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## Health Care & Wellness Committee

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### HB 1519

**Brief Description:** Establishing accountability measures for service coordination organizations.

**Sponsors:** Representatives Cody, Green, Jinkins, Ryu and Pollet.

<p style="text-align: center;"><b>Brief Summary of Bill</b></p> <ul style="list-style-type: none"><li>• Requires the Health Care Authority and the Department of Social and Health Services to develop performance measures and outcomes to incorporate into their contracts with service coordination organizations.</li></ul>
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**Hearing Date:** 2/14/13

**Staff:** Chris Blake (786-7392).

**Background:**

The Health Care Authority and the Department of Social and Health Services (Department) purchase medical care services, mental health services, long-term care case management services, and substance abuse program services from several types of entities that coordinate with providers to deliver the services to clients.

- **Regional Support Networks:** The Department contracts with regional support networks to oversee the delivery of mental health services for adults and children who suffer from mental illness or severe emotional disturbance. The regional support networks contract with local providers to provide an array of mental health services, monitor the activities of local providers, and oversee the distribution of funds under the state managed care plan.
- **Area Agencies on Aging:** The federal government established area agencies on aging through the Older Americans Act in 1965. The state currently has 13 area agencies on aging that are approved by the Department to carry out programs and services for senior citizens.
- **Medicaid Managed Care Organizations:** Managed care is a prepaid, comprehensive system of medical and health care delivery, including preventive, primary, specialty, and

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ancillary health services. Healthy Options is the Medicaid managed care program for low-income people in Washington. Healthy Options offers eligible families, children under age 19, pregnant women, and certain blind or disabled individuals a complete medical benefits package.

- County Substance Abuse Programs: The Department contracts with counties to provide outpatient substance abuse treatment services, either directly or by subcontracting with certified providers.

**Summary of Bill:**

"Service coordination organizations" are defined as entities that arrange for a comprehensive system of medical, behavioral, or social support services. The term specifically includes regional support networks, managed care organizations that provide medical services to medical assistance clients, counties that provide chemical dependency services, and area agencies on aging that provide case management services.

By July 1, 2015, the Health Care Authority (Authority) and the Department of Social and Health Services (Department) must include outcomes and performance measures in their contracts with service coordination organizations. The outcomes include:

- improvements in client health status;
- increases in client participation in meaningful activities;
- reductions in client involvement with the criminal justice system;
- reductions in avoidable costs in hospitals, emergency rooms, crisis services, and jails and prisons;
- increases in stable housing;
- improvements in client satisfaction with quality of life; and
- reductions in population-level health disparities.

The performance measures must demonstrate how several principles are achieved within the outcomes. These principles relate to the maximization of evidence-based practices, research-based practices, and consensus-based practices; the maximization of client independence, recovery, and employment; the maximization of client participation in treatment decisions; and the collaboration between consumer-based support programs in providing services to the client.

The Authority and the Department must establish program-specific work groups of stakeholders to develop the expected outcomes and performance measures. The Authority and the Department may contract with the Washington State Institute for Public Policy and other clinical research evaluation organizations to provide advice, consultation services, and expertise to the work groups.

By December 1, 2014, the Authority and the Department must report to the Legislature about the expected outcomes and the performance measures. The report must identify each program's outcomes and performance measures, the relationship between the performance measures and the expected improvements in client outcomes, the mechanisms for reporting outcomes and measuring performance, and options for applying the performance measure and outcome process to other health and social service programs.

**Appropriation:** None.

**Fiscal Note:** Requested on February 6, 2013.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.