SENATE BILL REPORT
SB 6656

As of March 1, 2016

Title: An act relating to the reform of practices at state hospitals.

Brief Description: Concerning state hospital practices.

Sponsors: Senators Hill, Hargrove, Ranker, Darneille, Parlette, Becker, Braun, Fain and Bailey.

Brief History:
Committee Activity: Ways & Means: 2/23/16.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Travis Sugarman (786-7446)

Background: Western State Hospital, Eastern State Hospital, and the Child Study and Treatment Center are state hospitals designated by the state of Washington to care for persons with mental illness. The state hospitals treat court-committed patients who are civilly committed based on a mental disorder which causes the patient to present a likelihood of serious harm or to be gravely disabled, and patients who are forensically committed for psychiatric services related to criminal insanity and competency to stand trial. State hospital administration is overseen by the Department of Social and Health Services (DSHS).

Civil beds at Western State Hospital and Eastern State Hospital are distributed by providing bed allocations to each of the state's 11 regional support networks (RSN). An RSN is a county or group of counties which administers a treatment network that provides publically funded community mental health treatment to persons with a specific geographic area. State hospital bed allocations are determined by agreement or by a formula which weighs estimated incidence of mental illness within the geographic area and historical state hospital utilization patterns. An RSN is not charged for its use of the state hospital unless it exceeds its bed allocation. If the RSN's average daily census at the state hospital exceeds its bed allocation, the RSN is charged for the excess days of patient care. Half of the charge is retained to fund operations of the state hospital, and half is paid by DSHS as an incentive to RSNs who are below their bed allocation.

In April 2015, forensic operations at the adult state hospitals were placed under the supervision of a court monitor appointed by the United States District Court for the Western

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District of Washington, based on a permanent injunction and finding that waiting times for forensic services are violating the constitutional due process rights of state hospital patients.

In November 2015, the Centers for Medicare & Medicaid Services (CMS) conducted a surprise inspection of Western State Hospital and cited the hospital with six notices of immediate jeopardy, placing the receipt of federal funding at risk. The immediate jeopardy notices cited staffing shortages, lack of active treatment hours, lack of appropriate infection controls, and an insufficient culture of safety. In response to this action, DSHS stopped or indefinitely postponed the opening of two funded wards at Western State Hospital, citing insufficient availability of staff to assure patient safety. The immediate jeopardy notices were abated with the submission of a corrective action plan which is currently undergoing revision between DSHS and CMS. A portion of the planned expansion of state hospital capacity has been diverted to an offsite facility which is projected to begin accepting patients in March 2016.

A psychiatric advanced registered nurse practitioner (psychiatric ARNP) is a nursing professional who has obtained a graduate degree and is licensed to take an expanded role in providing health care services, including the diagnosis of patients and prescription of legend drugs and controlled substances.

Starting April 1, 2016, the role of RSNs will be expanded to include community substance abuse treatment services and the RSNs will be referred to as behavioral health organizations (BHOs). Two counties in Southwest Washington will become an early adopter region, which means that publically funded community health services will be administered by managed care organizations which combine oversight of primary health care and behavioral health care.

Summary of Bill: Effective July 1, 2017, state hospital bed allocations are eliminated. DSHS must charge BHOs and equivalent entities in early adopter regions for each day of care provided at the state hospital, within state funds provided for this purpose. If a BHO or early adopter entity reduces its state hospital utilization, funds may be retained and applied to the service of clients in the community, including purchasing beds in alternative facilities, diversion services, and effective community treatment. In this way, BHOs and early adopter entities will be placed fully at risk for the state hospital civil utilization of patients within their catchment areas. If a functional needs assessment or client history indicates that that the primary financial responsibility for the community care needs of the patient will come from the state long-term care or developmental disability systems, the cost of the state hospital care must be charged to the state agencies which administer these systems.

Effective July 1, 2017, if the BHO, early adopter entity, or state agency division and state hospital medical director are unable to reach a mutually agreed discharge plan for a patient within 14 days of a determination by any of these entities that a patient is no longer in need of intensive inpatient care, the case must be immediately appealed to the secretary of DSHS or the secretary's designee for expeditious resolution.

DSHS must evaluate its state hospital staffing structure to increase the use of psychiatric ARNPs. To reduce turnover and vacancies, DSHS must hire psychiatric ARNPs for vacant positions at the state hospitals, including work that may be currently or historically

performed by other job classifications and professions. The psychiatric ARNPs may not exceed their scope of practice.

DSHS must identify and discharge at least 30 geriatric and long-term care patients at Western State Hospital who can safely be served in community settings to alternative placements by October 1, 2016.

DSHS must examine staffing patterns, best practices, and discrepancies between the state hospitals in areas such as average patients per ward, variable ward staffing based on acuity of patient needs, reduction of length of stay discrepancies, coordination of ward treatment activities, and the effect of staffing practices on retention and morale, and adjust staffing practices where appropriate. DSHS must report its progress to the Legislature by December 1, 2016.

DSHS must submit a transition plan to the Legislature regarding implementation of the elimination of state hospital bed allocations and establishment of a discharge appeal process by July 1, 2016.

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: In support of Section 5, Nurse Practitioners working to the full scope of their licenses can work independently to fill the gaps in services at the state hospital. Psychiatric Nurse practitioners can independently prescribe, order seclusion and restraints, admit and discharge people off the units. The scope of practice parallels a psychiatrist. Practitioners currently do not do competency evaluations. The training for these evaluations is only offered at the state hospitals, which currently do not utilize ARNPs.

OTHER: Physician assistants are currently now practicing at Western State Hospital and I request that you include the name Physician assistant alongside the Psychiatric ARNPs in Section 5. 6455 called out PAs throughout the code. A PA lost her job when ARNPs were added to the mental health law because she was seen as excluded. King County is very enthusiastic about the concept of this bill, however we do have significant concerns. Encourage you to approach this as a pilot project. This bill is consistent with the idea of treating people in the community, while decreasing lengths of stay at the State Hospital. It addresses the three step points. Individuals with DD, TBI, and dementia are difficult for the mental health system to discharge from the hospital. With community options for these people, we believe we could get throughput happening at the hospital. We have concerns about the shift of risks to the local communities. I brought you a flyer with data from Western State Hospital and Pierce County. If the allocation go away, will King County utilize all the beds? Current bed allocation for Pierce County is 99 beds, equaling $19.5 million in hospital costs. Barriers to discharge need to be considered. This is not a fully

baked solution ready for prime time this year. There is funding for an innovation fund in the house budget. Also, there are consultants in the house budget that could be utilized. Cuts over the years have had consequences. Addressing safe staffing levels and training will start to fix some of these issues. I am not sure how this would affect state hospital funding. Reducing ward size is important but it needs to be done right. It isn't just about the size of the ward but there needs to be wiggle room. Support services need to be brought back. Many of the concepts in this bill are things the department has looked at, is working on, or are in the governor's budget. We support the changing in incentives for the use of hospital beds, but looking at the funding sources for this. We support looking at the staffing models as well. We are working on getting individuals out of the geriatric wards. We are concerned about some of the timelines in the bill. We support BHOs being fully at risk for their use of state hospital care. Most of the opposition, is about how this would work. Working on the state hospital is important.

CON: We are very supportive of this conversation and support serving people in the communities, but the RSNs are deep into integration to behavioral health organizations by April 1. This creates risks. This bill also creates additional risks to the community. Capacity can't be built overnight. There are significant workforce issues.

Persons Testifying: PRO: Melissa Johnson, Washington State Nurses Association; Jan Bussert, Washington State Nurses Association; David Guidry, Association of Advanced Practice Psychiatric Nurses.

CON: Abby Moore, Washington State Association of Counties.

OTHER: Kate White Tudor, Washington Academy of Physician Assistants; Lindsey Grad, SEIU Healthcare 1199NW; Matt Zuvich, WFSE; Jim Vollendroff, King County; Bea Dixon, Optum - Executive Director; Pat Lashway, Carla Reyes, Kelci Karl-Robinson, DSHS; Seth Dawson, National Alliance on Mental Illness, NAMI Washington; Joan Miller, Washington Council for Behavioral Health.

Persons Signed In To Testify But Not Testifying: No one.