

# HOUSE BILL REPORT

## E2SSB 5763

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**As Passed House**  
April 21, 2005

**Title:** An act relating to the omnibus treatment of mental and substance abuse disorders act of 2005.

**Brief Description:** Creating the omnibus treatment of mental and substance abuse disorders act of 2005.

**Sponsors:** By Senate Committee on Ways & Means (originally sponsored by Senators Hargrove, Stevens, Regala, Brandland, Thibaudeau, Carrell, Brown, Keiser, Fairley, McAuliffe, Rasmussen, Kline, Kohl-Welles and Franklin).

**Brief History:**

**Committee Activity:**

Health Care: 3/21/05, 3/29/05 [DPA];  
Appropriations: 4/2/05 [DPA(HC/APP)s].

**Floor Activity:**

Passed House - Amended: 4/14/05, 73-22.  
Senate Refused to Concur.  
Conference Committee Report Adopted.  
Passed House: 4/21/05, 67-31.

**Brief Summary of Engrossed Second Substitute Bill**  
**(As Amended by House)**

- Establishes two pilot projects to operate a unified involuntary treatment act for persons with mental illness, chemical dependency, or both, combined with a secure detoxification facility.
- Establishes a pilot project to evaluate a chemical dependency intensive case management project.
- Requires additional chemical dependency treatment services.
- Requires chemical dependency resources in every office of the Division of Children and Family Services.
- Establishes a new "enhanced resources facility" designed to address complex cases that cannot be addressed in existing licensed facilities.

- Requires Regional Support Networks to provide any child with a mental health evaluation.
- Provides null and void clauses for all items requiring an appropriation.

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## HOUSE COMMITTEE ON HEALTH CARE

**Majority Report:** Do pass as amended. Signed by 10 members: Representatives Cody, Chair; Campbell, Vice Chair; Morrell, Vice Chair; Appleton, Clibborn, Green, Hinkle, Lantz, Moeller and Schual-Berke.

**Minority Report:** Do not pass. Signed by 3 members: Representatives Bailey, Ranking Minority Member; Curtis, Assistant Ranking Minority Member; and Alexander.

**Staff:** Dave Knutson (786-7146).

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## HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** Do pass as amended by Committee on Health Care as such amendment is amended by Committee on Appropriations. Signed by 21 members: Representatives Sommers, Chair; Fromhold, Vice Chair; Buri, Cody, Conway, Darneille, Dunshee, Grant, Haigh, Hinkle, Hunter, Kagi, Kenney, Kessler, Linville, McDermott, McIntire, Miloscia, Priest, Schual-Berke and Walsh.

**Minority Report:** Do not pass. Signed by 7 members: Representatives Alexander, Ranking Minority Member; Anderson, Assistant Ranking Minority Member; McDonald, Assistant Ranking Minority Member; Bailey, Clements, Pearson and Talcott.

**Staff:** Dave Knutson (786-7146).

### **Background:**

Under current law, Washington has separate Involuntary Treatment Acts (ITAs) for persons who are gravely disabled or a danger to self or others as a result of chemical dependency or mental illness. The ITA for mental health is an entitlement; courts and prosecutors must act to civilly commit persons who meet ITA criteria. The ITA for chemical dependency is permissive.

The Joint Legislative and Executive Task Force on Mental Health Services and Funding (Task Force) was established by the Legislature in 2004 to review residential and inpatient mental health treatment capacity, the impact of federal changes in Medicaid funding, and related system organization and financing issues. The Task Force considered these issues for both children and adults, and both the civil mental health system, and the interaction with the criminal justice system with regards to mentally ill persons held in jails and delays in the competency examination and restoration process.

The Task Force reviewed reports and recommendations by the Cross-System Crisis Response Initiative (Initiative), the Department of Social and Health Services (Department), and the Public Consulting Group Inpatient and Residential Capacity Report, prepared in compliance with SB 6358.

The Task Force recommended that: (1) funds lost due to the changes in interpretation of Medicaid law be replaced by state funds, to the maximum extent possible, with conditions to be imposed by the Legislature; and (2) additional funds, to the extent available, be directed to (a) the shortage of inpatient and residential capacity; (b) retaining existing community beds; and (c) meeting forensic evaluation and bed needs.

The Task Force made the following policy recommendations:

- (1) the Department should not close state hospital beds until additional residential capacity is added in the community;
- (2) the Department should suspend, rather than terminate Medicaid eligibility for confined persons and expedite Medicaid eligibility determinations for persons being released from jails, prisons, and the hospitals;
- (3) the Legislature should give greater direction in the use of non-Medicaid funds;
- (4) the Legislature should authorize the statewide use of mental health courts;
- (5) the Department and the Regional Support Networks (RSNs) should develop contingency plans for the potential loss of some or all of the state-only funds in the 2005-07 biennium;
- (6) the Legislature should require the use of evidence-based practice and promote recovery from mental illnesses; and
- (7) the Legislature should extend the Task Force into the 2005-07 biennium.

The Initiative resulted from work that began in 2003 with a broad task force co-convened by the Department and the counties with the purpose of making meaningful changes to the way that service systems respond to adults in mental health and chemical dependency crisis. The Initiative made the following findings:

- (1) there is no single, effective crisis response system;
- (2) every field responding to crisis is experiencing difficulty;
- (3) the ITA has become an over-burdened default response which affects jails and hospitals;
- (4) people in crisis are not adequately being served; and
- (5) crisis response services are, themselves, in crisis.

Based on these findings, the Initiative made the following recommendations which were adopted by the Department and the counties in the Initiative:

- (1) revise the ITA to create a combined crisis response for all identified populations that is available 24 hours per day, 7 days per week;
- (2) establish safe, secure detoxification capacity;
- (3) implement intensive case management for persons with chemical dependency;
- (4) create hospital diversion beds for adults with medical and behavioral issues, persons with developmental disabilities, and provide in-home stabilization;

- (5) develop cross-system crisis plans for persons under court ordered treatment and Department of Corrections (DOC) supervision and other persons at risk; and
- (6) provide training and consultation related to managing behavior, assessment, and regulations, including consultation at the state hospitals for long-term care providers.

### **Summary of Amended Bill:**

The legislation is divided into nine parts that cover six major areas.

#### Part 1: General Provisions

The Department is required to report to appropriate committees of the Legislature by December 1, 2005 on the feasibility of accessing federal funds for optional clinic services, services to children under the early periodic screening, diagnosis and treatment program, the reasons for reducing state hospital capacity, and a cost analysis of treatment in state and community hospital treatment. The Department is prohibited from reducing hospital beds until a like amount is available in the community.

All persons providing mental health treatment are required to use an integrated comprehensive screening and assessment process for chemical dependency and mental disorders and record the number of individuals with co-occurring disorders beginning no later than January 1, 2007. Providers who fail to use the screening tool will be subject to contractual penalties.

Existing rights of involuntarily committed persons are consolidated, and exceptions to the confidentiality of mental health records are clarified.

#### Part 2: Involuntary Treatment Act (ITA) Pilot Projects

The Secretary of the Department (Secretary) will contract for two pilot projects to operate an integrated crisis response and involuntary treatment program for adults with a chemical dependency, a mental disorder, or both. Training, staff, and resources will be sufficient to provide 24-hour services, seven days a week, for both integrated services and secure detoxification services in the two pilot areas. The Washington Institute for Public Policy (Institute) will evaluate the two pilot programs and provide an interim report by December 1, 2007, and a final report by September 30, 2008. These two pilot ITA projects expire June 1, 2008.

The Secretary is also required to contract with counties to provide intensive case management for chemically dependent persons with histories of high utilization of crisis services at two sites separate from the two pilot ITA sites. These pilot programs will begin providing services by March 1, 2006 and end on June 30, 2008.

#### Part 3: Treatment Gap

The Department must expand chemical dependency treatment for Medicaid eligible persons with incomes under 200 percent of poverty to 40 percent of the identified need by 2006, and to 60 percent of the identified need by 2007. The identified need was calculated in 2003 by the Washington State Needs Assessment Study. The Department must also contract for chemical dependency services at every office of the Division of Children and Family Services (Division).

The Department must develop and expand comprehensive treatment programs for pregnant and parenting mothers, within funds appropriated for this purpose.

#### Part 4: Resources

A new category of residential facility known as an enhanced services facility (ESF) is created. The facility will serve individuals who are not appropriate for existing facilities and has a mental disorder, chemical dependency disorder, or both, has an organic or traumatic brain disorder, or a cognitive impairment requiring supervision and facility services, and has other qualifying behaviors or complex needs. The Department may contract for ESF services only to the extent that funds are specifically provided for that purpose.

#### Part 5: Drug and Mental Health Courts

- (1) The authority of counties to establish mental health courts and drug courts is clarified. Counties may combine both courts into a single "therapeutic court."
- (2) The Department must reduce waiting times for competency evaluation and restoration to the maximum extent possible using funds appropriated for this purpose, and report to the Legislature by January 1, 2006, on alternatives to reduce waiting times and address increases in forensic population.
- (3) The Joint Legislative Audit and Review Committee (JLARC) must study whether facilities exist that would be appropriate and cost-effective to convert and use as regional jails for confined persons with mental disorders, and report their findings to the Legislature by December 15, 2005.

#### Part 6: Best Practices and Collaboration

Requirements are established in three broad areas and requires some new services for children.

*Area one.* The Department must adopt a comprehensive, integrated screening and assessment process for mental illness and chemical dependency by January 1, 2006 with implementation to be completed systemwide not later than January 1, 2007. The Department must establish penalties for failure to implement this process beginning July 2007. The DOC is also required to use this screening tool for individuals under its jurisdiction.

*Area two.* The Department must develop a matrix or set of matrices of services for adults and children based on maximizing:

- (1) evidence-based, research-based, and consensus-based practices;
- (2) principles of recovery, independence, and employment;
- (3) collaboration with consumer-based programs; and
- (4) individual participation in treatment decisions to the maximum extent possible, including providing information and technical assistance for the preparation of mental health advance directives.

The Department must work with the University of Washington and consult with stakeholders in developing the matrix, which should build on existing work done by the Department. The Department must require use of the matrix or set of matrices by contract and provide penalties for failure.

Beginning in 2007, vendor rate increases for mental health and chemical dependency providers will be prioritized to those providers who maximize the use of evidence-based and research-based practices, unless the Legislature provides otherwise.

*Area three.* The Department is required to collaborate with service providers to arrange services for children who need mental health treatment but who are not eligible for Medicaid or RSN services.

#### Part 7: Technical

This section includes contingent repealers, and those sections that correct cross-references to repealed sections.

#### Part 8: Fiscal and Miscellaneous Provisions

The individual sections of the bill that require pilot projects, new state chemical dependency treatment, chemical dependency services for child welfare offices, studies by JLARC and the Institute, and integrated mental health/chemical dependency assessments are null and void if specific funding is not provided for them individually, referencing them by section number, by June 20, 2005. A local option sales and use tax of 1/10 of 1 percent is authorized to provide new or expanded mental health or mental health services.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date of Amended Bill:** The bill takes effect on July 1, 2005, except for section 503, relating to the establishment of a therapeutic court for dependency proceedings, which goes into effect on July 1, 2006.

**Testimony For:** (Health Care) (In support) A major investment in additional treatment for people with a mental illness or a chemical dependency will reduce expenditures in public health and safety, and local criminal justice programs. Many people with a chemical dependency problem cannot access treatment services because public funding is so limited. The local option tax will bring in needed resources to help people address their mental illness or chemical dependency.

(With concerns) The language related to involuntarily medicating persons is unconstitutional and should be changed. The involuntary medication panel should be completely independent, and should have subordinate staff serving on them. The language contained in E2SHB 1290 related to the suspension of Medicaid eligibility when a person is incarcerated, is preferable to the language in the Senate bill and should be substituted. The local option tax may result in some counties providing additional services and other counties refusing to do so. This will result in unequal services available across the state.

**Testimony For:** (Appropriations) Additional services for people with a mental illness or chemical dependency should help to improve outcomes for children at risk of placement in out of home care. The existing language related to the involuntary medication of psychiatric patients will drive additional costs for facilities that serve people with a mental illness. The

local option tax will help to fund needed treatment services for people with a mental illness or a chemical dependency and should be enacted.

**Testimony Against:** (Health Care) The mental health system provides too much emphasis on medication to control people with a mental illness.

**Testimony Against:** (Appropriations) None.

**Persons Testifying:** (Health Care) (In support) Senator Hargrove, prime sponsor; Jackie Der, Harborview Medical Center; Rick Lichtenstadter, Washington Defender's Association and Washington Association of Criminal Defense Lawyers; Rick Weaver, Washington Community Mental Health Council; William Waters, Washington State Clubhouse Council; Laura Groshong, Washington State Society for Clinical Social Work and Washington State Coalition of Mental Health Professionals and Consumers; Lenora Warden, Rose House; Victoria Roberts, Department of Corrections; Carlene Cloud, National Alliance for the Mentally Ill; Beth Dannhardt, Triumph Treatment Services; Pat Knox, Recovery Centers of King County; Seth Dawson, Washington State Psychiatric Association, National Alliance for the Mentally Ill of Washington, Seattle Mental Health, and Compass Health; Dave Stewart, Washington State Regional Support Networks; David Lord, Washington Protection and Advocacy System; Jean Wessman, Washington State Association of Counties; Laurie Lippold, Children's Home Society; Michael Watte; and Eleanor Owen and Kathleen Carter, National Alliance for the Mentally Ill of Washington.

(With concerns) Tim Brown, Department of Social and Health Services; Tom McBride, Association of Washington Business; and Linda Grant, Washington Association of Alcoholism and Addiction Programs.

(Opposed) Richard Warner, Citizens Commission on Human Rights.

**Persons Testifying:** (Appropriations) (In support) Laurie Lippold, Children's Home Society; Seth Dawson, National Alliance of the Mentally Ill of Washington; Jean Wessman, Washington State Association of Counties; Jackie Derr, Harborview Medical Center; and Tom McBride, Association of Washington Business.

**Persons Signed In To Testify But Not Testifying:** (Health Care) None.

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