
SECOND SUBSTITUTE HOUSE BILL 2639

State of Washington

63rd Legislature

2014 Regular Session

By House Appropriations (originally sponsored by Representatives Moeller, Harris, Green, Cody, Morrell, Clibborn, Riccelli, Van De Wege, Bergquist, and Freeman; by request of Governor Inslee)

READ FIRST TIME 02/11/14.

1 AN ACT Relating to state purchasing of mental health and chemical
2 dependency treatment services; amending RCW 71.24.015, 71.24.016,
3 71.24.025, 71.24.035, 71.24.045, 71.24.100, 71.24.110, 71.24.340,
4 71.24.420, 70.96A.020, 70.96A.040, 70.96A.050, 70.96A.080, 70.96A.320,
5 71.24.049, 71.24.061, 71.24.155, 71.24.160, 71.24.250, 71.24.300,
6 71.24.310, 71.24.350, 71.24.370, 71.24.455, 71.24.470, 71.24.480,
7 71.24.845, 71.24.055, 71.24.065, 71.24.240, 71.24.320, 71.24.330,
8 71.24.360, 71.24.405, 71.24.430, 74.09.520, and 74.09.522; amending
9 2013 c 338 s 1 (uncodified); adding new sections to chapter 43.20A RCW;
10 adding new sections to chapter 71.24 RCW; providing an effective date;
11 and declaring an emergency.

12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

13 **Sec. 1.** 2013 c 338 s 1 (uncodified) is amended to read as follows:
14 (1)(a) Beginning (~~May~~) April 1, 2014, the legislature shall
15 convene a task force to examine reform of the adult behavioral health
16 system, with voting members as provided in this subsection.
17 (i) The president of the senate shall appoint (~~one~~) two members
18 from each of the two largest caucuses of the senate.

1 (ii) The speaker of the house of representatives shall appoint
2 (~~one~~) two members from each of the two largest caucuses in the house
3 of representatives.

4 (iii) The governor shall appoint five members consisting of the
5 secretary of the department of social and health services or the
6 secretary's designee, the director of the health care authority or the
7 director's designee, the director of the office of financial management
8 or the director's designee, the secretary of the department of
9 corrections or the secretary's designee, and a representative of the
10 governor.

11 (iv) The Washington state association of counties shall appoint
12 three members.

13 (v) The governor shall request participation by a representative of
14 tribal governments.

15 (b) The task force shall choose two cochairs from among its
16 legislative members.

17 (c) The task force shall adopt a bottom-up approach and welcome
18 input and participation from all stakeholders interested in the
19 improvement of the adult behavioral health system. To that end, the
20 task force must invite participation from, at a minimum, the following:
21 Behavioral health service recipients and their families; local
22 government; representatives of regional support networks;
23 representatives of county coordinators; law enforcement; city and
24 county jails; tribal representatives; behavioral health service
25 providers; housing providers; labor representatives; counties with
26 state hospitals; mental health advocates; chemical dependency
27 advocates; public defenders with involuntary mental health commitment
28 or mental health court experience; chemical dependency experts working
29 with drug courts; medicaid managed care plan and associated delivery
30 system representatives; long-term care service providers; the
31 Washington state hospital association; and individuals with expertise
32 in evidence-based and research-based behavioral health service
33 practices. Leadership of subcommittees formed by the task force may be
34 drawn from this body of invited participants.

35 (2) The task force shall undertake a systemwide review of the adult
36 behavioral health system and make recommendations for reform
37 concerning, but not limited to, the following:

1 (a) The means by which services are purchased and delivered for
2 adults with mental illness and chemical dependency disorders through
3 the department of social and health services and the health care
4 authority, including:

5 (i) Guidance for the creation of common procurement regions for
6 purchasing behavioral health services and medical care services by the
7 department and the authority, taking into consideration any proposal
8 submitted by the Washington state association of counties under section
9 2 of this act; or

10 (ii) Identification of key issues that must be addressed by the
11 health care authority and the department of social and health services
12 to achieve the full integration of medical and behavioral health
13 services by January 1, 2020;

14 (b) Availability of effective means to promote recovery and prevent
15 harm associated with mental illness and chemical dependency;

16 (c) Crisis services, including boarding of mental health patients
17 outside of regularly certified treatment beds;

18 (d) Best practices for cross-system collaboration between
19 behavioral health treatment providers, medical care providers, long-
20 term care service providers, entities providing health home services to
21 high-risk medicaid clients, law enforcement, and criminal justice
22 agencies; and

23 (e) Public safety practices involving persons with mental illness
24 and chemical dependency with forensic involvement.

25 (3) Staff support for the task force must be provided by the senate
26 committee services and the house of representatives office of program
27 research.

28 (4) Legislative members of the task force must be reimbursed for
29 travel expenses in accordance with RCW 44.04.120. Nonlegislative
30 members, except those representing an employer or organization, are
31 entitled to be reimbursed for travel expenses in accordance with RCW
32 43.03.050 and 43.03.060.

33 (5) The expenses of the task force must be paid jointly by the
34 senate and house of representatives. Task force expenditures are
35 subject to approval by the senate facilities and operations committee
36 and the house of representatives executive rules committee, or their
37 successor committees.

1 (6) The task force shall report its findings and recommendations to
2 the governor and the appropriate committees of the legislature by
3 January 1, 2015, except that recommendations under subsection (2)(a)(i)
4 of this section must be submitted to the governor by August 1, 2014,
5 and recommendations under subsection (2)(a)(ii) of this section must be
6 submitted to the governor by September 1, 2014.

7 (7) This section expires June 1, 2015.

8 NEW SECTION. Sec. 2. A new section is added to chapter 43.20A RCW
9 to read as follows:

10 (1) The department and the health care authority shall jointly
11 establish regional service areas by September 1, 2014, as provided in
12 this section.

13 (2) Counties, through the Washington state association of counties,
14 must be given the opportunity to propose the composition of no more
15 than nine regional service areas. Each service area must:

16 (a) Include a sufficient number of medicaid lives to support full
17 financial risk managed care contracting for services included in
18 contracts with the department or the health care authority;

19 (b) Include full counties that are contiguous with one another; and

20 (c) Reflect natural medical and behavioral health service referral
21 patterns and shared clinical, health care service, behavioral health
22 service, and behavioral health crisis response resources.

23 (3) The Washington state association of counties must submit their
24 recommendations to the department, the health care authority, and the
25 task force described in section 1 of this act on or before July 1,
26 2014.

27 NEW SECTION. Sec. 3. A new section is added to chapter 43.20A RCW
28 to read as follows:

29 (1) Any agreement or contract by the department or the health care
30 authority to provide behavioral health services as defined under RCW
31 71.24.025 to persons eligible for benefits under medicaid, Title XIX of
32 the social security act, and to persons not eligible for medicaid must
33 include the following:

34 (a) Contractual provisions consistent with the intent expressed in
35 RCW 71.24.015, 71.36.005, 70.96A.010, and 70.96A.011;

1 (b) Standards regarding the quality of services to be provided,
2 including increased use of evidence-based, research-based, and
3 promising practices, as defined in RCW 71.24.025;

4 (c) Accountability for the client outcomes established in RCW
5 43.20A.895, 70.320.020, and 71.36.025 and performance measures linked
6 to those outcomes;

7 (d) Standards requiring behavioral health organizations to maintain
8 a network of appropriate providers that is supported by written
9 agreements sufficient to provide adequate access to all services
10 covered under the contract with the department or the health care
11 authority and to protect essential existing behavioral health system
12 infrastructure and capacity, including a continuum of chemical
13 dependency services;

14 (e) Provisions to require that behavioral health organizations must
15 contract either with managed care health plans under chapter 74.09 RCW
16 or primary care practice settings to provide access to integrated
17 chemical dependency professional services and mental health services in
18 primary care settings;

19 (f) Provisions to require that medically necessary chemical
20 dependency treatment services be available to clients;

21 (g) Standards requiring the use of behavioral health service
22 provider reimbursement methods that incentivize improved performance
23 with respect to the client outcomes established in RCW 43.20A.895 and
24 71.36.025, integration of behavioral health and primary care services
25 at the clinical level, and improved care coordination for individuals
26 with complex care needs;

27 (h) Standards related to the financial integrity of the responding
28 organization. The department shall adopt rules establishing the
29 solvency requirements and other financial integrity standards for
30 behavioral health organizations. This subsection does not limit the
31 authority of the department to take action under a contract upon
32 finding that a behavioral health organization's financial status
33 seriously jeopardizes the organization's ability to meet its
34 contractual obligations;

35 (i) Mechanisms for monitoring performance under the contract and
36 remedies for failure to substantially comply with the requirements of
37 the contract including, but not limited to, financial penalties,

1 termination of the contract, receivership, and reprocurement of the
2 contract;

3 (j) Provisions to maintain the decision-making independence of
4 designated mental health professionals or designated chemical
5 dependency specialists; and

6 (k) Provisions stating that public funds appropriated by the
7 legislature may not be used to promote or deter, encourage, or
8 discourage employees from exercising their rights under Title 29,
9 chapter 7, subchapter II, United States Code or chapter 41.56 RCW.

10 (2) The following factors must be given significant weight in any
11 purchasing process:

12 (a) Demonstrated commitment and experience in serving low-income
13 populations;

14 (b) Demonstrated commitment and experience serving persons who have
15 mental illness, chemical dependency, or co-occurring disorders;

16 (c) Demonstrated commitment to and experience with partnerships
17 with county and municipal criminal justice systems, housing services,
18 and other critical support services necessary to achieve the outcomes
19 established in RCW 43.20A.895, 70.320.020, and 71.36.025;

20 (d) Recognition that meeting enrollees' physical and behavioral
21 health care needs is a shared responsibility of contracted behavioral
22 health organizations, managed health care systems, service providers,
23 the state, and communities;

24 (e) Consideration of past and current performance and participation
25 in other state or federal behavioral health programs as a contractor;
26 and

27 (f) The ability to meet requirements established by the department.

28 (3) For purposes of purchasing behavioral health services and
29 medical care services for persons eligible for benefits under medicaid,
30 Title XIX of the social security act and for persons not eligible for
31 medicaid, the department and the health care authority must use common
32 regional service areas. The regional service areas must be established
33 by the department and the health care authority as provided in section
34 2 of this act.

35 (4) Consideration must be given to using multiple-year contracting
36 periods.

37 (5) Each behavioral health organization operating pursuant to a

1 contract issued under this section shall enroll clients within its
2 regional service area who meet the department's eligibility criteria
3 for mental health and chemical dependency services.

4 NEW SECTION. **Sec. 4.** A new section is added to chapter 71.24 RCW
5 to read as follows:

6 (1) The secretary shall purchase mental health and chemical
7 dependency treatment services primarily through managed care
8 contracting.

9 (2)(a) The secretary shall request a detailed plan from the
10 entities identified in (b) of this subsection that demonstrates they
11 have developed a sufficient network of providers to provide adequate
12 access to mental health and chemical dependency services for residents
13 of the regional service area that meet eligibility criteria for
14 services. Any responding entity that submits a detailed plan that
15 substantially demonstrates that it can provide adequate access to
16 mental health and chemical dependency services for residents of the
17 regional service area must be awarded the contract to serve as the
18 behavioral health organization.

19 (b)(i) For purposes of responding to the request for a detailed
20 plan under (a) of this subsection, all counties within a regional
21 service area that includes more than one county shall form a responding
22 entity through the adoption of an interlocal agreement. The interlocal
23 agreement must specify the terms by which the responding entity shall
24 serve as the behavioral health organization within the regional service
25 area.

26 (ii) In the event that a county has made a decision prior to
27 January 1, 2014, not to participate in a regional support network, any
28 private entity that had previously been certified for that county must
29 be offered the opportunity to serve as the single responding entity for
30 that county or group of counties.

31 (iii) In the event that a regional service area is comprised of
32 multiple counties including one that has made a decision prior to
33 January 1, 2014, not to participate in a regional support network the
34 counties shall adopt an interlocal agreement and respond to the request
35 for a detailed plan under (a) of this subsection and the private entity
36 may also respond to the request for a detailed plan. If both
37 responding entities substantially meet the requirements of the request

1 for qualifications, the responding entities shall follow the
2 department's procurement process established in subsection (2) of this
3 section.

4 (2) If a responding entity under subsection (1) of this section is
5 unable to substantially meet the requirements of the request for a
6 detailed plan or more than one responding entity substantially meet the
7 requirements for the request for a detailed plan, the department shall
8 use a procurement process in which other entities recognized by the
9 secretary may bid to serve as the behavioral health organization in
10 that regional service area.

11 (3) Contracts for behavioral health organizations must begin on
12 April 1, 2016.

13 **Sec. 5.** RCW 71.24.015 and 2005 c 503 s 1 are each amended to read
14 as follows:

15 It is the intent of the legislature to establish a community mental
16 health program which shall help people experiencing mental illness to
17 retain a respected and productive position in the community. This will
18 be accomplished through programs that focus on resilience and recovery,
19 and practices that are evidence-based, research-based, consensus-based,
20 or, where these do not exist, promising or emerging best practices,
21 which provide for:

22 (1) Access to mental health services for adults (~~(of the state who~~
23 ~~are acutely mentally ill, chronically mentally ill,)) with acute mental
24 illness, chronic mental illness, or who are seriously disturbed and
25 children (~~(of the state who are acutely mentally ill)) with acute
26 mental illness, or who are severely emotionally disturbed, or seriously
27 disturbed, which services recognize the special needs of underserved
28 populations, including minorities, children, the elderly, (~~(disabled))~~
29 individuals with disabilities, and low-income persons. Access to
30 mental health services shall not be limited by a person's history of
31 confinement in a state, federal, or local correctional facility. It is
32 also the purpose of this chapter to promote the early identification of
33 (~~(mentally ill))~~ children with mental illness and to ensure that they
34 receive the mental health care and treatment which is appropriate to
35 their developmental level. This care should improve home, school, and
36 community functioning, maintain children in a safe and nurturing home
37 environment, and should enable treatment decisions to be made in~~~~

1 response to clinical needs in accordance with sound professional
2 judgment while also recognizing parents' rights to participate in
3 treatment decisions for their children;

4 (2) The involvement of persons with mental illness, their family
5 members, and advocates in designing and implementing mental health
6 services that reduce unnecessary hospitalization and incarceration and
7 promote the recovery and employment of persons with mental illness. To
8 improve the quality of services available and promote the
9 rehabilitation, recovery, and reintegration of persons with mental
10 illness, consumer and advocate participation in mental health services
11 is an integral part of the community mental health system and shall be
12 supported;

13 (3) Accountability of efficient and effective services through
14 state-of-the-art outcome and performance measures and statewide
15 standards for monitoring client and system outcomes, performance, and
16 reporting of client and system outcome information. These processes
17 shall be designed so as to maximize the use of available resources for
18 direct care of people with a mental illness and to assure uniform data
19 collection across the state;

20 (4) Minimum service delivery standards;

21 (5) Priorities for the use of available resources for the care of
22 ~~((the mentally ill))~~ individuals with mental illness consistent with
23 the priorities defined in the statute;

24 (6) Coordination of services within the department, including those
25 divisions within the department that provide services to children,
26 between the department and the office of the superintendent of public
27 instruction, and among state mental hospitals, county authorities,
28 ~~((regional support networks))~~ behavioral health organizations,
29 community mental health services, and other support services, which
30 shall to the maximum extent feasible also include the families of ~~((the~~
31 ~~mentally ill))~~ individuals with mental illness, and other service
32 providers; and

33 (7) Coordination of services aimed at reducing duplication in
34 service delivery and promoting complementary services among all
35 entities that provide mental health services to adults and children.

36 It is the policy of the state to encourage the provision of a full
37 range of treatment and rehabilitation services in the state for mental
38 disorders including services operated by consumers and advocates. The

1 legislature intends to encourage the development of regional mental
2 health services with adequate local flexibility to assure eligible
3 people in need of care access to the least-restrictive treatment
4 alternative appropriate to their needs, and the availability of
5 treatment components to assure continuity of care. To this end,
6 counties (~~are encouraged to~~) must enter into joint operating
7 agreements with other counties to form regional systems of care that
8 are consistent with the regional service areas established under
9 section 2 of this act. Regional systems of care, whether operated by
10 a county, group of counties, or another entity shall integrate
11 planning, administration, and service delivery duties under chapters
12 71.05 and 71.24 RCW to consolidate administration, reduce
13 administrative layering, and reduce administrative costs. The
14 legislature hereby finds and declares that sound fiscal management
15 requires vigilance to ensure that funds appropriated by the legislature
16 for the provision of needed community mental health programs and
17 services are ultimately expended solely for the purpose for which they
18 were appropriated, and not for any other purpose.

19 It is further the intent of the legislature to integrate the
20 provision of services to provide continuity of care through all phases
21 of treatment. To this end, the legislature intends to promote active
22 engagement with (~~mentally ill~~) persons with mental illness and
23 collaboration between families and service providers.

24 **Sec. 6.** RCW 71.24.016 and 2006 c 333 s 102 are each amended to
25 read as follows:

26 (1) The legislature intends that eastern and western state
27 hospitals shall operate as clinical centers for handling the most
28 complicated long-term care needs of patients with a primary diagnosis
29 of mental disorder. It is further the intent of the legislature that
30 the community mental health service delivery system focus on
31 maintaining (~~mentally ill~~) individuals with mental illness in the
32 community. The program shall be evaluated and managed through a
33 limited number of outcome and performance measures (~~designed to hold~~
34 ~~each regional support network accountable for program success~~), as
35 provided in RCW 43.20A.895, 70.320.020, and 71.36.025.

36 (2) The legislature intends to address the needs of people with
37 mental disorders with a targeted, coordinated, and comprehensive set of

1 evidence-based practices that are effective in serving individuals in
2 their community and will reduce the need for placements in state mental
3 hospitals. The legislature further intends to explicitly hold
4 ~~((regional support networks))~~ behavioral health organizations
5 accountable for serving people with mental disorders within the
6 boundaries of their ~~((geographic boundaries))~~ regional service area and
7 for not exceeding their allocation of state hospital beds. ~~((Within~~
8 ~~funds appropriated by the legislature for this purpose, regional~~
9 ~~support networks shall develop the means to serve the needs of people~~
10 ~~with mental disorders within their geographic boundaries. Elements of~~
11 ~~the program may include:~~

- 12 ~~(a) Crisis triage;~~
- 13 ~~(b) Evaluation and treatment and community hospital beds;~~
- 14 ~~(c) Residential beds;~~
- 15 ~~(d) Programs for community treatment teams; and~~
- 16 ~~(e) Outpatient services.~~

17 ~~(3) The regional support network shall have the flexibility, within~~
18 ~~the funds appropriated by the legislature for this purpose, to design~~
19 ~~the mix of services that will be most effective within their service~~
20 ~~area of meeting the needs of people with mental disorders and avoiding~~
21 ~~placement of such individuals at the state mental hospital. Regional~~
22 ~~support networks are encouraged to maximize the use of evidence-based~~
23 ~~practices and alternative resources with the goal of substantially~~
24 ~~reducing and potentially eliminating the use of institutions for mental~~
25 ~~diseases.))~~

26 NEW SECTION. Sec. 7. A new section is added to chapter 71.24 RCW
27 to read as follows:

28 By January 1, 2020, the community behavioral health program must be
29 fully integrated in a managed care health system that provides mental
30 health services, chemical dependency services, and medical care
31 services to medicaid clients. Beginning December 1, 2014, the
32 department and the health care authority shall submit an annual report
33 to the governor and the legislature regarding progress toward full
34 integration and any policy, administrative, or fiscal impediments that
35 may prevent the realization of full integration by January 1, 2020.

1 NEW SECTION. **Sec. 8.** A new section is added to chapter 71.24 RCW
2 to read as follows:

3 (1) Within funds appropriated by the legislature for this purpose,
4 behavioral health organizations shall develop the means to serve the
5 needs of people with mental disorders within the boundaries of their
6 procurement region. Elements of the program may include:

- 7 (a) Crisis diversion services;
- 8 (b) Evaluation and treatment and community hospital beds;
- 9 (c) Residential treatment;
- 10 (d) Programs for community treatment teams;
- 11 (e) Outpatient services;
- 12 (f) Peer support services;
- 13 (g) Community support services;
- 14 (h) Resource management services; and
- 15 (i) Supported housing and supported employment services.

16 (2) The behavioral health organization shall have the flexibility,
17 within the funds appropriated by the legislature for this purpose and
18 the terms of their contract, to design the mix of services that will be
19 most effective within their service area of meeting the needs of people
20 with mental disorders and avoiding placement of such individuals at the
21 state mental hospital. Behavioral health organizations are encouraged
22 to maximize the use of evidence-based practices and alternative
23 resources with the goal of substantially reducing and potentially
24 eliminating the use of institutions for mental diseases.

25 **Sec. 9.** RCW 71.24.025 and 2013 c 338 s 5 are each amended to read
26 as follows:

27 Unless the context clearly requires otherwise, the definitions in
28 this section apply throughout this chapter.

29 (1) "Acutely mentally ill" means a condition which is limited to a
30 short-term severe crisis episode of:

31 (a) A mental disorder as defined in RCW 71.05.020 or, in the case
32 of a child, as defined in RCW 71.34.020;

33 (b) Being gravely disabled as defined in RCW 71.05.020 or, in the
34 case of a child, a gravely disabled minor as defined in RCW 71.34.020;
35 or

36 (c) Presenting a likelihood of serious harm as defined in RCW
37 71.05.020 or, in the case of a child, as defined in RCW 71.34.020.

1 (2) "Available resources" means funds appropriated for the purpose
2 of providing community mental health programs, federal funds, except
3 those provided according to Title XIX of the Social Security Act, and
4 state funds appropriated under this chapter or chapter 71.05 RCW by the
5 legislature during any biennium for the purpose of providing
6 residential services, resource management services, community support
7 services, and other mental health services. This does not include
8 funds appropriated for the purpose of operating and administering the
9 state psychiatric hospitals.

10 (3) "Child" means a person under the age of eighteen years.

11 (4) "Chronically mentally ill adult" or "adult who is chronically
12 mentally ill" means an adult who has a mental disorder and meets at
13 least one of the following criteria:

14 (a) Has undergone two or more episodes of hospital care for a
15 mental disorder within the preceding two years; or

16 (b) Has experienced a continuous psychiatric hospitalization or
17 residential treatment exceeding six months' duration within the
18 preceding year; or

19 (c) Has been unable to engage in any substantial gainful activity
20 by reason of any mental disorder which has lasted for a continuous
21 period of not less than twelve months. "Substantial gainful activity"
22 shall be defined by the department by rule consistent with Public Law
23 92-603, as amended.

24 (5) "Clubhouse" means a community-based program that provides
25 rehabilitation services and is certified by the department of social
26 and health services.

27 (6) "Community mental health program" means all mental health
28 services, activities, or programs using available resources.

29 (7) "Community mental health service delivery system" means public
30 or private agencies that provide services specifically to persons with
31 mental disorders as defined under RCW 71.05.020 and receive funding
32 from public sources.

33 (8) "Community support services" means services authorized,
34 planned, and coordinated through resource management services
35 including, at a minimum, assessment, diagnosis, emergency crisis
36 intervention available twenty-four hours, seven days a week,
37 prescreening determinations for persons who are mentally ill being
38 considered for placement in nursing homes as required by federal law,

1 screening for patients being considered for admission to residential
2 services, diagnosis and treatment for children who are acutely mentally
3 ill or severely emotionally disturbed discovered under screening
4 through the federal Title XIX early and periodic screening, diagnosis,
5 and treatment program, investigation, legal, and other nonresidential
6 services under chapter 71.05 RCW, case management services, psychiatric
7 treatment including medication supervision, counseling, psychotherapy,
8 assuring transfer of relevant patient information between service
9 providers, recovery services, and other services determined by
10 (~~regional support networks~~) behavioral health organizations.

11 (9) "Consensus-based" means a program or practice that has general
12 support among treatment providers and experts, based on experience or
13 professional literature, and may have anecdotal or case study support,
14 or that is agreed but not possible to perform studies with random
15 assignment and controlled groups.

16 (10) "County authority" means the board of county commissioners,
17 county council, or county executive having authority to establish a
18 community mental health program, or two or more of the county
19 authorities specified in this subsection which have entered into an
20 agreement to provide a community mental health program.

21 (11) "Department" means the department of social and health
22 services.

23 (12) "Designated mental health professional" means a mental health
24 professional designated by the county or other authority authorized in
25 rule to perform the duties specified in this chapter.

26 (13) "Emerging best practice" or "promising practice" means a
27 program or practice that, based on statistical analyses or a well
28 established theory of change, shows potential for meeting the evidence-
29 based or research-based criteria, which may include the use of a
30 program that is evidence-based for outcomes other than those listed in
31 subsection (14) of this section.

32 (14) "Evidence-based" means a program or practice that has been
33 tested in heterogeneous or intended populations with multiple
34 randomized, or statistically controlled evaluations, or both; or one
35 large multiple site randomized, or statistically controlled evaluation,
36 or both, where the weight of the evidence from a systemic review
37 demonstrates sustained improvements in at least one outcome.

1 "Evidence-based" also means a program or practice that can be
2 implemented with a set of procedures to allow successful replication in
3 Washington and, when possible, is determined to be cost-beneficial.

4 (15) "Licensed service provider" means an entity licensed according
5 to this chapter or chapter 71.05 RCW or an entity deemed to meet state
6 minimum standards as a result of accreditation by a recognized
7 behavioral health accrediting body recognized and having a current
8 agreement with the department, that meets state minimum standards or
9 persons licensed under chapter 18.57, 18.71, 18.83, or 18.79 RCW, as it
10 applies to registered nurses and advanced registered nurse
11 practitioners.

12 (16) "Long-term inpatient care" means inpatient services for
13 persons committed for, or voluntarily receiving intensive treatment
14 for, periods of ninety days or greater under chapter 71.05 RCW. "Long-
15 term inpatient care" as used in this chapter does not include: (a)
16 Services for individuals committed under chapter 71.05 RCW who are
17 receiving services pursuant to a conditional release or a court-ordered
18 less restrictive alternative to detention; or (b) services for
19 individuals voluntarily receiving less restrictive alternative
20 treatment on the grounds of the state hospital.

21 (17) "Mental health services" means all services provided by
22 (~~(regional support networks)~~) behavioral health organizations and other
23 services provided by the state for persons who are mentally ill.

24 (18) "Mentally ill persons," "persons who are mentally ill," and
25 "the mentally ill" mean persons and conditions defined in subsections
26 (1), (4), (27), and (28) of this section.

27 (19) "Recovery" means the process in which people are able to live,
28 work, learn, and participate fully in their communities.

29 (20) "~~(Regional support network)~~ Behavioral health organization"
30 means (~~(a)~~) any county authority or group of county authorities or
31 other entity recognized by the secretary in contract in a defined
32 region.

33 (21) "Registration records" include all the records of the
34 department, (~~(regional support networks)~~) behavioral health
35 organizations, treatment facilities, and other persons providing
36 services to the department, county departments, or facilities which
37 identify persons who are receiving or who at any time have received
38 services for mental illness.

1 (22) "Research-based" means a program or practice that has been
2 tested with a single randomized, or statistically controlled
3 evaluation, or both, demonstrating sustained desirable outcomes; or
4 where the weight of the evidence from a systemic review supports
5 sustained outcomes as described in subsection (14) of this section but
6 does not meet the full criteria for evidence-based.

7 (23) "Residential services" means a complete range of residences
8 and supports authorized by resource management services and which may
9 involve a facility, a distinct part thereof, or services which support
10 community living, for persons who are acutely mentally ill, adults who
11 are chronically mentally ill, children who are severely emotionally
12 disturbed, or adults who are seriously disturbed and determined by the
13 (~~regional support network~~) behavioral health organization to be at
14 risk of becoming acutely or chronically mentally ill. The services
15 shall include at least evaluation and treatment services as defined in
16 chapter 71.05 RCW, acute crisis respite care, long-term adaptive and
17 rehabilitative care, and supervised and supported living services, and
18 shall also include any residential services developed to service
19 persons who are mentally ill in nursing homes, assisted living
20 facilities, and adult family homes, and may include outpatient services
21 provided as an element in a package of services in a supported housing
22 model. Residential services for children in out-of-home placements
23 related to their mental disorder shall not include the costs of food
24 and shelter, except for children's long-term residential facilities
25 existing prior to January 1, 1991.

26 (24) "Resilience" means the personal and community qualities that
27 enable individuals to rebound from adversity, trauma, tragedy, threats,
28 or other stresses, and to live productive lives.

29 (25) "Resource management services" mean the planning,
30 coordination, and authorization of residential services and community
31 support services administered pursuant to an individual service plan
32 for: (a) Adults and children who are acutely mentally ill; (b) adults
33 who are chronically mentally ill; (c) children who are severely
34 emotionally disturbed; or (d) adults who are seriously disturbed and
35 determined solely by a (~~regional support network~~) behavioral health
36 organization to be at risk of becoming acutely or chronically mentally
37 ill. Such planning, coordination, and authorization shall include
38 mental health screening for children eligible under the federal Title

1 XIX early and periodic screening, diagnosis, and treatment program.
2 Resource management services include seven day a week, twenty-four hour
3 a day availability of information regarding enrollment of adults and
4 children who are mentally ill in services and their individual service
5 plan to designated mental health professionals, evaluation and
6 treatment facilities, and others as determined by the (~~regional~~
7 ~~support network~~) behavioral health organization.

8 (26) "Secretary" means the secretary of social and health services.

9 (27) "Seriously disturbed person" means a person who:

10 (a) Is gravely disabled or presents a likelihood of serious harm to
11 himself or herself or others, or to the property of others, as a result
12 of a mental disorder as defined in chapter 71.05 RCW;

13 (b) Has been on conditional release status, or under a less
14 restrictive alternative order, at some time during the preceding two
15 years from an evaluation and treatment facility or a state mental
16 health hospital;

17 (c) Has a mental disorder which causes major impairment in several
18 areas of daily living;

19 (d) Exhibits suicidal preoccupation or attempts; or

20 (e) Is a child diagnosed by a mental health professional, as
21 defined in chapter 71.34 RCW, as experiencing a mental disorder which
22 is clearly interfering with the child's functioning in family or school
23 or with peers or is clearly interfering with the child's personality
24 development and learning.

25 (28) "Severely emotionally disturbed child" or "child who is
26 severely emotionally disturbed" means a child who has been determined
27 by the (~~regional support network~~) behavioral health organization to
28 be experiencing a mental disorder as defined in chapter 71.34 RCW,
29 including those mental disorders that result in a behavioral or conduct
30 disorder, that is clearly interfering with the child's functioning in
31 family or school or with peers and who meets at least one of the
32 following criteria:

33 (a) Has undergone inpatient treatment or placement outside of the
34 home related to a mental disorder within the last two years;

35 (b) Has undergone involuntary treatment under chapter 71.34 RCW
36 within the last two years;

37 (c) Is currently served by at least one of the following child-

1 serving systems: Juvenile justice, child-protection/welfare, special
2 education, or developmental disabilities;

3 (d) Is at risk of escalating maladjustment due to:

4 (i) Chronic family dysfunction involving a caretaker who is
5 mentally ill or inadequate;

6 (ii) Changes in custodial adult;

7 (iii) Going to, residing in, or returning from any placement
8 outside of the home, for example, psychiatric hospital, short-term
9 inpatient, residential treatment, group or foster home, or a
10 correctional facility;

11 (iv) Subject to repeated physical abuse or neglect;

12 (v) Drug or alcohol abuse; or

13 (vi) Homelessness.

14 (29) "State minimum standards" means minimum requirements
15 established by rules adopted by the secretary and necessary to
16 implement this chapter for: (a) Delivery of mental health services;
17 (b) licensed service providers for the provision of mental health
18 services; (c) residential services; and (d) community support services
19 and resource management services.

20 (30) "Treatment records" include registration and all other records
21 concerning persons who are receiving or who at any time have received
22 services for mental illness, which are maintained by the department, by
23 (~~regional support networks~~) behavioral health organizations and their
24 staffs, and by treatment facilities. Treatment records do not include
25 notes or records maintained for personal use by a person providing
26 treatment services for the department, (~~regional support networks~~)
27 behavioral health organizations, or a treatment facility if the notes
28 or records are not available to others.

29 (31) "Tribal authority," for the purposes of this section and RCW
30 71.24.300 only, means: The federally recognized Indian tribes and the
31 major Indian organizations recognized by the secretary insofar as these
32 organizations do not have a financial relationship with any (~~regional
33 support network~~) behavioral health organization that would present a
34 conflict of interest.

35 (32) "Behavioral health services" means mental health services as
36 described in this chapter and chemical dependency treatment services as
37 described in chapters 70.96A, 71.24, and 71.36 RCW.

1 **Sec. 10.** RCW 71.24.035 and 2013 c 200 s 24 are each amended to
2 read as follows:

3 (1) The department is designated as the state mental health
4 authority.

5 (2) The secretary shall provide for public, client, and licensed
6 service provider participation in developing the state mental health
7 program, developing contracts with ~~((regional support networks))~~
8 behavioral health organizations, and any waiver request to the federal
9 government under medicaid.

10 (3) The secretary shall provide for participation in developing the
11 state mental health program for children and other underserved
12 populations, by including representatives on any committee established
13 to provide oversight to the state mental health program.

14 (4) The secretary shall be designated as the ~~((regional support
15 network))~~ behavioral health organization if the ~~((regional support
16 network))~~ behavioral health organization fails to meet state minimum
17 standards or refuses to exercise responsibilities under RCW 71.24.045,
18 until such time as a new ~~((regional support network))~~ behavioral health
19 organization is designated ~~((under RCW 71.24.320))~~.

20 (5) The secretary shall:

21 (a) Develop a biennial state mental health program that
22 incorporates regional biennial needs assessments and regional mental
23 health service plans and state services for adults and children with
24 mental illness ~~((The secretary shall also develop a six-year state
25 mental health plan))~~;

26 (b) Assure that any ~~((regional))~~ behavioral health organization or
27 county community mental health program provides ~~((access to treatment
28 for the region's residents, including parents who are respondents in
29 dependency cases, in the following order of priority: (i) Persons with
30 acute mental illness; (ii) adults with chronic mental illness and
31 children who are severely emotionally disturbed; and (iii) persons who
32 are seriously disturbed. Such programs shall provide:~~

33 ~~(A) Outpatient services;~~

34 ~~(B) Emergency care services for twenty-four hours per day;~~

35 ~~(C) Day treatment for persons with mental illness which includes
36 training in basic living and social skills, supported work, vocational
37 rehabilitation, and day activities. Such services may include~~

1 therapeutic treatment. In the case of a child, day treatment includes
2 age-appropriate basic living and social skills, educational and
3 prevocational services, day activities, and therapeutic treatment;

4 ~~(D) Screening for patients being considered for admission to state~~
5 ~~mental health facilities to determine the appropriateness of admission;~~

6 ~~(E) Employment services, which may include supported employment,~~
7 ~~transitional work, placement in competitive employment, and other work-~~
8 ~~related services, that result in persons with mental illness becoming~~
9 ~~engaged in meaningful and gainful full or part-time work. Other~~
10 ~~sources of funding such as the division of vocational rehabilitation~~
11 ~~may be utilized by the secretary to maximize federal funding and~~
12 ~~provide for integration of services;~~

13 ~~(F) Consultation and education services; and~~

14 ~~(G) Community support services))~~ medically necessary services to
15 medicaid recipients consistent with the state's medicaid state plan or
16 federal waiver authorities, and nonmedicaid services consistent with
17 priorities established by the department;

18 (c) Develop and adopt rules establishing state minimum standards
19 for the delivery of mental health services pursuant to RCW 71.24.037
20 including, but not limited to:

21 (i) Licensed service providers. These rules shall permit a county-
22 operated mental health program to be licensed as a service provider
23 subject to compliance with applicable statutes and rules. The
24 secretary shall provide for deeming of compliance with state minimum
25 standards for those entities accredited by recognized behavioral health
26 accrediting bodies recognized and having a current agreement with the
27 department;

28 (ii) ~~((Regional support networks))~~ Behavioral health organizations;
29 and

30 (iii) Inpatient services, evaluation and treatment services and
31 facilities under chapter 71.05 RCW, resource management services, and
32 community support services;

33 (d) Assure that the special needs of persons who are minorities,
34 elderly, disabled, children, low-income, and parents who are
35 respondents in dependency cases are met within the priorities
36 established in this section;

37 (e) Establish a standard contract or contracts, consistent with
38 state minimum standards(~~(, RCW 71.24.320 and 71.24.330,)~~) which shall

1 be used in contracting with (~~regional support networks~~) behavioral
2 health organizations. The standard contract shall include a maximum
3 fund balance, which shall be consistent with that required by federal
4 regulations or waiver stipulations;

5 (f) Establish, to the extent possible, a standardized auditing
6 procedure which is designed to assure compliance with contractual
7 agreements authorized by this chapter and minimizes paperwork
8 requirements of (~~regional support networks~~) behavioral health
9 organizations and licensed service providers. The audit procedure
10 shall focus on the outcomes of service (~~and not the processes for~~
11 ~~accomplishing them~~) as provided in RCW 43.20A.895, 70.320.020, and
12 71.36.025;

13 (g) Develop and maintain an information system to be used by the
14 state and (~~regional support networks~~) behavioral health organizations
15 that includes a tracking method which allows the department and
16 (~~regional support networks~~) behavioral health organizations to
17 identify mental health clients' participation in any mental health
18 service or public program on an immediate basis. The information
19 system shall not include individual patient's case history files.
20 Confidentiality of client information and records shall be maintained
21 as provided in this chapter and chapter 70.02 RCW;

22 (h) License service providers who meet state minimum standards;

23 (i) (~~Certify regional support networks that meet state minimum~~
24 ~~standards~~;

25 ~~(j)~~) Periodically monitor the compliance of certified (~~regional~~
26 ~~support networks~~) behavioral health organizations and their network of
27 licensed service providers for compliance with the contract between the
28 department, the (~~regional support network~~) behavioral health
29 organization, and federal and state rules at reasonable times and in a
30 reasonable manner;

31 (~~(k)~~) (j) Fix fees to be paid by evaluation and treatment centers
32 to the secretary for the required inspections;

33 (~~(l)~~) (k) Monitor and audit (~~regional support networks~~)
34 behavioral health organizations and licensed service providers as
35 needed to assure compliance with contractual agreements authorized by
36 this chapter;

37 (~~(m)~~) (l) Adopt such rules as are necessary to implement the
38 department's responsibilities under this chapter;

1 ((+n)) (m) Assure the availability of an appropriate amount, as
2 determined by the legislature in the operating budget by amounts
3 appropriated for this specific purpose, of community-based,
4 geographically distributed residential services;

5 ((+o)) (n) Certify crisis stabilization units that meet state
6 minimum standards;

7 ((+p)) (o) Certify clubhouses that meet state minimum standards;
8 and

9 ((+q)) (p) Certify triage facilities that meet state minimum
10 standards.

11 (6) The secretary shall use available resources only for ~~((regional~~
12 ~~support networks))~~ behavioral health organizations, except:

13 (a) To the extent authorized, and in accordance with any priorities
14 or conditions specified, in the biennial appropriations act; or

15 (b) To incentivize improved performance with respect to the client
16 outcomes established in RCW 43.20A.895, 70.320.020, and 71.36.025,
17 integration of behavioral health and primary care services at the
18 clinical level, and improved care coordination for individuals with
19 complex care needs.

20 (7) Each ~~((certified regional support network))~~ behavioral health
21 organization and licensed service provider shall file with the
22 secretary, on request, such data, statistics, schedules, and
23 information as the secretary reasonably requires. A ~~((certified~~
24 ~~regional support network))~~ behavioral health organization or licensed
25 service provider which, without good cause, fails to furnish any data,
26 statistics, schedules, or information as requested, or files fraudulent
27 reports thereof, may have its certification or license revoked or
28 suspended.

29 (8) The secretary may suspend, revoke, limit, or restrict a
30 certification or license, or refuse to grant a certification or license
31 for failure to conform to: (a) The law; (b) applicable rules and
32 regulations; (c) applicable standards; or (d) state minimum standards.

33 (9) The superior court may restrain any ~~((regional support~~
34 ~~network))~~ behavioral health organization or service provider from
35 operating without certification or a license or any other violation of
36 this section. The court may also review, pursuant to procedures
37 contained in chapter 34.05 RCW, any denial, suspension, limitation,

1 restriction, or revocation of certification or license, and grant other
2 relief required to enforce the provisions of this chapter.

3 (10) Upon petition by the secretary, and after hearing held upon
4 reasonable notice to the facility, the superior court may issue a
5 warrant to an officer or employee of the secretary authorizing him or
6 her to enter at reasonable times, and examine the records, books, and
7 accounts of any (~~regional support network~~) behavioral health
8 organizations or service provider refusing to consent to inspection or
9 examination by the authority.

10 (11) Notwithstanding the existence or pursuit of any other remedy,
11 the secretary may file an action for an injunction or other process
12 against any person or governmental unit to restrain or prevent the
13 establishment, conduct, or operation of a (~~regional support network~~)
14 behavioral health organization or service provider without
15 certification or a license under this chapter.

16 (12) The standards for certification of evaluation and treatment
17 facilities shall include standards relating to maintenance of good
18 physical and mental health and other services to be afforded persons
19 pursuant to this chapter and chapters 71.05 and 71.34 RCW, and shall
20 otherwise assure the effectuation of the purposes of these chapters.

21 (13) The standards for certification of crisis stabilization units
22 shall include standards that:

23 (a) Permit location of the units at a jail facility if the unit is
24 physically separate from the general population of the jail;

25 (b) Require administration of the unit by mental health
26 professionals who direct the stabilization and rehabilitation efforts;
27 and

28 (c) Provide an environment affording security appropriate with the
29 alleged criminal behavior and necessary to protect the public safety.

30 (14) The standards for certification of a clubhouse shall at a
31 minimum include:

32 (a) The facilities may be peer-operated and must be
33 recovery-focused;

34 (b) Members and employees must work together;

35 (c) Members must have the opportunity to participate in all the
36 work of the clubhouse, including administration, research, intake and
37 orientation, outreach, hiring, training and evaluation of staff, public
38 relations, advocacy, and evaluation of clubhouse effectiveness;

1 (d) Members and staff and ultimately the clubhouse director must be
2 responsible for the operation of the clubhouse, central to this
3 responsibility is the engagement of members and staff in all aspects of
4 clubhouse operations;

5 (e) Clubhouse programs must be comprised of structured activities
6 including but not limited to social skills training, vocational
7 rehabilitation, employment training and job placement, and community
8 resource development;

9 (f) Clubhouse programs must provide in-house educational programs
10 that significantly utilize the teaching and tutoring skills of members
11 and assist members by helping them to take advantage of adult education
12 opportunities in the community;

13 (g) Clubhouse programs must focus on strengths, talents, and
14 abilities of its members;

15 (h) The work-ordered day may not include medication clinics, day
16 treatment, or other therapy programs within the clubhouse.

17 (15) The department shall distribute appropriated state and federal
18 funds in accordance with any priorities, terms, or conditions specified
19 in the appropriations act.

20 (16) The secretary shall assume all duties assigned to the
21 nonparticipating ((~~regional support networks~~)) behavioral health
22 organizations under chapters 71.05 and 71.34 RCW and this chapter.
23 Such responsibilities shall include those which would have been
24 assigned to the nonparticipating counties in regions where there are
25 not participating ((~~regional support networks~~)) behavioral health
26 organizations.

27 The ((~~regional support networks~~)) behavioral health organizations,
28 or the secretary's assumption of all responsibilities under chapters
29 71.05 and 71.34 RCW and this chapter, shall be included in all state
30 and federal plans affecting the state mental health program including
31 at least those required by this chapter, the medicaid program, and P.L.
32 99-660. Nothing in these plans shall be inconsistent with the intent
33 and requirements of this chapter.

34 (17) The secretary shall:

35 (a) Disburse funds for the ((~~regional support networks~~)) behavioral
36 health organizations within sixty days of approval of the biennial
37 contract. The department must either approve or reject the biennial
38 contract within sixty days of receipt.

1 (b) Enter into biennial contracts with (~~regional support~~
2 ~~networks~~) behavioral health organizations. The contracts shall be
3 consistent with available resources. No contract shall be approved
4 that does not include progress toward meeting the goals of this chapter
5 by taking responsibility for: (i) Short-term commitments; (ii)
6 residential care; and (iii) emergency response systems.

7 (c) Notify (~~regional support networks~~) behavioral health
8 organizations of their allocation of available resources at least sixty
9 days prior to the start of a new biennial contract period.

10 (d) Deny all or part of the funding allocations to (~~regional~~
11 ~~support networks~~) behavioral health organizations based solely upon
12 formal findings of noncompliance with the terms of the (~~regional~~
13 ~~support network's~~) behavioral health organization's contract with the
14 department. (~~Regional support networks~~) Behavioral health
15 organizations disputing the decision of the secretary to withhold
16 funding allocations are limited to the remedies provided in the
17 department's contracts with the (~~regional support networks~~)
18 behavioral health organizations.

19 (18) The department, in cooperation with the state congressional
20 delegation, shall actively seek waivers of federal requirements and
21 such modifications of federal regulations as are necessary to allow
22 federal medicaid reimbursement for services provided by freestanding
23 evaluation and treatment facilities certified under chapter 71.05 RCW.
24 The department shall periodically report its efforts to the appropriate
25 committees of the senate and the house of representatives.

26 **Sec. 11.** RCW 71.24.045 and 2006 c 333 s 105 are each amended to
27 read as follows:

28 The (~~regional support network~~) behavioral health organization
29 shall:

30 (1) Contract as needed with licensed service providers. The
31 (~~regional support network~~) behavioral health organization may, in the
32 absence of a licensed service provider entity, become a licensed
33 service provider entity pursuant to minimum standards required for
34 licensing by the department for the purpose of providing services not
35 available from licensed service providers;

36 (2) Operate as a licensed service provider if it deems that doing
37 so is more efficient and cost effective than contracting for services.

1 When doing so, the (~~regional support network~~) behavioral health
2 organization shall comply with rules promulgated by the secretary that
3 shall provide measurements to determine when a (~~regional support~~
4 ~~network~~) behavioral health organization provided service is more
5 efficient and cost effective;

6 (3) Monitor and perform biennial fiscal audits of licensed service
7 providers who have contracted with the (~~regional support network~~)
8 behavioral health organization to provide services required by this
9 chapter. The monitoring and audits shall be performed by means of a
10 formal process which insures that the licensed service providers and
11 professionals designated in this subsection meet the terms of their
12 contracts;

13 (4) Assure that the special needs of minorities, the elderly,
14 (~~disabled~~) individuals with disabilities, children, and low-income
15 persons are met within the priorities established in this chapter;

16 (5) Maintain patient tracking information in a central location as
17 required for resource management services and the department's
18 information system;

19 (6) Collaborate to ensure that policies do not result in an adverse
20 shift of (~~mentally ill~~) persons with mental illness into state and
21 local correctional facilities;

22 (7) Work with the department to expedite the enrollment or re-
23 enrollment of eligible persons leaving state or local correctional
24 facilities and institutions for mental diseases;

25 (~~If a regional support network is not operated by the~~
26 ~~county,~~) Work closely with the county designated mental health
27 professional or county designated crisis responder to maximize
28 appropriate placement of persons into community services; and

29 (9) Coordinate services for individuals who have received services
30 through the community mental health system and who become patients at
31 a state mental hospital to ensure they are transitioned into the
32 community in accordance with mutually agreed upon discharge plans and
33 upon determination by the medical director of the state mental hospital
34 that they no longer need intensive inpatient care.

35 **Sec. 12.** RCW 71.24.100 and 2012 c 117 s 442 are each amended to
36 read as follows:

37 A county authority or a group of county authorities may enter into

1 a joint operating agreement to (~~form~~) respond to a procurement for
2 and contract with the state to operate a (~~regional support network~~)
3 behavioral health organization whose boundaries are consistent with the
4 regional service areas established under section 2 of this act. Any
5 agreement between two or more county authorities (~~for the~~
6 ~~establishment of a regional support network~~) shall provide:

7 (1) That each county shall bear a share of the cost of mental
8 health services; and

9 (2) That the treasurer of one participating county shall be the
10 custodian of funds made available for the purposes of such mental
11 health services, and that the treasurer may make payments from such
12 funds upon audit by the appropriate auditing officer of the county for
13 which he or she is treasurer.

14 **Sec. 13.** RCW 71.24.110 and 1999 c 10 s 7 are each amended to read
15 as follows:

16 An agreement (~~for the establishment of a community mental health~~
17 ~~program~~) to contract with the state to operate a behavioral health
18 organization under RCW 71.24.100 may also provide:

19 (1) For the joint supervision or operation of services and
20 facilities, or for the supervision or operation of service and
21 facilities by one participating county under contract for the other
22 participating counties; and

23 (2) For such other matters as are necessary or proper to effectuate
24 the purposes of this chapter.

25 **Sec. 14.** RCW 71.24.340 and 2005 c 503 s 13 are each amended to
26 read as follows:

27 The secretary shall require the (~~regional support networks~~)
28 behavioral health organizations to develop (~~interlocal agreements~~
29 ~~pursuant to RCW 74.09.555. To this end, the regional support networks~~
30 ~~shall~~) agreements with city and county jails to accept referrals for
31 enrollment on behalf of a confined person, prior to the person's
32 release.

33 **Sec. 15.** RCW 71.24.420 and 2001 c 323 s 2 are each amended to read
34 as follows:

1 The department shall operate the community mental health service
2 delivery system authorized under this chapter within the following
3 constraints:

4 (1) The full amount of federal funds for mental health services,
5 plus qualifying state expenditures as appropriated in the biennial
6 operating budget, shall be appropriated to the department each year in
7 the biennial appropriations act to carry out the provisions of the
8 community mental health service delivery system authorized in this
9 chapter.

10 (2) The department may expend funds defined in subsection (1) of
11 this section in any manner that will effectively accomplish the outcome
12 measures (~~((defined in section 5 of this act))~~) established in RCW
13 43.20A.895 and 71.36.025 and performance measures linked to those
14 outcomes.

15 (3) The department shall implement strategies that accomplish the
16 outcome measures (~~((identified in section 5 of this act that are within~~
17 ~~the funding constraints in this section))~~) established in RCW
18 43.20A.895, 70.320.020, and 71.36.025 and performance measures linked
19 to those outcomes.

20 (4) The department shall monitor expenditures against the
21 appropriation levels provided for in subsection (1) of this section.

22 **Sec. 16.** RCW 70.96A.020 and 2001 c 13 s 1 are each amended to read
23 as follows:

24 For the purposes of this chapter the following words and phrases
25 shall have the following meanings unless the context clearly requires
26 otherwise:

27 (1) "Alcoholic" means a person who suffers from the disease of
28 alcoholism.

29 (2) "Alcoholism" means a disease, characterized by a dependency on
30 alcoholic beverages, loss of control over the amount and circumstances
31 of use, symptoms of tolerance, physiological or psychological
32 withdrawal, or both, if use is reduced or discontinued, and impairment
33 of health or disruption of social or economic functioning.

34 (3) "Approved treatment program" means a discrete program of
35 chemical dependency treatment provided by a treatment program certified
36 by the department of social and health services as meeting standards
37 adopted under this chapter.

1 (4) "Chemical dependency" means:
2 (a) Alcoholism; (b) drug addiction; or (c) dependence on alcohol
3 and one or more other psychoactive chemicals, as the context requires.
4 (5) "Chemical dependency program" means expenditures and activities
5 of the department designed and conducted to prevent or treat alcoholism
6 and other drug addiction, including reasonable administration and
7 overhead.
8 (6) "Department" means the department of social and health
9 services.
10 (7) "Designated chemical dependency specialist" or "specialist"
11 means a person designated by the county alcoholism and other drug
12 addiction program coordinator designated under RCW 70.96A.310 to
13 perform the commitment duties described in RCW 70.96A.140 and qualified
14 to do so by meeting standards adopted by the department.
15 (8) "Director" means the person administering the chemical
16 dependency program within the department.
17 (9) "Drug addict" means a person who suffers from the disease of
18 drug addiction.
19 (10) "Drug addiction" means a disease characterized by a dependency
20 on psychoactive chemicals, loss of control over the amount and
21 circumstances of use, symptoms of tolerance, physiological or
22 psychological withdrawal, or both, if use is reduced or discontinued,
23 and impairment of health or disruption of social or economic
24 functioning.
25 (11) "Emergency service patrol" means a patrol established under
26 RCW 70.96A.170.
27 (12) "Gravely disabled by alcohol or other psychoactive chemicals"
28 or "gravely disabled" means that a person, as a result of the use of
29 alcohol or other psychoactive chemicals: (a) Is in danger of serious
30 physical harm resulting from a failure to provide for his or her
31 essential human needs of health or safety; or (b) manifests severe
32 deterioration in routine functioning evidenced by a repeated and
33 escalating loss of cognition or volitional control over his or her
34 actions and is not receiving care as essential for his or her health or
35 safety.
36 (13) "History of one or more violent acts" refers to the period of
37 time ten years prior to the filing of a petition under this chapter,

1 excluding any time spent, but not any violent acts committed, in a
2 mental health facility, or a long-term alcoholism or drug treatment
3 facility, or in confinement.

4 (14) "Incapacitated by alcohol or other psychoactive chemicals"
5 means that a person, as a result of the use of alcohol or other
6 psychoactive chemicals, is gravely disabled or presents a likelihood of
7 serious harm to himself or herself, to any other person, or to
8 property.

9 (15) "Incompetent person" means a person who has been adjudged
10 incompetent by the superior court.

11 (16) "Intoxicated person" means a person whose mental or physical
12 functioning is substantially impaired as a result of the use of alcohol
13 or other psychoactive chemicals.

14 (17) "Licensed physician" means a person licensed to practice
15 medicine or osteopathic medicine and surgery in the state of
16 Washington.

17 (18) "Likelihood of serious harm" means:

18 (a) A substantial risk that: (i) Physical harm will be inflicted
19 by an individual upon his or her own person, as evidenced by threats or
20 attempts to commit suicide or inflict physical harm on one's self; (ii)
21 physical harm will be inflicted by an individual upon another, as
22 evidenced by behavior that has caused the harm or that places another
23 person or persons in reasonable fear of sustaining the harm; or (iii)
24 physical harm will be inflicted by an individual upon the property of
25 others, as evidenced by behavior that has caused substantial loss or
26 damage to the property of others; or

27 (b) The individual has threatened the physical safety of another
28 and has a history of one or more violent acts.

29 (19) "Medical necessity" for inpatient care of a minor means a
30 requested certified inpatient service that is reasonably calculated to:

31 (a) Diagnose, arrest, or alleviate a chemical dependency; or (b)
32 prevent the worsening of chemical dependency conditions that endanger
33 life or cause suffering and pain, or result in illness or infirmity or
34 threaten to cause or aggravate a handicap, or cause physical deformity
35 or malfunction, and there is no adequate less restrictive alternative
36 available.

37 (20) "Minor" means a person less than eighteen years of age.

1 (21) "Parent" means the parent or parents who have the legal right
2 to custody of the child. Parent includes custodian or guardian.

3 (22) "Peace officer" means a law enforcement official of a public
4 agency or governmental unit, and includes persons specifically given
5 peace officer powers by any state law, local ordinance, or judicial
6 order of appointment.

7 (23) "Person" means an individual, including a minor.

8 (24) "Professional person in charge" or "professional person" means
9 a physician or chemical dependency counselor as defined in rule by the
10 department, who is empowered by a certified treatment program with
11 authority to make assessment, admission, continuing care, and discharge
12 decisions on behalf of the certified program.

13 (25) "Secretary" means the secretary of the department of social
14 and health services.

15 (26) "Treatment" means the broad range of emergency,
16 detoxification, residential, and outpatient services and care,
17 including diagnostic evaluation, chemical dependency education and
18 counseling, medical, psychiatric, psychological, and social service
19 care, vocational rehabilitation and career counseling, which may be
20 extended to alcoholics and other drug addicts and their families,
21 persons incapacitated by alcohol or other psychoactive chemicals, and
22 intoxicated persons.

23 (27) "Treatment program" means an organization, institution, or
24 corporation, public or private, engaged in the care, treatment, or
25 rehabilitation of alcoholics or other drug addicts.

26 (28) "Violent act" means behavior that resulted in homicide,
27 attempted suicide, nonfatal injuries, or substantial damage to
28 property.

29 (29) "Behavioral health organization" means a county authority or
30 group of county authorities or other entity recognized by the secretary
31 in contract in a defined regional service area.

32 (30) "Behavioral health services" means mental health services as
33 described in chapters 71.24 and 71.36 RCW and chemical dependency
34 treatment services as described in this chapter.

35 **Sec. 17.** RCW 70.96A.040 and 1989 c 270 s 5 are each amended to
36 read as follows:

1 The department, in the operation of the chemical dependency program
2 may:

3 (1) Plan, establish, and maintain prevention and treatment programs
4 as necessary or desirable;

5 (2) Make contracts necessary or incidental to the performance of
6 its duties and the execution of its powers, including managed care
7 contracts for behavioral health services, contracts entered into under
8 RCW 74.09.522, and contracts with public and private agencies,
9 organizations, and individuals to pay them for services rendered or
10 furnished to alcoholics or other drug addicts, persons incapacitated by
11 alcohol or other psychoactive chemicals, or intoxicated persons;

12 (3) Enter into agreements for monitoring of verification of
13 qualifications of counselors employed by approved treatment programs;

14 (4) Adopt rules under chapter 34.05 RCW to carry out the provisions
15 and purposes of this chapter and contract, cooperate, and coordinate
16 with other public or private agencies or individuals for those
17 purposes;

18 (5) Solicit and accept for use any gift of money or property made
19 by will or otherwise, and any grant of money, services, or property
20 from the federal government, the state, or any political subdivision
21 thereof or any private source, and do all things necessary to cooperate
22 with the federal government or any of its agencies in making an
23 application for any grant;

24 (6) Administer or supervise the administration of the provisions
25 relating to alcoholics, other drug addicts, and intoxicated persons of
26 any state plan submitted for federal funding pursuant to federal
27 health, welfare, or treatment legislation;

28 (7) Coordinate its activities and cooperate with chemical
29 dependency programs in this and other states, and make contracts and
30 other joint or cooperative arrangements with state, local, or private
31 agencies in this and other states for the treatment of alcoholics and
32 other drug addicts and their families, persons incapacitated by alcohol
33 or other psychoactive chemicals, and intoxicated persons and for the
34 common advancement of chemical dependency programs;

35 (8) Keep records and engage in research and the gathering of
36 relevant statistics;

37 (9) Do other acts and things necessary or convenient to execute the
38 authority expressly granted to it;

1 (10) Acquire, hold, or dispose of real property or any interest
2 therein, and construct, lease, or otherwise provide treatment programs.

3 **Sec. 18.** RCW 70.96A.050 and 2001 c 13 s 2 are each amended to read
4 as follows:

5 The department shall:

6 (1) Develop, encourage, and foster statewide, regional, and local
7 plans and programs for the prevention of alcoholism and other drug
8 addiction, treatment of alcoholics and other drug addicts and their
9 families, persons incapacitated by alcohol or other psychoactive
10 chemicals, and intoxicated persons in cooperation with public and
11 private agencies, organizations, and individuals and provide technical
12 assistance and consultation services for these purposes;

13 (2) Assure that any behavioral health organization contract for
14 behavioral health services or program for the treatment of persons with
15 alcohol or drug use disorders provides medically necessary services to
16 medicaid recipients. This must include a full continuum of mental
17 health and chemical dependency services consistent with the state's
18 medicaid plan or federal waiver authorities, and nonmedicaid services
19 consistent with priorities established by the department;

20 (3) Coordinate the efforts and enlist the assistance of all public
21 and private agencies, organizations, and individuals interested in
22 prevention of alcoholism and drug addiction, and treatment of
23 alcoholics and other drug addicts and their families, persons
24 incapacitated by alcohol or other psychoactive chemicals, and
25 intoxicated persons;

26 ((+3)) (4) Cooperate with public and private agencies in
27 establishing and conducting programs to provide treatment for
28 alcoholics and other drug addicts and their families, persons
29 incapacitated by alcohol or other psychoactive chemicals, and
30 intoxicated persons who are clients of the correctional system;

31 ((+4)) (5) Cooperate with the superintendent of public
32 instruction, state board of education, schools, police departments,
33 courts, and other public and private agencies, organizations and
34 individuals in establishing programs for the prevention of alcoholism
35 and other drug addiction, treatment of alcoholics or other drug addicts
36 and their families, persons incapacitated by alcohol or other

1 psychoactive chemicals, and intoxicated persons, and preparing
2 curriculum materials thereon for use at all levels of school education;
3 ~~((+5))~~ (6) Prepare, publish, evaluate, and disseminate educational
4 material dealing with the nature and effects of alcohol and other
5 psychoactive chemicals and the consequences of their use;
6 ~~((+6))~~ (7) Develop and implement, as an integral part of treatment
7 programs, an educational program for use in the treatment of alcoholics
8 or other drug addicts, persons incapacitated by alcohol or other
9 psychoactive chemicals, and intoxicated persons, which program shall
10 include the dissemination of information concerning the nature and
11 effects of alcohol and other psychoactive chemicals, the consequences
12 of their use, the principles of recovery, and HIV and AIDS;
13 ~~((+7))~~ (8) Organize and foster training programs for persons
14 engaged in treatment of alcoholics or other drug addicts, persons
15 incapacitated by alcohol or other psychoactive chemicals, and
16 intoxicated persons;
17 ~~((+8))~~ (9) Sponsor and encourage research into the causes and
18 nature of alcoholism and other drug addiction, treatment of alcoholics
19 and other drug addicts, persons incapacitated by alcohol or other
20 psychoactive chemicals, and intoxicated persons, and serve as a
21 clearinghouse for information relating to alcoholism or other drug
22 addiction;
23 ~~((+9))~~ (10) Specify uniform methods for keeping statistical
24 information by public and private agencies, organizations, and
25 individuals, and collect and make available relevant statistical
26 information, including number of persons treated, frequency of
27 admission and readmission, and frequency and duration of treatment;
28 ~~((+10))~~ (11) Advise the governor in the preparation of a
29 comprehensive plan for treatment of alcoholics and other drug addicts,
30 persons incapacitated by alcohol or other psychoactive chemicals, and
31 intoxicated persons for inclusion in the state's comprehensive health
32 plan;
33 ~~((+11))~~ (12) Review all state health, welfare, and treatment plans
34 to be submitted for federal funding under federal legislation, and
35 advise the governor on provisions to be included relating to alcoholism
36 and other drug addiction, persons incapacitated by alcohol or other
37 psychoactive chemicals, and intoxicated persons;

1 ~~((+12))~~ (13) Assist in the development of, and cooperate with,
2 programs for alcohol and other psychoactive chemical education and
3 treatment for employees of state and local governments and businesses
4 and industries in the state;

5 ~~((+13))~~ (14) Use the support and assistance of interested persons
6 in the community to encourage alcoholics and other drug addicts
7 voluntarily to undergo treatment;

8 ~~((+14))~~ (15) Cooperate with public and private agencies in
9 establishing and conducting programs designed to deal with the problem
10 of persons operating motor vehicles while intoxicated;

11 ~~((+15))~~ (16) Encourage general hospitals and other appropriate
12 health facilities to admit without discrimination alcoholics and other
13 drug addicts, persons incapacitated by alcohol or other psychoactive
14 chemicals, and intoxicated persons and to provide them with adequate
15 and appropriate treatment;

16 ~~((+16))~~ (17) Encourage all health and disability insurance
17 programs to include alcoholism and other drug addiction as a covered
18 illness; and

19 ~~((+17))~~ (18) Organize and sponsor a statewide program to help
20 court personnel, including judges, better understand the disease of
21 alcoholism and other drug addiction and the uses of chemical dependency
22 treatment programs.

23 **Sec. 19.** RCW 70.96A.080 and 1989 c 270 s 18 are each amended to
24 read as follows:

25 (1) In coordination with the health care authority, the department
26 shall establish by ~~((all))~~ appropriate means, including contracting
27 ~~((for))~~, behavioral health services, including a comprehensive and
28 coordinated ~~((discrete))~~ program for the treatment of ~~((alcoholics and~~
29 ~~other drug addicts and their families, persons incapacitated by alcohol~~
30 ~~or other psychoactive chemicals, and intoxicated))~~ persons with alcohol
31 and drug use disorders.

32 (2)(a) The program shall include, but not necessarily be limited
33 to, a continuum of chemical dependency treatment services that
34 includes:

35 ~~((+a))~~ (i) Detoxification services available twenty-four hours a
36 day;

37 ~~((+b))~~ (ii) Residential treatment; ~~((and~~

1 ~~(e))~~ (iii) Outpatient treatment, including medication assisted
2 treatment; and

3 (iv) Contracts with at least one provider in operation as of
4 January 1, 2014, for case management and residential treatment services
5 for pregnant and parenting women.

6 (b) The program may include peer support, supported housing,
7 supported employment, crisis diversion, or recovery support services.

8 (3) All appropriate public and private resources shall be
9 coordinated with and used in the program when possible.

10 (4) The department may contract for the use of an approved
11 treatment program or other individual or organization if the secretary
12 considers this to be an effective and economical course to follow.

13 **Sec. 20.** RCW 70.96A.320 and 2013 c 320 s 8 are each amended to
14 read as follows:

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

19 (2) To be eligible for funds from the department for the support of
20 the county alcoholism and other drug addiction program, the county
21 legislative authority shall establish a county alcoholism and other
22 drug addiction board under RCW 70.96A.300 and appoint a county
23 alcoholism and other drug addiction program coordinator under RCW
24 70.96A.310.

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

29 (a) It shall describe the prevention, early intervention, or
30 recovery support services and activities to be provided;

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

32 (c) It shall be prepared by the county alcoholism and other drug
33 addiction program board and be adopted by the county legislative
34 authority;

35 (d) It shall reflect maximum effective use of existing services and
36 programs; and

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

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

4 (5) The department shall require that any agreement to provide
5 financial support to a county that performs the activities of a service
6 coordination organization for alcoholism and other drug addiction
7 services must incorporate the expected outcomes and criteria to measure
8 the performance of service coordination organizations as provided in
9 chapter 70.320 RCW.

10 (6) The county may subcontract for prevention, early intervention,
11 or recovery support services with approved prevention or treatment
12 programs.

13 (7) To continue to be eligible for financial support from the
14 department for the county alcoholism and other drug addiction program,
15 an increase in state financial support shall not be used to supplant
16 local funds from a source that was used to support the county
17 alcoholism and other drug addiction program before the effective date
18 of the increase.

19 **Sec. 21.** RCW 71.24.049 and 2001 c 323 s 13 are each amended to
20 read as follows:

21 By January 1st of each odd-numbered year, the (~~regional support~~
22 ~~network~~) behavioral health organization shall identify: (1) The
23 number of children in each priority group, as defined by this chapter,
24 who are receiving mental health services funded in part or in whole
25 under this chapter, (2) the amount of funds under this chapter used for
26 children's mental health services, (3) an estimate of the number of
27 unserved children in each priority group, and (4) the estimated cost of
28 serving these additional children and their families.

29 **Sec. 22.** RCW 71.24.061 and 2007 c 359 s 7 are each amended to read
30 as follows:

31 (1) The department shall provide flexibility in provider
32 contracting to (~~regional support networks~~) behavioral health
33 organizations for children's mental health services. Beginning with
34 2007-2009 biennium contracts, (~~regional support network~~) behavioral
35 health organization contracts shall authorize (~~regional support~~
36 ~~networks~~) behavioral health organizations to allow and encourage

1 licensed community mental health centers to subcontract with individual
2 licensed mental health professionals when necessary to meet the need
3 for an adequate, culturally competent, and qualified children's mental
4 health provider network.

5 (2) To the extent that funds are specifically appropriated for this
6 purpose or that nonstate funds are available, a children's mental
7 health evidence-based practice institute shall be established at the
8 University of Washington division of public behavioral health and
9 justice policy. The institute shall closely collaborate with entities
10 currently engaged in evaluating and promoting the use of evidence-
11 based, research-based, promising, or consensus-based practices in
12 children's mental health treatment, including but not limited to the
13 University of Washington department of psychiatry and behavioral
14 sciences, children's hospital and regional medical center, the
15 University of Washington school of nursing, the University of
16 Washington school of social work, and the Washington state institute
17 for public policy. To ensure that funds appropriated are used to the
18 greatest extent possible for their intended purpose, the University of
19 Washington's indirect costs of administration shall not exceed ten
20 percent of appropriated funding. The institute shall:

21 (a) Improve the implementation of evidence-based and research-based
22 practices by providing sustained and effective training and
23 consultation to licensed children's mental health providers and
24 child-serving agencies who are implementing evidence-based or
25 researched-based practices for treatment of children's emotional or
26 behavioral disorders, or who are interested in adapting these practices
27 to better serve ethnically or culturally diverse children. Efforts
28 under this subsection should include a focus on appropriate oversight
29 of implementation of evidence-based practices to ensure fidelity to
30 these practices and thereby achieve positive outcomes;

31 (b) Continue the successful implementation of the "partnerships for
32 success" model by consulting with communities so they may select,
33 implement, and continually evaluate the success of evidence-based
34 practices that are relevant to the needs of children, youth, and
35 families in their community;

36 (c) Partner with youth, family members, family advocacy, and
37 culturally competent provider organizations to develop a series of

1 information sessions, literature, and online resources for families to
2 become informed and engaged in evidence-based and research-based
3 practices;

4 (d) Participate in the identification of outcome-based performance
5 measures under RCW 71.36.025(2) and partner in a statewide effort to
6 implement statewide outcomes monitoring and quality improvement
7 processes; and

8 (e) Serve as a statewide resource to the department and other
9 entities on child and adolescent evidence-based, research-based,
10 promising, or consensus-based practices for children's mental health
11 treatment, maintaining a working knowledge through ongoing review of
12 academic and professional literature, and knowledge of other evidence-
13 based practice implementation efforts in Washington and other states.

14 (3) To the extent that funds are specifically appropriated for this
15 purpose, the department in collaboration with the evidence-based
16 practice institute shall implement a pilot program to support primary
17 care providers in the assessment and provision of appropriate diagnosis
18 and treatment of children with mental and behavioral health disorders
19 and track outcomes of this program. The program shall be designed to
20 promote more accurate diagnoses and treatment through timely case
21 consultation between primary care providers and child psychiatric
22 specialists, and focused educational learning collaboratives with
23 primary care providers.

24 **Sec. 23.** RCW 71.24.155 and 2001 c 323 s 14 are each amended to
25 read as follows:

26 Grants shall be made by the department to (~~regional support~~
27 ~~networks~~) behavioral health organizations for community mental health
28 programs totaling not less than ninety-five percent of available
29 resources. The department may use up to forty percent of the remaining
30 five percent to provide community demonstration projects, including
31 early intervention or primary prevention programs for children, and the
32 remainder shall be for emergency needs and technical assistance under
33 this chapter.

34 **Sec. 24.** RCW 71.24.160 and 2011 c 343 s 6 are each amended to read
35 as follows:

36 The (~~regional support networks~~) behavioral health organizations

1 shall make satisfactory showing to the secretary that state funds shall
2 in no case be used to replace local funds from any source being used to
3 finance mental health services prior to January 1, 1990. Maintenance
4 of effort funds devoted to judicial services related to involuntary
5 commitment reimbursed under RCW 71.05.730 must be expended for other
6 purposes that further treatment for mental health and chemical
7 dependency disorders.

8 **Sec. 25.** RCW 71.24.250 and 2001 c 323 s 16 are each amended to
9 read as follows:

10 The (~~regional support network~~) behavioral health organization may
11 accept and expend gifts and grants received from private, county,
12 state, and federal sources.

13 **Sec. 26.** RCW 71.24.300 and 2008 c 261 s 4 are each amended to read
14 as follows:

15 (1) Upon the request of a tribal authority or authorities within a
16 (~~regional support network~~) behavioral health organization the joint
17 operating agreement or the county authority shall allow for the
18 inclusion of the tribal authority to be represented as a party to the
19 (~~regional support network~~) behavioral health organization.

20 (2) The roles and responsibilities of the county and tribal
21 authorities shall be determined by the terms of that agreement
22 including a determination of membership on the governing board and
23 advisory committees, the number of tribal representatives to be party
24 to the agreement, and the provisions of law and shall assure the
25 provision of culturally competent services to the tribes served.

26 (3) The state mental health authority may not determine the roles
27 and responsibilities of county authorities as to each other under
28 (~~regional support networks~~) behavioral health organizations by rule,
29 except to assure that all duties required of (~~regional support~~
30 ~~networks~~) behavioral health organizations are assigned and that
31 counties and the (~~regional support network~~) behavioral health
32 organization do not duplicate functions and that a single authority has
33 final responsibility for all available resources and performance under
34 the (~~regional support network's~~) behavioral health organization's
35 contract with the secretary.

1 (4) If a ((~~regional support network~~)) behavioral health
2 organization is a private entity, the department shall allow for the
3 inclusion of the tribal authority to be represented as a party to the
4 ((~~regional support network~~)) behavioral health organization.

5 (5) The roles and responsibilities of the private entity and the
6 tribal authorities shall be determined by the department, through
7 negotiation with the tribal authority.

8 (6) ((~~Regional support networks~~)) Behavioral health organizations
9 shall submit an overall six-year operating and capital plan, timeline,
10 and budget and submit progress reports and an updated two-year plan
11 biennially thereafter, to assume within available resources all of the
12 following duties:

13 (a) Administer and provide for the availability of all resource
14 management services, residential services, and community support
15 services.

16 (b) Administer and provide for the availability of all
17 investigation, transportation, court-related, and other services
18 provided by the state or counties pursuant to chapter 71.05 RCW.

19 (c) Provide within the boundaries of each ((~~regional support~~
20 ~~network~~)) behavioral health organization evaluation and treatment
21 services for at least ninety percent of persons detained or committed
22 for periods up to seventeen days according to chapter 71.05 RCW.
23 ((~~Regional support networks~~)) Behavioral health organizations may
24 contract to purchase evaluation and treatment services from other
25 ((~~networks~~)) organizations if they are unable to provide for
26 appropriate resources within their boundaries. Insofar as the original
27 intent of serving persons in the community is maintained, the secretary
28 is authorized to approve exceptions on a case-by-case basis to the
29 requirement to provide evaluation and treatment services within the
30 boundaries of each ((~~regional support network~~)) behavioral health
31 organization. Such exceptions are limited to:

32 (i) Contracts with neighboring or contiguous regions; or

33 (ii) Individuals detained or committed for periods up to seventeen
34 days at the state hospitals at the discretion of the secretary.

35 (d) Administer and provide for the availability of all other mental
36 health services, which shall include patient counseling, day treatment,
37 consultation, education services, employment services as ((~~defined~~))
38 described in RCW 71.24.035, and mental health services to children.

1 (e) Establish standards and procedures for reviewing individual
2 service plans and determining when that person may be discharged from
3 resource management services.

4 (7) A (~~regional support network~~) behavioral health organization
5 may request that any state-owned land, building, facility, or other
6 capital asset which was ever purchased, deeded, given, or placed in
7 trust for the care of the persons with mental illness and which is
8 within the boundaries of a (~~regional support network~~) behavioral
9 health organization be made available to support the operations of the
10 (~~regional support network~~) behavioral health organization. State
11 agencies managing such capital assets shall give first priority to
12 requests for their use pursuant to this chapter.

13 (8) Each (~~regional support network~~) behavioral health
14 organization shall appoint a mental health advisory board which shall
15 review and provide comments on plans and policies developed under this
16 chapter, provide local oversight regarding the activities of the
17 (~~regional support network~~) behavioral health organization, and work
18 with the (~~regional support network~~) behavioral health organization to
19 resolve significant concerns regarding service delivery and outcomes.
20 The department shall establish statewide procedures for the operation
21 of regional advisory committees including mechanisms for advisory board
22 feedback to the department regarding (~~regional support network~~)
23 behavioral health organization performance. The composition of the
24 board shall be broadly representative of the demographic character of
25 the region and shall include, but not be limited to, representatives of
26 consumers and families, law enforcement, and where the county is not
27 the (~~regional support network~~) behavioral health organization, county
28 elected officials. Composition and length of terms of board members
29 may differ between (~~regional support networks~~) behavioral health
30 organizations but shall be included in each (~~regional support~~
31 ~~network's~~) behavioral health organization's contract and approved by
32 the secretary.

33 (9) (~~Regional support networks~~) Behavioral health organizations
34 shall assume all duties specified in their plans and joint operating
35 agreements through biennial contractual agreements with the secretary.

36 (10) (~~Regional support networks~~) Behavioral health organizations
37 may receive technical assistance from the housing trust fund and may
38 identify and submit projects for housing and housing support services

1 to the housing trust fund established under chapter 43.185 RCW.
2 Projects identified or submitted under this subsection must be fully
3 integrated with the ((~~regional support network~~)) behavioral health
4 organization six-year operating and capital plan, timeline, and budget
5 required by subsection (6) of this section.

6 **Sec. 27.** RCW 71.24.310 and 2013 2nd sp.s. c 4 s 994 are each
7 amended to read as follows:

8 The legislature finds that administration of chapter 71.05 RCW and
9 this chapter can be most efficiently and effectively implemented as
10 part of the ((~~regional support network~~)) behavioral health organization
11 defined in RCW 71.24.025. For this reason, the legislature intends
12 that the department and the ((~~regional support networks~~)) behavioral
13 health organizations shall work together to implement chapter 71.05 RCW
14 as follows:

15 (1) By June 1, 2006, ((~~regional support networks~~)) behavioral
16 health organizations shall recommend to the department the number of
17 state hospital beds that should be allocated for use by each ((~~regional~~
18 ~~support network~~)) behavioral health organization. The statewide total
19 allocation shall not exceed the number of state hospital beds offering
20 long-term inpatient care, as defined in this chapter, for which funding
21 is provided in the biennial appropriations act.

22 (2) If there is consensus among the ((~~regional support networks~~))
23 behavioral health organizations regarding the number of state hospital
24 beds that should be allocated for use by each ((~~regional support~~
25 ~~network~~)) behavioral health organization, the department shall contract
26 with each ((~~regional support network~~)) behavioral health organization
27 accordingly.

28 (3) If there is not consensus among the ((~~regional support~~
29 ~~networks~~)) behavioral health organizations regarding the number of beds
30 that should be allocated for use by each ((~~regional support network~~))
31 behavioral health organization, the department shall establish by
32 emergency rule the number of state hospital beds that are available for
33 use by each ((~~regional support network~~)) behavioral health
34 organization. The emergency rule shall be effective September 1, 2006.
35 The primary factor used in the allocation shall be the estimated number
36 of adults with acute and chronic mental illness in each ((~~regional~~

1 ~~support network~~) behavioral health organization area, based upon
2 population-adjusted incidence and utilization.

3 (4) The allocation formula shall be updated at least every three
4 years to reflect demographic changes, and new evidence regarding the
5 incidence of acute and chronic mental illness and the need for long-
6 term inpatient care. In the updates, the statewide total allocation
7 shall include (a) all state hospital beds offering long-term inpatient
8 care for which funding is provided in the biennial appropriations act;
9 plus (b) the estimated equivalent number of beds or comparable
10 diversion services contracted in accordance with subsection (5) of this
11 section.

12 (5) The department is encouraged to enter performance-based
13 contracts with (~~regional support networks~~) behavioral health
14 organizations to provide some or all of the (~~regional support~~
15 ~~network's~~) behavioral health organization's allocated long-term
16 inpatient treatment capacity in the community, rather than in the state
17 hospital. The performance contracts shall specify the number of
18 patient days of care available for use by the (~~regional support~~
19 ~~network~~) behavioral health organization in the state hospital.

20 (6) If a (~~regional support network~~) behavioral health
21 organization uses more state hospital patient days of care than it has
22 been allocated under subsection (3) or (4) of this section, or than it
23 has contracted to use under subsection (5) of this section, whichever
24 is less, it shall reimburse the department for that care, except during
25 the period of July 1, 2012, through December 31, 2013, where
26 reimbursements may be temporarily altered per section 204, chapter 4,
27 Laws of 2013 2nd sp. sess. The reimbursement rate per day shall be the
28 hospital's total annual budget for long-term inpatient care, divided by
29 the total patient days of care assumed in development of that budget.

30 (7) One-half of any reimbursements received pursuant to subsection
31 (6) of this section shall be used to support the cost of operating the
32 state hospital and, during the 2007-2009 fiscal biennium, implementing
33 new services that will enable a (~~regional support network~~) behavioral
34 health organization to reduce its utilization of the state hospital.
35 The department shall distribute the remaining half of such
36 reimbursements among (~~regional support networks~~) behavioral health
37 organizations that have used less than their allocated or contracted

1 patient days of care at that hospital, proportional to the number of
2 patient days of care not used.

3 **Sec. 28.** RCW 71.24.350 and 2013 c 23 s 189 are each amended to
4 read as follows:

5 The department shall require each (~~regional support network~~)
6 behavioral health organization to provide for a separately funded
7 mental health ombuds office in each (~~regional support network~~)
8 behavioral health organization that is independent of the (~~regional~~
9 ~~support network~~) behavioral health organization. The ombuds office
10 shall maximize the use of consumer advocates.

11 **Sec. 29.** RCW 71.24.370 and 2006 c 333 s 103 are each amended to
12 read as follows:

13 (1) Except for monetary damage claims which have been reduced to
14 final judgment by a superior court, this section applies to all claims
15 against the state, state agencies, state officials, or state employees
16 that exist on or arise after March 29, 2006.

17 (2) Except as expressly provided in contracts entered into between
18 the department and the (~~regional support networks~~) behavioral health
19 organizations after March 29, 2006, the entities identified in
20 subsection (3) of this section shall have no claim for declaratory
21 relief, injunctive relief, judicial review under chapter 34.05 RCW, or
22 civil liability against the state or state agencies for actions or
23 inactions performed pursuant to the administration of this chapter with
24 regard to the following: (a) The allocation or payment of federal or
25 state funds; (b) the use or allocation of state hospital beds; or (c)
26 financial responsibility for the provision of inpatient mental health
27 care.

28 (3) This section applies to counties, (~~regional support networks~~)
29 behavioral health organizations, and entities which contract to provide
30 (~~regional support network~~) behavioral health organization services
31 and their subcontractors, agents, or employees.

32 **Sec. 30.** RCW 71.24.455 and 1997 c 342 s 2 are each amended to read
33 as follows:

34 (1) The secretary shall select and contract with a (~~regional~~
35 ~~support network~~) behavioral health organization or private provider to

1 provide specialized access and services to (~~mentally ill~~) offenders
2 with mental illness upon release from total confinement within the
3 department of corrections who have been identified by the department of
4 corrections and selected by the (~~regional support network~~) behavioral
5 health organization or private provider as high-priority clients for
6 services and who meet service program entrance criteria. The program
7 shall enroll no more than twenty-five offenders at any one time, or a
8 number of offenders that can be accommodated within the appropriated
9 funding level, and shall seek to fill any vacancies that occur.

10 (2) Criteria shall include a determination by department of
11 corrections staff that:

12 (a) The offender suffers from a major mental illness and needs
13 continued mental health treatment;

14 (b) The offender's previous crime or crimes have been determined by
15 either the court or department of corrections staff to have been
16 substantially influenced by the offender's mental illness;

17 (c) It is believed the offender will be less likely to commit
18 further criminal acts if provided ongoing mental health care;

19 (d) The offender is unable or unlikely to obtain housing and/or
20 treatment from other sources for any reason; and

21 (e) The offender has at least one year remaining before his or her
22 sentence expires but is within six months of release to community
23 housing and is currently housed within a work release facility or any
24 department of corrections' division of prisons facility.

25 (3) The (~~regional support network~~) behavioral health organization
26 or private provider shall provide specialized access and services to
27 the selected offenders. The services shall be aimed at lowering the
28 risk of recidivism. An oversight committee composed of a
29 representative of the department, a representative of the selected
30 (~~regional support network~~) behavioral health organization or private
31 provider, and a representative of the department of corrections shall
32 develop policies to guide the pilot program, provide dispute resolution
33 including making determinations as to when entrance criteria or
34 required services may be waived in individual cases, advise the
35 department of corrections and the (~~regional support network~~)
36 behavioral health organization or private provider on the selection of
37 eligible offenders, and set minimum requirements for service contracts.

1 The selected (~~regional support network~~) behavioral health
2 organization or private provider shall implement the policies and
3 service contracts. The following services shall be provided:

4 (a) Intensive case management to include a full range of intensive
5 community support and treatment in client-to-staff ratios of not more
6 than ten offenders per case manager including: (i) A minimum of weekly
7 group and weekly individual counseling; (ii) home visits by the program
8 manager at least two times per month; and (iii) counseling focusing on
9 relapse prevention and past, current, or future behavior of the
10 offender.

11 (b) The case manager shall attempt to locate and procure housing
12 appropriate to the living and clinical needs of the offender and as
13 needed to maintain the psychiatric stability of the offender. The
14 entire range of emergency, transitional, and permanent housing and
15 involuntary hospitalization must be considered as available housing
16 options. A housing subsidy may be provided to offenders to defray
17 housing costs up to a maximum of six thousand six hundred dollars per
18 offender per year and be administered by the case manager. Additional
19 funding sources may be used to offset these costs when available.

20 (c) The case manager shall collaborate with the assigned prison,
21 work release, or community corrections staff during release planning,
22 prior to discharge, and in ongoing supervision of the offender while
23 under the authority of the department of corrections.

24 (d) Medications including the full range of psychotropic
25 medications including atypical antipsychotic medications may be
26 required as a condition of the program. Medication prescription,
27 medication monitoring, and counseling to support offender
28 understanding, acceptance, and compliance with prescribed medication
29 regimens must be included.

30 (e) A systematic effort to engage offenders to continuously involve
31 themselves in current and long-term treatment and appropriate
32 rehabilitative activities shall be made.

33 (f) Classes appropriate to the clinical and living needs of the
34 offender and appropriate to his or her level of understanding.

35 (g) The case manager shall assist the offender in the application
36 and qualification for entitlement funding, including medicaid, state
37 assistance, and other available government and private assistance at
38 any point that the offender is qualified and resources are available.

1 (h) The offender shall be provided access to daily activities such
2 as drop-in centers, prevocational and vocational training and jobs, and
3 volunteer activities.

4 (4) Once an offender has been selected into the pilot program, the
5 offender shall remain in the program until the end of his or her
6 sentence or unless the offender is released from the pilot program
7 earlier by the department of corrections.

8 (5) Specialized training in the management and supervision of high-
9 crime risk (~~(mentally ill)~~) offenders with mental illness shall be
10 provided to all participating mental health providers by the department
11 and the department of corrections prior to their participation in the
12 program and as requested thereafter.

13 (6) The pilot program provided for in this section must be
14 providing services by July 1, 1998.

15 **Sec. 31.** RCW 71.24.470 and 2009 c 319 s 1 are each amended to read
16 as follows:

17 (1) The secretary shall contract, to the extent that funds are
18 appropriated for this purpose, for case management services and such
19 other services as the secretary deems necessary to assist offenders
20 identified under RCW 72.09.370 for participation in the offender
21 reentry community safety program. The contracts may be with (~~(regional~~
22 ~~support networks)~~) behavioral health organizations or any other
23 qualified and appropriate entities.

24 (2) The case manager has the authority to assist these offenders in
25 obtaining the services, as set forth in the plan created under RCW
26 72.09.370(2), for up to five years. The services may include
27 coordination of mental health services, assistance with unfunded
28 medical expenses, obtaining chemical dependency treatment, housing,
29 employment services, educational or vocational training, independent
30 living skills, parenting education, anger management services, and such
31 other services as the case manager deems necessary.

32 (3) The legislature intends that funds appropriated for the
33 purposes of RCW 72.09.370, 71.05.145, and 71.05.212, and this section
34 and distributed to the (~~(regional support networks)~~) behavioral health
35 organizations are to supplement and not to supplant general funding.
36 Funds appropriated to implement RCW 72.09.370, 71.05.145, and
37 71.05.212, and this section are not to be considered available

1 resources as defined in RCW 71.24.025 and are not subject to the
2 priorities, terms, or conditions in the appropriations act established
3 pursuant to RCW 71.24.035.

4 (4) The offender reentry community safety program was formerly
5 known as the community integration assistance program.

6 **Sec. 32.** RCW 71.24.480 and 2009 c 319 s 2 are each amended to read
7 as follows:

8 (1) A licensed service provider or (~~regional support network~~)
9 behavioral health organization, acting in the course of the provider's
10 or (~~network's~~) organization's duties under this chapter, is not
11 liable for civil damages resulting from the injury or death of another
12 caused by a participant in the offender reentry community safety
13 program who is a client of the provider or (~~network~~) organization,
14 unless the act or omission of the provider or (~~network~~) organization
15 constitutes:

16 (a) Gross negligence;

17 (b) Willful or wanton misconduct; or

18 (c) A breach of the duty to warn of and protect from a client's
19 threatened violent behavior if the client has communicated a serious
20 threat of physical violence against a reasonably ascertainable victim
21 or victims.

22 (2) In addition to any other requirements to report violations, the
23 licensed service provider and (~~regional support network~~) behavioral
24 health organization shall report an offender's expressions of intent to
25 harm or other predatory behavior, regardless of whether there is an
26 ascertainable victim, in progress reports and other established
27 processes that enable courts and supervising entities to assess and
28 address the progress and appropriateness of treatment.

29 (3) A licensed service provider's or (~~regional support network's~~)
30 behavioral health organization's mere act of treating a participant in
31 the offender reentry community safety program is not negligence.
32 Nothing in this subsection alters the licensed service provider's or
33 (~~regional support network's~~) behavioral health organization's normal
34 duty of care with regard to the client.

35 (4) The limited liability provided by this section applies only to
36 the conduct of licensed service providers and (~~regional support~~

1 ~~networks~~) behavioral health organizations and does not apply to
2 conduct of the state.

3 (5) For purposes of this section, "participant in the offender
4 reentry community safety program" means a person who has been
5 identified under RCW 72.09.370 as an offender who: (a) Is reasonably
6 believed to be dangerous to himself or herself or others; and (b) has
7 a mental disorder.

8 **Sec. 33.** RCW 71.24.845 and 2013 c 230 s 1 are each amended to read
9 as follows:

10 The (~~regional support networks~~) behavioral health organizations
11 shall jointly develop a uniform transfer agreement to govern the
12 transfer of clients between (~~regional support networks~~) behavioral
13 health organizations. By September 1, 2013, the (~~regional support~~
14 ~~networks~~) behavioral health organizations shall submit the uniform
15 transfer agreement to the department. By December 1, 2013, the
16 department shall establish guidelines to implement the uniform transfer
17 agreement and may modify the uniform transfer agreement as necessary to
18 avoid impacts on state administrative systems.

19 **Sec. 34.** RCW 71.24.055 and 2007 c 359 s 4 are each amended to read
20 as follows:

21 As part of the system transformation initiative, the department of
22 social and health services shall undertake the following activities
23 related specifically to children's mental health services:

24 (1) The development of recommended revisions to the access to care
25 standards for children. The recommended revisions shall reflect the
26 policies and principles set out in RCW 71.36.005, 71.36.010, and
27 71.36.025, and recognize that early identification, intervention and
28 prevention services, and brief intervention services may be provided
29 outside of the (~~regional support network~~) behavioral health
30 organization system. Revised access to care standards shall assess a
31 child's need for mental health services based upon the child's
32 diagnosis and its negative impact upon his or her persistent impaired
33 functioning in family, school, or the community, and should not solely
34 condition the receipt of services upon a determination that a child is
35 engaged in high risk behavior or is in imminent need of hospitalization
36 or out-of-home placement. Assessment and diagnosis for children under

1 five years of age shall be determined using a nationally accepted
2 assessment tool designed specifically for children of that age. The
3 recommendations shall also address whether amendments to RCW 71.24.025
4 (~~((26) and))~~ (27) and (28) and 71.24.035(5) are necessary to implement
5 revised access to care standards;

6 (2) Development of a revised children's mental health benefit
7 package. The department shall ensure that services included in the
8 children's mental health benefit package reflect the policies and
9 principles included in RCW 71.36.005 and 71.36.025, to the extent
10 allowable under medicaid, Title XIX of the federal social security act.
11 Strong consideration shall be given to developmentally appropriate
12 evidence-based and research-based practices, family-based
13 interventions, the use of natural and peer supports, and community
14 support services. This effort shall include a review of other states'
15 efforts to fund family-centered children's mental health services
16 through their medicaid programs;

17 (3) Consistent with the timeline developed for the system
18 transformation initiative, recommendations for revisions to the
19 children's access to care standards and the children's mental health
20 services benefits package shall be presented to the legislature by
21 January 1, 2009.

22 **Sec. 35.** RCW 71.24.065 and 2007 c 359 s 10 are each amended to
23 read as follows:

24 To the extent funds are specifically appropriated for this purpose,
25 the department of social and health services shall contract for
26 implementation of a wraparound model of integrated children's mental
27 health services delivery in up to four (~~((regional support network))~~)
28 behavioral health organization regions in Washington state in which
29 wraparound programs are not currently operating, and in up to two
30 (~~((regional support network))~~) behavioral health organization regions in
31 which wraparound programs are currently operating. Contracts in
32 regions with existing wraparound programs shall be for the purpose of
33 expanding the number of children served.

34 (1) Funding provided may be expended for: Costs associated with a
35 request for proposal and contracting process; administrative costs
36 associated with successful bidders' operation of the wraparound model;
37 the evaluation under subsection (5) of this section; and funding for

1 services needed by children enrolled in wraparound model sites that are
2 not otherwise covered under existing state programs. The services
3 provided through the wraparound model sites shall include, but not be
4 limited to, services covered under the medicaid program. The
5 department shall maximize the use of medicaid and other existing state-
6 funded programs as a funding source. However, state funds provided may
7 be used to develop a broader service package to meet needs identified
8 in a child's care plan. Amounts provided shall supplement, and not
9 supplant, state, local, or other funding for services that a child
10 being served through a wraparound site would otherwise be eligible to
11 receive.

12 (2) The wraparound model sites shall serve children with serious
13 emotional or behavioral disturbances who are at high risk of
14 residential or correctional placement or psychiatric hospitalization,
15 and who have been referred for services from the department, a county
16 juvenile court, a tribal court, a school, or a licensed mental health
17 provider or agency.

18 (3) Through a request for proposal process, the department shall
19 contract, with (~~regional support networks~~) behavioral health
20 organizations, alone or in partnership with either educational service
21 districts or entities licensed to provide mental health services to
22 children with serious emotional or behavioral disturbances, to operate
23 the wraparound model sites. The contractor shall provide care
24 coordination and facilitate the delivery of services and other supports
25 to families using a strength-based, highly individualized wraparound
26 process. The request for proposal shall require that:

27 (a) The (~~regional support network~~) behavioral health organization
28 agree to use its medicaid revenues to fund services included in the
29 existing (~~regional support network's~~) behavioral health
30 organization's benefit package that a medicaid-eligible child
31 participating in the wraparound model site is determined to need;

32 (b) The contractor provide evidence of commitments from at least
33 the following entities to participate in wraparound care plan
34 development and service provision when appropriate: Community mental
35 health agencies, schools, the department of social and health services
36 children's administration, juvenile courts, the department of social
37 and health services juvenile rehabilitation administration, and managed

1 health care systems contracting with the department under RCW
2 74.09.522; and

3 (c) The contractor will operate the wraparound model site in a
4 manner that maintains fidelity to the wraparound process as defined in
5 RCW 71.36.010.

6 (4) Contracts for operation of the wraparound model sites shall be
7 executed on or before April 1, 2008, with enrollment and service
8 delivery beginning on or before July 1, 2008.

9 (5) The evidence-based practice institute established in RCW
10 71.24.061 shall evaluate the wraparound model sites, measuring outcomes
11 for children served. Outcomes measured shall include, but are not
12 limited to: Decreased out-of-home placement, including residential,
13 group, and foster care, and increased stability of such placements,
14 school attendance, school performance, recidivism, emergency room
15 utilization, involvement with the juvenile justice system, decreased
16 use of psychotropic medication, and decreased hospitalization.

17 (6) The evidence-based practice institute shall provide a report
18 and recommendations to the appropriate committees of the legislature by
19 December 1, 2010.

20 **Sec. 36.** RCW 71.24.240 and 2005 c 503 s 10 are each amended to
21 read as follows:

22 In order to establish eligibility for funding under this chapter,
23 any ((~~regional support network~~)) behavioral health organization seeking
24 to obtain federal funds for the support of any aspect of a community
25 mental health program as defined in this chapter shall submit program
26 plans to the secretary for prior review and approval before such plans
27 are submitted to any federal agency.

28 **Sec. 37.** RCW 71.24.320 and 2008 c 261 s 5 are each amended to read
29 as follows:

30 (1) If an existing ((~~regional support network~~)) behavioral health
31 organization chooses not to respond to a request for qualifications, or
32 is unable to substantially meet the requirements of a request for
33 qualifications, or notifies the department of social and health
34 services it will no longer serve as a ((~~regional support network~~))
35 behavioral health organization, the department shall utilize a

1 procurement process in which other entities recognized by the secretary
2 may bid to serve as the (~~regional support network~~) behavioral health
3 organization.

4 (a) The request for proposal shall include a scoring factor for
5 proposals that include additional financial resources beyond that
6 provided by state appropriation or allocation.

7 (b) The department shall provide detailed briefings to all bidders
8 in accordance with department and state procurement policies.

9 (c) The request for proposal shall also include a scoring factor
10 for proposals submitted by nonprofit entities that include a component
11 to maximize the utilization of state provided resources and the
12 leverage of other funds for the support of mental health services to
13 persons with mental illness.

14 (2) A (~~regional support network~~) behavioral health organization
15 that voluntarily terminates, refuses to renew, or refuses to sign a
16 mandatory amendment to its contract to act as a (~~regional support~~
17 ~~network~~) behavioral health organization is prohibited from responding
18 to a procurement under this section or serving as a (~~regional support~~
19 ~~network~~) behavioral health organization for five years from the date
20 that the department signs a contract with the entity that will serve as
21 the (~~regional support network~~) behavioral health organization.

22 **Sec. 38.** RCW 71.24.330 and 2013 c 320 s 9 are each amended to read
23 as follows:

24 (1)(a) Contracts between a (~~regional support network~~) behavioral
25 health organization and the department shall include mechanisms for
26 monitoring performance under the contract and remedies for failure to
27 substantially comply with the requirements of the contract including,
28 but not limited to, financial penalties, termination of the contract,
29 and reprocurement of the contract.

30 (b) The department shall incorporate the criteria to measure the
31 performance of service coordination organizations into contracts with
32 (~~regional support networks~~) behavioral health organizations as
33 provided in chapter 70.320 RCW.

34 (2) The (~~regional support network~~) behavioral health organization
35 procurement processes shall encourage the preservation of
36 infrastructure previously purchased by the community mental health
37 service delivery system, the maintenance of linkages between other

1 services and delivery systems, and maximization of the use of available
2 funds for services versus profits. However, a ((~~regional support~~
3 ~~network~~)) behavioral health organization selected through the
4 procurement process is not required to contract for services with any
5 county-owned or operated facility. The ((~~regional support network~~))
6 behavioral health organization procurement process shall provide that
7 public funds appropriated by the legislature shall not be used to
8 promote or deter, encourage, or discourage employees from exercising
9 their rights under Title 29, chapter 7, subchapter II, United States
10 Code or chapter 41.56 RCW.

11 (3) In addition to the requirements of RCW 71.24.035, contracts
12 shall:

13 (a) Define administrative costs and ensure that the ((~~regional~~
14 ~~support network~~)) behavioral health organization does not exceed an
15 administrative cost of ten percent of available funds;

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

18 (c) Require substantial implementation of department adopted
19 integrated screening and assessment process and matrix of best
20 practices;

21 (d) Maintain the decision-making independence of designated mental
22 health professionals;

23 (e) Except at the discretion of the secretary or as specified in
24 the biennial budget, require ((~~regional support networks~~)) behavioral
25 health organizations to pay the state for the costs associated with
26 individuals who are being served on the grounds of the state hospitals
27 and who are not receiving long-term inpatient care as defined in RCW
28 71.24.025;

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

30 (g) Include a provision requiring either party to provide one
31 hundred eighty days' notice of any issue that may cause either party to
32 voluntarily terminate, refuse to renew, or refuse to sign a mandatory
33 amendment to the contract to act as a ((~~regional support network~~))
34 behavioral health organization. If either party decides to voluntarily
35 terminate, refuse to renew, or refuse to sign a mandatory amendment to
36 the contract to serve as a ((~~regional support network~~)) behavioral
37 health organization they shall provide ninety days' advance notice in
38 writing to the other party.

1 **Sec. 39.** RCW 71.24.360 and 2012 c 91 s 1 are each amended to read
2 as follows:

3 (1) The department may establish new (~~((regional support network))~~)
4 behavioral health organization boundaries in any part of the state:

5 (a) Where more than one (~~((network))~~) organization chooses not to
6 respond to, or is unable to substantially meet the requirements of, the
7 request for qualifications under RCW 71.24.320;

8 (b) Where a (~~((regional support network))~~) behavioral health
9 organization is subject to reprocurement under RCW 71.24.330; or

10 (c) Where two or more (~~((regional support networks))~~) behavioral
11 health organizations propose to reconfigure themselves to achieve
12 consolidation, in which case the procurement process described in RCW
13 71.24.320 and 71.24.330(2) does not apply.

14 (2) The department may establish no fewer than six and no more than
15 fourteen (~~((regional support networks))~~) behavioral health organizations
16 under this chapter. No entity shall be responsible for more than three
17 (~~((regional support networks))~~) behavioral health organizations.

18 **Sec. 40.** RCW 71.24.405 and 2001 c 323 s 19 are each amended to
19 read as follows:

20 The department shall establish a comprehensive and collaborative
21 effort within (~~((regional support networks))~~) behavioral health
22 organizations and with local mental health service providers aimed at
23 creating innovative and streamlined community mental health service
24 delivery systems, in order to carry out the purposes set forth in RCW
25 71.24.400 and to capture the diversity of the community mental health
26 service delivery system.

27 The department must accomplish the following:

28 (1) Identification, review, and cataloging of all rules,
29 regulations, duplicative administrative and monitoring functions, and
30 other requirements that currently lead to inefficiencies in the
31 community mental health service delivery system and, if possible,
32 eliminate the requirements;

33 (2) The systematic and incremental development of a single system
34 of accountability for all federal, state, and local funds provided to
35 the community mental health service delivery system. Systematic
36 efforts should be made to include federal and local funds into the
37 single system of accountability;

1 (3) The elimination of process regulations and related contract and
2 reporting requirements. In place of the regulations and requirements,
3 a set of outcomes for mental health adult and children clients
4 according to chapter 71.24 RCW must be used to measure the performance
5 of mental health service providers and (~~regional support networks~~)
6 behavioral health organizations. Such outcomes shall focus on
7 stabilizing out-of-home and hospital care, increasing stable community
8 living, increasing age-appropriate activities, achieving family and
9 consumer satisfaction with services, and system efficiencies;

10 (4) Evaluation of the feasibility of contractual agreements between
11 the department of social and health services and (~~regional support
12 networks~~) behavioral health organizations and mental health service
13 providers that link financial incentives to the success or failure of
14 mental health service providers and (~~regional support networks~~)
15 behavioral health organizations to meet outcomes established for mental
16 health service clients;

17 (5) The involvement of mental health consumers and their
18 representatives. Mental health consumers and their representatives
19 will be involved in the development of outcome standards for mental
20 health clients under section 5 of this act; and

21 (6) An independent evaluation component to measure the success of
22 the department in fully implementing the provisions of RCW 71.24.400
23 and this section.

24 **Sec. 41.** RCW 71.24.430 and 2001 c 323 s 3 are each amended to read
25 as follows:

26 (1) The department shall ensure the coordination of allied services
27 for mental health clients. The department shall implement strategies
28 for resolving organizational, regulatory, and funding issues at all
29 levels of the system, including the state, the (~~regional support
30 networks~~) behavioral health organizations, and local service
31 providers.

32 (2) The department shall propose, in operating budget requests,
33 transfers of funding among programs to support collaborative service
34 delivery to persons who require services from multiple department
35 programs. The department shall report annually to the appropriate
36 committees of the senate and house of representatives on actions and
37 projects it has taken to promote collaborative service delivery.

1 **Sec. 42.** RCW 74.09.520 and 2011 1st sp.s. c 15 s 27 are each
2 amended to read as follows:

3 (1) The term "medical assistance" may include the following care
4 and services subject to rules adopted by the authority or department:

5 (a) Inpatient hospital services; (b) outpatient hospital services; (c)
6 other laboratory and X-ray services; (d) nursing facility services; (e)
7 physicians' services, which shall include prescribed medication and
8 instruction on birth control devices; (f) medical care, or any other
9 type of remedial care as may be established by the secretary or
10 director; (g) home health care services; (h) private duty nursing
11 services; (i) dental services; (j) physical and occupational therapy
12 and related services; (k) prescribed drugs, dentures, and prosthetic
13 devices; and eyeglasses prescribed by a physician skilled in diseases
14 of the eye or by an optometrist, whichever the individual may select;
15 (l) personal care services, as provided in this section; (m) hospice
16 services; (n) other diagnostic, screening, preventive, and
17 rehabilitative services; and (o) like services when furnished to a
18 child by a school district in a manner consistent with the requirements
19 of this chapter. For the purposes of this section, neither the
20 authority nor the department may cut off any prescription medications,
21 oxygen supplies, respiratory services, or other life-sustaining medical
22 services or supplies.

23 "Medical assistance," notwithstanding any other provision of law,
24 shall not include routine foot care, or dental services delivered by
25 any health care provider, that are not mandated by Title XIX of the
26 social security act unless there is a specific appropriation for these
27 services.

28 (2) The department shall adopt, amend, or rescind such
29 administrative rules as are necessary to ensure that Title XIX personal
30 care services are provided to eligible persons in conformance with
31 federal regulations.

32 (a) These administrative rules shall include financial eligibility
33 indexed according to the requirements of the social security act
34 providing for medicaid eligibility.

35 (b) The rules shall require clients be assessed as having a medical
36 condition requiring assistance with personal care tasks. Plans of care
37 for clients requiring health-related consultation for assessment and
38 service planning may be reviewed by a nurse.

1 (c) The department shall determine by rule which clients have a
2 health-related assessment or service planning need requiring registered
3 nurse consultation or review. This definition may include clients that
4 meet indicators or protocols for review, consultation, or visit.

5 (3) The department shall design and implement a means to assess the
6 level of functional disability of persons eligible for personal care
7 services under this section. The personal care services benefit shall
8 be provided to the extent funding is available according to the
9 assessed level of functional disability. Any reductions in services
10 made necessary for funding reasons should be accomplished in a manner
11 that assures that priority for maintaining services is given to persons
12 with the greatest need as determined by the assessment of functional
13 disability.

14 (4) Effective July 1, 1989, the authority shall offer hospice
15 services in accordance with available funds.

16 (5) For Title XIX personal care services administered by aging and
17 disability services administration of the department, the department
18 shall contract with area agencies on aging:

19 (a) To provide case management services to individuals receiving
20 Title XIX personal care services in their own home; and

21 (b) To reassess and reauthorize Title XIX personal care services or
22 other home and community services as defined in RCW 74.39A.009 in home
23 or in other settings for individuals consistent with the intent of this
24 section:

25 (i) Who have been initially authorized by the department to receive
26 Title XIX personal care services or other home and community services
27 as defined in RCW 74.39A.009; and

28 (ii) Who, at the time of reassessment and reauthorization, are
29 receiving such services in their own home.

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

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

35 (b) Provide the services directly until a qualified contractor can
36 be found.

37 (7) Subject to the availability of amounts appropriated for this

1 specific purpose, the authority may offer medicare part D prescription
2 drug copayment coverage to full benefit dual eligible beneficiaries.

3 (8) By April 1, 2016, any contract with a managed health care
4 system to provide services to medical assistance enrollees shall
5 require that managed health care systems contract with either
6 behavioral health organizations or mental health or chemical dependency
7 treatment providers to assure that primary care services are available
8 in and integrated into behavioral health treatment clinical settings.
9 The managed health care system contracts shall serve geographic areas
10 that correspond to the regional service areas established in section 2
11 of this act.

12 **Sec. 43.** RCW 74.09.522 and 2013 2nd sp.s. c 17 s 13 are each
13 amended to read as follows:

14 (1) For the purposes of this section:

15 (a) "Managed health care system" means any health care
16 organization, including health care providers, insurers, health care
17 service contractors, health maintenance organizations, health insuring
18 organizations, or any combination thereof, that provides directly or by
19 contract health care services covered under this chapter and rendered
20 by licensed providers, on a prepaid capitated basis and that meets the
21 requirements of section 1903(m)(1)(A) of Title XIX of the federal
22 social security act or federal demonstration waivers granted under
23 section 1115(a) of Title XI of the federal social security act;

24 (b) "Nonparticipating provider" means a person, health care
25 provider, practitioner, facility, or entity, acting within their scope
26 of practice, that does not have a written contract to participate in a
27 managed health care system's provider network, but provides health care
28 services to enrollees of programs authorized under this chapter whose
29 health care services are provided by the managed health care system.

30 (2) The authority shall enter into agreements with managed health
31 care systems to provide health care services to recipients of temporary
32 assistance for needy families under the following conditions:

33 (a) Agreements shall be made for at least thirty thousand
34 recipients statewide;

35 (b) Agreements in at least one county shall include enrollment of
36 all recipients of temporary assistance for needy families;

1 (c) To the extent that this provision is consistent with section
2 1903(m) of Title XIX of the federal social security act or federal
3 demonstration waivers granted under section 1115(a) of Title XI of the
4 federal social security act, recipients shall have a choice of systems
5 in which to enroll and shall have the right to terminate their
6 enrollment in a system: PROVIDED, That the authority may limit
7 recipient termination of enrollment without cause to the first month of
8 a period of enrollment, which period shall not exceed twelve months:
9 AND PROVIDED FURTHER, That the authority shall not restrict a
10 recipient's right to terminate enrollment in a system for good cause as
11 established by the authority by rule;

12 (d) To the extent that this provision is consistent with section
13 1903(m) of Title XIX of the federal social security act, participating
14 managed health care systems shall not enroll a disproportionate number
15 of medical assistance recipients within the total numbers of persons
16 served by the managed health care systems, except as authorized by the
17 authority under federal demonstration waivers granted under section
18 1115(a) of Title XI of the federal social security act;

19 (e)(i) In negotiating with managed health care systems the
20 authority shall adopt a uniform procedure to enter into contractual
21 arrangements, to be included in contracts issued or renewed on or after
22 January 1, 2015, including:

23 (A) Standards regarding the quality of services to be provided;

24 (B) The financial integrity of the responding system;

25 (C) Provider reimbursement methods that incentivize chronic care
26 management within health homes, including comprehensive medication
27 management services for patients with multiple chronic conditions
28 consistent with the findings and goals established in RCW 74.09.5223;

29 (D) Provider reimbursement methods that reward health homes that,
30 by using chronic care management, reduce emergency department and
31 inpatient use;

32 (E) Promoting provider participation in the program of training and
33 technical assistance regarding care of people with chronic conditions
34 described in RCW 43.70.533, including allocation of funds to support
35 provider participation in the training, unless the managed care system
36 is an integrated health delivery system that has programs in place for
37 chronic care management;

1 (F) Provider reimbursement methods within the medical billing
2 processes that incentivize pharmacists or other qualified providers
3 licensed in Washington state to provide comprehensive medication
4 management services consistent with the findings and goals established
5 in RCW 74.09.5223; (~~and~~)

6 (G) Evaluation and reporting on the impact of comprehensive
7 medication management services on patient clinical outcomes and total
8 health care costs, including reductions in emergency department
9 utilization, hospitalization, and drug costs; and

10 (H) Established consistent processes to incentivize integration of
11 behavioral health services in the primary care setting, assuring
12 integrated care is integrated, collaborative, co-located, and
13 preventive.

14 (ii)(A) Health home services contracted for under this subsection
15 may be prioritized to enrollees with complex, high cost, or multiple
16 chronic conditions.

17 (B) Contracts that include the items in (e)(i)(C) through (G) of
18 this subsection must not exceed the rates that would be paid in the
19 absence of these provisions;

20 (f) The authority shall seek waivers from federal requirements as
21 necessary to implement this chapter;

22 (g) The authority shall, wherever possible, enter into prepaid
23 capitation contracts that include inpatient care. However, if this is
24 not possible or feasible, the authority may enter into prepaid
25 capitation contracts that do not include inpatient care;

26 (h) The authority shall define those circumstances under which a
27 managed health care system is responsible for out-of-plan services and
28 assure that recipients shall not be charged for such services;

29 (i) Nothing in this section prevents the authority from entering
30 into similar agreements for other groups of people eligible to receive
31 services under this chapter; and

32 (j) The authority must consult with the federal center for medicare
33 and medicaid innovation and seek funding opportunities to support
34 health homes.

35 (3) The authority shall ensure that publicly supported community
36 health centers and providers in rural areas, who show serious intent
37 and apparent capability to participate as managed health care systems

1 are seriously considered as contractors. The authority shall
2 coordinate its managed care activities with activities under chapter
3 70.47 RCW.

4 (4) The authority shall work jointly with the state of Oregon and
5 other states in this geographical region in order to develop
6 recommendations to be presented to the appropriate federal agencies and
7 the United States congress for improving health care of the poor, while
8 controlling related costs.

9 (5) The legislature finds that competition in the managed health
10 care marketplace is enhanced, in the long term, by the existence of a
11 large number of managed health care system options for medicaid
12 clients. In a managed care delivery system, whose goal is to focus on
13 prevention, primary care, and improved enrollee health status,
14 continuity in care relationships is of substantial importance, and
15 disruption to clients and health care providers should be minimized.
16 To help ensure these goals are met, the following principles shall
17 guide the authority in its healthy options managed health care
18 purchasing efforts:

19 (a) All managed health care systems should have an opportunity to
20 contract with the authority to the extent that minimum contracting
21 requirements defined by the authority are met, at payment rates that
22 enable the authority to operate as far below appropriated spending
23 levels as possible, consistent with the principles established in this
24 section.

25 (b) Managed health care systems should compete for the award of
26 contracts and assignment of medicaid beneficiaries who do not
27 voluntarily select a contracting system, based upon:

28 (i) Demonstrated commitment to or experience in serving low-income
29 populations;

30 (ii) Quality of services provided to enrollees;

31 (iii) Accessibility, including appropriate utilization, of services
32 offered to enrollees;

33 (iv) Demonstrated capability to perform contracted services,
34 including ability to supply an adequate provider network;

35 (v) Payment rates; and

36 (vi) The ability to meet other specifically defined contract
37 requirements established by the authority, including consideration of

1 past and current performance and participation in other state or
2 federal health programs as a contractor.

3 (c) Consideration should be given to using multiple year
4 contracting periods.

5 (d) Quality, accessibility, and demonstrated commitment to serving
6 low-income populations shall be given significant weight in the
7 contracting, evaluation, and assignment process.

8 (e) All contractors that are regulated health carriers must meet
9 state minimum net worth requirements as defined in applicable state
10 laws. The authority shall adopt rules establishing the minimum net
11 worth requirements for contractors that are not regulated health
12 carriers. This subsection does not limit the authority of the
13 Washington state health care authority to take action under a contract
14 upon finding that a contractor's financial status seriously jeopardizes
15 the contractor's ability to meet its contract obligations.

16 (f) Procedures for resolution of disputes between the authority and
17 contract bidders or the authority and contracting carriers related to
18 the award of, or failure to award, a managed care contract must be
19 clearly set out in the procurement document.

20 (6) The authority may apply the principles set forth in subsection
21 (5) of this section to its managed health care purchasing efforts on
22 behalf of clients receiving supplemental security income benefits to
23 the extent appropriate.

24 (7) A managed health care system shall pay a nonparticipating
25 provider that provides a service covered under this chapter to the
26 system's enrollee no more than the lowest amount paid for that service
27 under the managed health care system's contracts with similar providers
28 in the state.

29 (8) For services covered under this chapter to medical assistance
30 or medical care services enrollees and provided on or after August 24,
31 2011, nonparticipating providers must accept as payment in full the
32 amount paid by the managed health care system under subsection (7) of
33 this section in addition to any deductible, coinsurance, or copayment
34 that is due from the enrollee for the service provided. An enrollee is
35 not liable to any nonparticipating provider for covered services,
36 except for amounts due for any deductible, coinsurance, or copayment
37 under the terms and conditions set forth in the managed health care
38 system contract to provide services under this section.

1 (9) Pursuant to federal managed care access standards, 42 C.F.R.
2 Sec. 438, managed health care systems must maintain a network of
3 appropriate providers that is supported by written agreements
4 sufficient to provide adequate access to all services covered under the
5 contract with the authority, including hospital-based physician
6 services. The authority will monitor and periodically report on the
7 proportion of services provided by contracted providers and
8 nonparticipating providers, by county, for each managed health care
9 system to ensure that managed health care systems are meeting network
10 adequacy requirements. No later than January 1st of each year, the
11 authority will review and report its findings to the appropriate policy
12 and fiscal committees of the legislature for the preceding state fiscal
13 year.

14 (10) Payments under RCW 74.60.130 are exempt from this section.

15 (11) Subsections (7) through (9) of this section expire July 1,
16 2016.

17 NEW SECTION. **Sec. 44.** Section 1 of this act is necessary for the
18 immediate preservation of the public peace, health, or safety, or
19 support of the state government and its existing public institutions,
20 and takes effect immediately.

21 NEW SECTION. **Sec. 45.** Sections 6, 7, and 9 through 42 of this act
22 take effect April 1, 2016.

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