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**State Government & Tribal Affairs  
Committee**

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**HB 1029**

**Brief Description:** Restructuring the department of social and health services.

**Sponsors:** Representatives Armstrong, Hurst, Haigh, Shea, Crouse, Johnson, Miloscia, Kretz, Eddy, Haler, Fagan, Klippert, Alexander, Asay, Condotta, Pearson, Bailey, Taylor, Finn, Angel, Warnick, Rodne, Walsh, Nealey, McCune, Short, Smith, Ross, Parker, Hope, Schmick, Kristiansen, Blake, Dammeier, Takko, Chandler, Kelley, Hunt and Moeller.

**Brief Summary of Bill**

- Renames and restructures the Department of Social and Health Services.

**Hearing Date:** 1/17/11

**Staff:** Marsha Reilly (786-7135).

**Background:**

The Department of Social and Health Services (DSHS) was established in 1970. It was created by merging the former Department of Health, Department of Public Assistance, Department of Institutions, the Veterans' Rehabilitation Council, and the Division of Vocational Rehabilitation of the Coordinating Council on Occupational Education. According to the legislative intent, the DSHS was designed to "integrate and coordinate all those activities involving provision of care for individuals who, as a result of their economic, social, or health condition, require financial assistance, institutional care, rehabilitation, or other social and health services."

Programs and administrations within the DSHS include: aging and disability; alcohol and substance abuse; child support; children's services; deaf and hard of hearing; health care assistance; juvenile rehabilitation; mental health; research and data analysis; residential habilitation centers; special commitment center; state hospitals; and vocational rehabilitation.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

**Summary of Bill:**

The stated findings of the Legislature are that the DSHS has grown significantly and is so large that it is difficult to administer; does not have the appropriate focus on critical functions; does not effectively deliver services and programs; and is difficult to measure the performance of the agency.

The DSHS is renamed the Social and Health Care Authority (Authority) and three new departments, including Mental Health and Chemical Dependency Services, Long-term Care and Rehabilitative Services, and Children and Family Services, are created. The Authority has the following responsibilities:

- economic services activities consisting of eligibility determinations for assistance programs; coordination of child support recovery and enforcement activities; management of federal and state food assistance programs; administration of federal and state cash assistance programs for needy families and individuals; and administration of payment programs that provide child care services;
- state health care purchasing functions, including administration of medical assistance, medical care services, and children's health programs, the basic health plan, and health benefit programs for public employees; coordination of the purchase of health care services; the establishment of common billing, purchasing, and auditing practices; and
- systems oversight functions, including oversight for the newly created departments.

Effective July 1, 2011, the Governor shall appoint representatives from the Office of Financial Management, the divisions of the DSHS, and other representatives as warranted, to a realignment team that will direct the details of the restructuring. The realignment team shall determine which functions of the DSHS are transferred to the new departments. By December 1, 2011, the team must submit a plan and the necessary implementing legislation to the Legislature. The plan must include:

- strategies for dividing the functions and responsibilities of the DSHS into the new departments;
- recommendations for changes in existing programs and functions of the DSHS; and
- implementation steps necessary for operation of the new agencies.

The plan must be designed to ensure that the Department of Children and Family Services is operating by July 1, 2012, and the departments of Mental Health and Chemical Dependency Services and Long-term Care and Rehabilitative services are operating by July 1, 2013.

**Appropriation:** None.

**Fiscal Note:** Requested.

**Effective Date:** The bill contains multiple effective dates.