

SENATE BILL REPORT

SHB 1879

As of March 20, 2015

Title: An act relating to directing the health care authority to issue a request for proposals for integrated managed health and behavioral health services for foster children.

Brief Description: Directing the health care authority to issue a request for proposals for integrated managed health and behavioral health services for foster children.

Sponsors: House Committee on Health Care & Wellness (originally sponsored by Representatives Kagi, Walsh, Cody, Harris, Orwall, Tarleton and Ormsby).

Brief History: Passed House: 3/05/15, 92-6.

Committee Activity: Human Services, Mental Health & Housing: 3/19/15.

SENATE COMMITTEE ON HUMAN SERVICES, MENTAL HEALTH & HOUSING

Staff: Kevin Black (786-7747)

Background: The Health Care Authority (HCA) administers the Medicaid program, which is a state federal program that pays for health care for low-income state residents who meet certain eligibility criteria. Children in foster care and persons who are under 26 years of age who were served by the foster care system on or after their eighteenth birthday are eligible for Medicaid.

In 2014 the Legislature passed Second Substitute Senate Bill 6312, which directed the HCA and the Department of Social and Health Services to develop a plan to provide integrated managed health and mental health care for foster children on Medicaid. This plan must address the development of a service delivery system, benefit design, reimbursement mechanisms, and standards for contracting with health plans. The plan must include a timeline and funding estimate for full integration, and be designed so that the requirement for providing mental health services to children under the *T.R. v. Dreyfus and Porter* settlement (*T.R.* settlement) is met. This plan was submitted to the Legislature on December 1, 2014, and identifies a timeline for integration of services with January 2018 as the date for executing an integrated contract. The report notes that the primary challenge for full integration is moving mental health services for foster children affected by the *T.R.* settlement into a managed care organization while maintaining continuity and quality of care.

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

Summary of Bill: HCA must issue a request for proposals (RFP) to provide integrated managed health and behavioral health care for foster children receiving care through the medical assistance program. The RFP must be completed in time for services to begin on December 1, 2016. The RFP must address development of a service delivery mechanism, benefit design, reimbursement mechanisms, standards for contracting with health plans, and must be designed to meet all the requirements of the *T.R.* settlement. If HCA determines that it is not feasible to integrate the mental health services required by the *T.R.* settlement in the health plans by December 1, 2016, the services may be purchased separately as supplemental services and fully integrated into the health plans by January 1, 2018.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill represents an important step forward in managing health and behavioral health services for foster children. Texas and Georgia have implemented a single managed care health contract for their foster youth; their costs have gone down, services are more evenly distributed, and the number of children in institutions and group homes has decreased. A care coordination function under managed care means that kids and foster parents will have support when they need it. I agree with the recommendation to delay integration of services under the *T.R.* settlement until 2018. It is best to wait until these systems are mature. The increased focus on access to mental health services for children is very positive. The eventual move toward integration is also positive. Adjusting the timeline to accommodate other concerns is appropriate in this case. We would like an amendment requiring a second opinion before antipsychotic medications are prescribed to children. Integrated care is whole person care and leads to the best health outcomes for vulnerable populations. Washington children should benefit from this approach to health care delivery.

CON: Counties are focused on the mandate to integrate mental health and chemical dependency services in behavioral health organizations by 2016. We believe the timeline for full integration for foster kids should be moved back to 2018, as suggested by previous speakers. The bill should be further amended to flesh out the responsibility for crisis services, inpatient services, juvenile detention, and jail diversion for youth in a way that specifies who will carry the financial risk.

OTHER: We have concerns with the language currently in the bill. We would support it with amendatory language, which the sponsor has agreed to, related to delay of the timeline to accommodate the needs of the *T.R.* settlement.

Persons Testifying: PRO: Representative Kagi, prime sponsor; Laurie Lippold, Partners for Our Children; Katie Rogers, Coordinated Care of WA; MaryAnne Lindeblad, HCA; Jane Beyer, Dept. of Social and Health Services (DSHS).

CON: Brian Enslow, WA Assn. of Counties.

OTHER: David Del Villar Fox, DSHS Children's Administration.

Persons Signed in to Testify But Not Testifying: No one.