SENATE BILL REPORT
2SHB 1916

As of March 30, 2015

Title: An act relating to integrating administrative provisions for chemical dependency and mental health.

Brief Description: Integrating administrative provisions for chemical dependency and mental health.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Cody and Harris).

Brief History: Passed House: 3/09/15, 57-41.
Committee Activity: Human Services, Mental Health & Housing: 3/23/15.

SENATE COMMITTEE ON HUMAN SERVICES, MENTAL HEALTH & HOUSING

Staff: Kevin Black (786-7747)

Background: The Department of Social and Health Services (DSHS) contracts with regional support networks (RSNs) to oversee the delivery of mental health services for adults and children who have severe mental health treatment needs. An RSN may be a county, group of counties, or a nonprofit or for-profit entity. Currently, 10 of the 11 RSNs are county based; one is operated by a private entity.

RSNs administer the mental health benefit for patients who qualify for Medicaid and meet access to care standards based on acute mental health care needs. RSN Medicaid services are provided through a managed care system in which RSNs are paid by the state on a capitation basis, and funding is adjusted based on caseload. Non-Medicaid mental health services are provided by RSNs within appropriated funding, according to priorities developed at the local level. These may include services provided to persons who do not qualify for Medicaid, or services which are not reimbursable by Medicaid, including investigation costs and court costs related to the mental health crisis system. RSNs contract with local providers to provide a range of mental health services, monitor the activities of local providers, and oversee the distribution of funds under the state managed care plan.

DSHS separately contracts with counties and certified providers to provide a state program of chemical dependency services, including a range of prevention, treatment, and support services. After April 1, 2016, this program is renamed the substance use disorder program.

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.

DSHS may plan, establish, and maintain the chemical dependency program, establish priorities, and conduct research. Services provided within the chemical dependency program are provided on a fee-for-service basis within appropriated funding.

In 2014 the Legislature passed Second Substitute Senate Bill 6312, which directs DSHS to integrate chemical dependency purchasing into managed care contracts administered by RSNs, exempting the Criminal Justice Treatment Account, by April 1, 2016. On that date, the RSNs are renamed behavioral health organizations (BHOs), and they will administer mental health and substance use disorder services. The substance use disorder program will no longer be denominated in law as a discrete program.

Summary of Bill: This legislation recodifies 34 sections of code relating to the administration of the state substance use disorder program into the chapter relating to the BHO managed care program, repeals eight sections of code, and updates terminology relating to chemical dependency and mental health. Certain features unique to the mental health program are expanded to accommodate both mental health and substance use disorder concerns. These changes are effective on April 1, 2016, when administration of mental health and substance use disorder services are due to be merged within managed care contracts between the state and BHOs.

The terms chemical dependency, alcoholism and other drug addiction, and substance abuse, when used to refer to disorders, are replaced with the term substance use disorders. The term mental health is replaced with behavioral health in statutes referring to the responsibilities of BHOs. DSHS is designated as the state behavioral health authority, instead of the state mental health authority. In some instances, references to behavioral health disorders are replaced with references to "mental health disorders, substance use disorders, or both," and similar formulations.

Mental health advisory boards which must be established by BHOs are renamed behavioral health advisory boards. Behavioral health advisory boards must include representation from consumers of both substance use disorder services and mental health services and their families. The requirement for each BHO to provide a mental health ombuds office is changed to require BHOs to provide a behavioral health ombuds office.

A statute is repealed creating state confidentiality standards for disclosure of substance use treatment records; in the absence of this statute, confidentiality rules will be determined by applicable federal law. Other repealed statutes include a requirement that the substance use disorder program be led by a person who has training in handling or administering alcoholism or other drug addiction programs, and statutes establishing an interdepartmental coordinating committee, county alcoholism and drug addiction boards, a chief executive officer of the county alcoholism and other drug addiction program, and an expired methamphetamine addiction funding program.

Recodified statutory provisions relating to the substance use disorder program cover the breadth of DSHS' contracting, licensing, and regulatory functions, including the management of federal funds.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: The bill takes effect on April 1, 2016.

Staff Summary of Public Testimony: PRO: We heard this summer at the Adult Behavioral Health Task Force that there was a need to align these statutes as part of the integration of behavioral health services. This will make the RCWs smaller. Please modify the statute to exempt chemical dependency funding from the B&O tax in Pierce County. This bill would allow administrative simplification and should save money after the period of implementation.

CON: We don't want to be regulated through mental health. Substance abuse services is the small fish in the pond; our influence has diminished without a separate division. There should be a discrete system of care for persons with substance use disorders led by a person knowledgeable about these disorders.

Persons Testifying: PRO: Representative Cody, prime sponsor; David Knutson, OPTUM Health; Gregory Robinson, WA Community Mental Health Council.

CON: Scott Munson, Assn. of Alcoholism and Addictions Services.

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