

ESHB 1519 - S COMM AMD
By Committee on Ways & Means

ADOPTED 04/17/2013

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The definitions in this section apply
4 throughout this chapter unless the context clearly requires otherwise.

5 (1) "Authority" means the health care authority.

6 (2) "Department" means the department of social and health
7 services.

8 (3) "Emerging best practice" or "promising practice" means a
9 program or practice that, based on statistical analyses or a well-
10 established theory of change, shows potential for meeting the evidence-
11 based or research-based criteria, which may include the use of a
12 program that is evidence-based for outcomes other than those listed in
13 this section.

14 (4) "Evidence-based" means a program or practice that has been
15 tested in heterogeneous or intended populations with multiple
16 randomized, or statistically controlled evaluations, or both; or one
17 large multiple site randomized, or statistically controlled evaluation,
18 or both, where the weight of the evidence from a systemic review
19 demonstrates sustained improvements in at least one outcome.
20 "Evidence-based" also means a program or practice that can be
21 implemented with a set of procedures to allow successful replication in
22 Washington and, when possible, is determined to be cost-beneficial.

23 (5) "Research-based" means a program or practice that has been
24 tested with a single randomized, or statistically controlled
25 evaluation, or both, demonstrating sustained desirable outcomes; or
26 where the weight of the evidence from a systemic review supports
27 sustained outcomes as described in this subsection but does not meet
28 the full criteria for evidence-based.

29 (6) "Service coordination organization" or "service contracting
30 entity" means the authority and department, or an entity that may

1 contract with the state to provide, directly or through subcontracts,
2 a comprehensive delivery system of medical, behavioral, long-term care,
3 or social support services, including entities such as regional support
4 networks as defined in RCW 71.24.025, managed care organizations that
5 provide medical services to clients under chapter 74.09 RCW, counties
6 providing chemical dependency services under chapters 74.50 and 70.96A
7 RCW, and area agencies on aging providing case management services
8 under chapter 74.39A RCW.

9 NEW SECTION. **Sec. 2.** (1) The authority and the department shall
10 base contract performance measures developed under section 3 of this
11 act on the following outcomes when contracting with service contracting
12 entities: Improvements in client health status and wellness; increases
13 in client participation in meaningful activities; reductions in client
14 involvement with criminal justice systems; reductions in avoidable
15 costs in hospitals, emergency rooms, crisis services, and jails and
16 prisons; increases in stable housing in the community; improvements in
17 client satisfaction with quality of life; and reductions in population-
18 level health disparities.

19 (2) The performance measures must demonstrate the manner in which
20 the following principles are achieved within each of the outcomes under
21 subsection (1) of this section:

22 (a) Maximization of the use of evidence-based practices will be
23 given priority over the use of research-based and promising practices,
24 and research-based practices will be given priority over the use of
25 promising practices. The agencies will develop strategies to identify
26 programs that are effective with ethnically diverse clients and to
27 consult with tribal governments, experts within ethnically diverse
28 communities and community organizations that serve diverse communities;

29 (b) The maximization of the client's independence, recovery, and
30 employment;

31 (c) The maximization of the client's participation in treatment
32 decisions; and

33 (d) The collaboration between consumer-based support programs in
34 providing services to the client.

35 (3) In developing performance measures under section 3 of this act,
36 the authority and the department shall consider expected outcomes
37 relevant to the general populations that each agency serves. The

1 authority and the department may adapt the outcomes to account for the
2 unique needs and characteristics of discrete subcategories of
3 populations receiving services, including ethnically diverse
4 communities.

5 (4) The authority and the department shall coordinate the
6 establishment of the expected outcomes and the performance measures
7 between each agency as well as each program to identify expected
8 outcomes and performance measures that are common to the clients
9 enrolled in multiple programs and to eliminate conflicting standards
10 among the agencies and programs.

11 (5) The authority and the department shall establish timelines and
12 mechanisms for service contracting entities to report data related to
13 performance measures and outcomes, including phased implementation of
14 public reporting of outcome and performance measures in a form that
15 allows for comparison of performance measures and levels of improvement
16 between geographic regions of Washington.

17 NEW SECTION. **Sec. 3.** By September 1, 2014:

18 (1) The authority shall adopt performance measures to determine
19 whether service contracting entities are achieving the outcomes
20 described in section 2 of this act for clients enrolled in medical
21 managed care programs operated according to Title XIX or XXI of the
22 federal social security act.

23 (2) The department shall adopt performance measures to determine
24 whether service contracting entities are achieving the outcomes
25 described in section 2 of this act for clients receiving mental health,
26 long-term care, or chemical dependency services.

27 NEW SECTION. **Sec. 4.** By July 1, 2015, the authority and the
28 department shall require that contracts with service coordination
29 organizations include provisions requiring the adoption of the outcomes
30 and performance measures developed under this chapter and mechanisms
31 for reporting data to support each of the outcomes and performance
32 measures.

33 NEW SECTION. **Sec. 5.** (1) By December 1, 2014, the department and
34 the authority shall report jointly to the legislature on the expected
35 outcomes and the performance measures. The report must identify the

1 performance measures and the expected outcomes established for each
2 program, the relationship between the performance measures and expected
3 improvements in client outcomes, mechanisms for reporting outcomes and
4 measuring performance, and options for applying the performance
5 measures and expected outcomes development process to other health and
6 social service programs.

7 (2) By December 1, 2016, the department and the authority shall
8 report to the legislature on the incorporation of the performance
9 measures into contracts with service coordination organizations and
10 progress toward achieving the identified outcomes.

11 NEW SECTION. **Sec. 6.** The outcomes and performance measures
12 established pursuant to this chapter do not establish a standard of
13 care in any civil action brought by a recipient of services. The
14 failure of a service coordination organization to meet the outcomes and
15 performance measures established pursuant to this chapter does not
16 create civil liability on the part of the service coordination
17 organization in a claim brought by a recipient of services.

18 NEW SECTION. **Sec. 7.** A new section is added to chapter 74.09 RCW
19 to read as follows:

20 The authority shall incorporate the expected outcomes and criteria
21 to measure the performance of service coordination organizations as
22 provided in chapter 70.-- RCW (the new chapter created in section 11 of
23 this act) into contracts with managed care organizations that provide
24 services to clients under this chapter.

25 **Sec. 8.** RCW 70.96A.320 and 1990 c 151 s 9 are each amended to read
26 as follows:

27 (1) A county legislative authority, or two or more counties acting
28 jointly, may establish an alcoholism and other drug addiction program.
29 If two or more counties jointly establish the program, they shall
30 designate one county to provide administrative and financial services.

31 (2) To be eligible for funds from the department for the support of
32 the county alcoholism and other drug addiction program, the county
33 legislative authority shall establish a county alcoholism and other
34 drug addiction board under RCW 70.96A.300 and appoint a county

1 alcoholism and other drug addiction program coordinator under RCW
2 70.96A.310.

3 (3) The county legislative authority may apply to the department
4 for financial support for the county program of alcoholism and other
5 drug addiction. To receive financial support, the county legislative
6 authority shall submit a plan that meets the following conditions:

7 (a) It shall describe the services and activities to be provided;

8 (b) It shall include anticipated expenditures and revenues;

9 (c) It shall be prepared by the county alcoholism and other drug
10 addiction program board and be adopted by the county legislative
11 authority;

12 (d) It shall reflect maximum effective use of existing services and
13 programs; and

14 (e) It shall meet other conditions that the secretary may require.

15 (4) The county may accept and spend gifts, grants, and fees, from
16 public and private sources, to implement its program of alcoholism and
17 other drug addiction.

18 (5) The department shall require that any agreement to provide
19 financial support to a county that performs the activities of a service
20 coordination organization for alcoholism and other drug addiction
21 services must incorporate the expected outcomes and criteria to measure
22 the performance of service coordination organizations as provided in
23 chapter 70.-- RCW (the new chapter created in section 11 of this act).

24 (6) The county may subcontract for detoxification, residential
25 treatment, or outpatient treatment with treatment programs that are
26 approved treatment programs. The county may subcontract for other
27 services with individuals or organizations approved by the department.

28 ((+6)) (7) To continue to be eligible for financial support from
29 the department for the county alcoholism and other drug addiction
30 program, an increase in state financial support shall not be used to
31 supplant local funds from a source that was used to support the county
32 alcoholism and other drug addiction program before the effective date
33 of the increase.

34 **Sec. 9.** RCW 71.24.330 and 2008 c 261 s 6 are each amended to read
35 as follows:

36 (1)(a) Contracts between a regional support network and the
37 department shall include mechanisms for monitoring performance under

1 the contract and remedies for failure to substantially comply with the
2 requirements of the contract including, but not limited to, financial
3 penalties, termination of the contract, and reprourement of the
4 contract.

5 (b) The department shall incorporate the criteria to measure the
6 performance of service coordination organizations into contracts with
7 regional support networks as provided in chapter 70.-- RCW (the new
8 chapter created in section 11 of this act).

9 (2) The regional support network procurement processes shall
10 encourage the preservation of infrastructure previously purchased by
11 the community mental health service delivery system, the maintenance of
12 linkages between other services and delivery systems, and maximization
13 of the use of available funds for services versus profits. However, a
14 regional support network selected through the procurement process is
15 not required to contract for services with any county-owned or operated
16 facility. The regional support network procurement process shall
17 provide that public funds appropriated by the legislature shall not be
18 used to promote or deter, encourage, or discourage employees from
19 exercising their rights under Title 29, chapter 7, subchapter II,
20 United States Code or chapter 41.56 RCW.

21 (3) In addition to the requirements of RCW 71.24.035, contracts
22 shall:

23 (a) Define administrative costs and ensure that the regional
24 support network does not exceed an administrative cost of ten percent
25 of available funds;

26 (b) Require effective collaboration with law enforcement, criminal
27 justice agencies, and the chemical dependency treatment system;

28 (c) Require substantial implementation of department adopted
29 integrated screening and assessment process and matrix of best
30 practices;

31 (d) Maintain the decision-making independence of designated mental
32 health professionals;

33 (e) Except at the discretion of the secretary or as specified in
34 the biennial budget, require regional support networks to pay the state
35 for the costs associated with individuals who are being served on the
36 grounds of the state hospitals and who are not receiving long-term
37 inpatient care as defined in RCW 71.24.025;

38 (f) Include a negotiated alternative dispute resolution clause; and

1 (g) Include a provision requiring either party to provide one
2 hundred eighty days' notice of any issue that may cause either party to
3 voluntarily terminate, refuse to renew, or refuse to sign a mandatory
4 amendment to the contract to act as a regional support network. If
5 either party decides to voluntarily terminate, refuse to renew, or
6 refuse to sign a mandatory amendment to the contract to serve as a
7 regional support network they shall provide ninety days' advance notice
8 in writing to the other party.

9 **Sec. 10.** RCW 74.39A.090 and 2004 c 141 s 3 are each amended to
10 read as follows:

11 (1) The legislature intends that any staff reassigned by the
12 department as a result of shifting of the reauthorization
13 responsibilities by contract outlined in this section shall be
14 dedicated for discharge planning and assisting with discharge planning
15 and information on existing discharge planning cases. Discharge
16 planning, as directed in this section, is intended for residents and
17 patients identified for discharge to long-term care pursuant to RCW
18 70.41.320, 74.39A.040, and 74.42.058. The purpose of discharge
19 planning is to protect residents and patients from the financial
20 incentives inherent in keeping residents or patients in a more
21 expensive higher level of care and shall focus on care options that are
22 in the best interest of the patient or resident.

23 (2) The department shall contract with area agencies on aging:

24 (a) To provide case management services to consumers receiving home
25 and community services in their own home; and

26 (b) To reassess and reauthorize home and community services in home
27 or in other settings for consumers consistent with the intent of this
28 section:

29 (i) Who have been initially authorized by the department to receive
30 home and community services; and

31 (ii) Who, at the time of reassessment and reauthorization, are
32 receiving home and community services in their own home.

33 (3) In the event that an area agency on aging is unwilling to enter
34 into or satisfactorily fulfill a contract or an individual consumer's
35 need for case management services will be met through an alternative
36 delivery system, the department is authorized to:

37 (a) Obtain the services through competitive bid; and

1 (b) Provide the services directly until a qualified contractor can
2 be found.

3 (4)(a) The department shall include, in its oversight and
4 monitoring of area agency on aging performance, assessment of case
5 management roles undertaken by area agencies on aging in this section.
6 The scope of oversight and monitoring includes, but is not limited to,
7 assessing the degree and quality of the case management performed by
8 area agency on aging staff for elderly and (~~disabled~~) persons with
9 disabilities in the community.

10 (b) The department shall incorporate the expected outcomes and
11 criteria to measure the performance of service coordination
12 organizations into contracts with area agencies on aging as provided in
13 chapter 70.-- RCW (the new chapter created in section 11 of this act).

14 (5) Area agencies on aging shall assess the quality of the in-home
15 care services provided to consumers who are receiving services under
16 the medicaid personal care, community options programs entry system or
17 chore services program through an individual provider or home care
18 agency. Quality indicators may include, but are not limited to, home
19 care consumers satisfaction surveys, how quickly home care consumers
20 are linked with home care workers, and whether the plan of care under
21 RCW 74.39A.095 has been honored by the agency or the individual
22 provider.

23 (6) The department shall develop model language for the plan of
24 care established in RCW 74.39A.095. The plan of care shall be in clear
25 language, and written at a reading level that will ensure the ability
26 of consumers to understand the rights and responsibilities expressed in
27 the plan of care.

28 NEW SECTION. Sec. 11. Sections 1 through 6 of this act constitute
29 a new chapter in Title 70 RCW."

ADOPTED 04/17/2013

1 On page 1, line 2 of the title, after "organizations;" strike the
2 remainder of the title and insert "amending RCW 70.96A.320, 71.24.330,
3 and 74.39A.090; adding a new section to chapter 74.09 RCW; and adding
4 a new chapter to Title 70 RCW."

--- END ---