Summary of Engrossed Second Substitute Bill

- Directs the Department of Social and Health Services to use a request for qualification and request for proposal process to establish Regional Support Networks.
- Allows for competition between counties and other entities to be designated as a Regional Support Network.
- Focuses the delivery of mental health services on the concepts of recovery, resilience, and evidence-based practices.
- Directs DSHS to reinstate medicaid eligibility for people with mental illness who are released from jail or prison.

HOUSE COMMITTEE ON HEALTH CARE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives Cody, Chair; Morrell, Vice Chair; Bailey, Ranking Minority Member; Curtis, Assistant Ranking Minority Member; Alexander, Appleton, Clibborn, Green, Hinkle, Lantz, Moeller, Schual-Berke and Skinner.

Minority Report: Do not pass. Signed by 1 member: Representative Condotta.

Staff: Dave Knutson (786-7146).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Health Care. Signed by 28 members: Representatives Sommers, Chair; Fromhold, Vice Chair; Alexander, Ranking Minority Member; Anderson, Assistant Ranking Minority Member; McDonald, Assistant Ranking Minority Member; Bailey, Buri, Clements, Cody, Conway, Darneille, Dunshee, Grant, Haigh, Hinkle, Hunter, Kagi, Kenney, Kessler, Linville, McDermott, McIntire, Miloscia, Pearson, Priest, Schual-Berke, Talcott and Walsh.

Staff: Amy Skei (786-7140).

Background:

Regional Support Networks (RSN) were established in 1989 to develop local systems of care for persons with a mental illness. Counties or groups of counties were authorized to become RSNs, contract with licensed service providers, and also deliver services directly. Fourteen RSNs were established to coordinate and deliver mental health services to persons with mental illness. Since 1993, the Department of Social and Health Services has financed community mental health services through a federal 1915(b) waiver that provides services through managed care programs. Through a recent wavier renewal process with the federal government, the Department of Social and Health Services and Regional Support Networks are required to comply with additional requirements related to the management, delivery, and expenditure of federal funds on community mental health services.

Summary of Engrossed Second Substitute Bill:

The procurement process to establish regional support networks will include a request for qualification process that existing regional support networks may response to. If an existing RSN meets all applicable requirements they will award the contract by the Department of Social and Health Services (Department). If an existing RSN does not respond to the request for qualification, or is unable to comply with its requirements, the Department will utilize a request for proposal process to establish new regional support networks. Contracts between the Department and a regional support network will include provisions for monitoring performance and remedies for failure to comply with the provisions of the contract. The definition of a Regional Support Network is broadened to include counties or other entities. Community mental health services will include the concepts of recovery, resilience, and

evidence-based practices. The Department of Social and Health Services will be responsible to assure the availability of an adequate amount of community-based residential services. If a tribal authority requests to be a party to a private entity serving as a RSN, the Department will determine the role and responsibilities of the RSN and the tribe.

County operated mental health programs may be licensed as service providers, even if they aren't designated as a RSN. The maximum reserve fund balance must be consistent with the amount required by federal regulation or waiver stipulation. The procurement process used to establish RSNs will preserve infrastructure and maximum funds for services. Local advisory boards must include consumers, their families, county elected officials, and law enforcement. Regional support networks will work to ensure persons with a mental illness are not shifted into state and local correctional facilities. They will also work with the Department to expedite the enrollment or re-enrollment of eligible persons leaving state or local correctional facilities and institutions for mental diseases. The Joint Legislative and Executive Task Force on Mental Health is extended to June 30, 2007, and given oversight responsibilities for the reorganization of the community mental health system.

The Department will utilize medical or psychiatric determinations made during a person's confinement when determining if the person is disabled or eligible. A definition of "likely to be eligible" is included. Regional support networks are required to develop interlocal agreements to facilitate the timely determination a person's eligibility for assistance.

There will be no fewer than eight or more than 14 RSNs.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed, except for section 4 which takes effect immediately.

Testimony For: (Health Care) The focus of community mental health needs to be on the client and their support system. The concepts of resilience, recovery, and evidence-based practice need to be included in the delivery of mental health services. Existing Regional Support Networks operate as almost autonomous local delivery systems, with very little uniformity across the state. Additional financial and record keeping requirements of the federal government require us to change the organization and structure of the community mental health system to increase accountability and uniformity.

Testimony For: (Appropriations) This statute has not changed significantly in fifteen years, but significant outside changes have impacted the community mental health system, including recent federal changes. The federal government now expects greater standardization. We like the emphasis on recovery and on consumer and family involvement. The mental health task force should continue to guide system improvements. Entities other than counties should be allowed to provide mental health services. The state needs a framework of standards and improved consistency across RSNs. This bill provides opportunity for innovation, yet retains continuity in the system. No new state-only funds have been added to the community mental

health system in ten years. The loss of $82 million in federal funds will mean a loss of $1 out of every $9 in the system and will be devastating to both clients and the service delivery system. We support the language to suspend, rather than terminate, a client's Medicaid eligibility while incarcerated and feel that this measure could have cost savings to the state.

(With concerns) We oppose the entry of for-profit entities into this field. Strong public accountability is needed.

Testimony Against: (Health Care) This is not the time to reorganize the community mental health system. The system is not broken, it just needs to be tweaked. The biggest problem facing the system is the loss of federal funds used to serve the non-Medicaid population.

Testimony Against: (Appropriations) We should wait and let the mental health task force address these issues. Small RSNs can handle their oversight responsibilities; for instance, some of the smaller RSNs are working with a consultant to handle new federal compliance duties. Counties are uniquely situated to provide mental health services because of their relationships with the courts, human services departments, etc. This doesn't include a sufficient framework for the procurement process

Persons Testifying: (Health Care) (In support) Secretary Braddock, and Karl Brimner, Department of Social and Health Services; Frank Jose, National Alliance for the Mentally Ill of Washington; Wayne Clare, National Alliance for the Mentally IllThurston/Mason Counties; Rick Weaver, Washington Community Mental Health Council; and Eleanor Owen, Older Women's League.

(Opposed) Fran Lewis, and Gary Rose, RSN Administrators; and Mike Shelton, Washington State Association of Counties.

Persons Testifying: (Appropriations) (In support) Dennis Braddock, Secretary of the Department of Social and Health Services; Ann Christian, Washington Community Mental Health Council; Representative Cody, prime sponsor; and Eleanor Owen, NAMI of Washington.

(With concerns) Barbara Flye, SEIU 1199 NW; and Jerry Reilly, Long Term Care Ombudsman Program.

(Opposed) Melanie Stewart, Timberland RSNs; and Jean Wessman, Washington State Association of Counties.

Persons Signed In To Testify But Not Testifying: (Health Care) (In support) Michael Haan, Mind Freedom; and Laura Groshong, Washington State Society for Clinical Social Work and Washington State Coalition of Mental Health Professionals and Consumers.

Persons Signed In To Testify But Not Testifying: (Appropriations) None.