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HOUSE BILL 2095

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State of Washington                      64th Legislature                      2015 Regular Session

By Representatives Pettigrew, Kagi, and Ryu

Read first time 02/11/15. Referred to Committee on Appropriations.

1            AN ACT Relating to behavioral rehabilitation services; adding new  
2 sections to chapter 74.13 RCW; and creating a new section.

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

4            NEW SECTION.        **Sec. 1.**    The legislature finds that dependent  
5 children with high acuity behavioral and mental health needs require  
6 robust and consistent behavioral rehabilitation services in order to  
7 address their needs and ensure stable, permanent outcomes. However,  
8 behavioral rehabilitation services providers have seen their  
9 reimbursement rates from the state decrease over fifteen percent over  
10 the past decade. A reliable network of therapeutic foster care and  
11 residential care providers is critical to ensuring our highest needs  
12 children receive prompt and appropriate services, and that this can  
13 prevent the transition to more costly long-term mental health  
14 treatment. The legislature also finds that costs and demand for these  
15 services is constantly changing, and that the child welfare system  
16 must be equipped to address the changing needs of children, the  
17 community, and providers. Therefore, it is the intent of the  
18 legislature to restore behavioral rehabilitation services rates to  
19 appropriate levels and ensure that future rates address the real  
20 costs of care.

1        NEW SECTION.    **Sec. 2.**    A new section is added to chapter 74.13  
2    RCW to read as follows:

3        (1) A governor's advisory committee on vendor rates is created,  
4    composed of nine members appointed by the governor. In addition, the  
5    secretary of the department of social and health services or his or  
6    her designee is an ex officio member of the committee. Members must  
7    be selected on the basis of their interest in problems related to the  
8    department of social and health services, and no less than two  
9    members must be licensed certified public accountants. The members  
10   shall serve at the pleasure of the governor. The governor shall  
11   select one member to serve as chair of the committee and he or she  
12   shall serve as such at the pleasure of the governor.

13        (2) The committee has the following powers and duties:

14        (a) Study and review the methods and procedures for establishing  
15    the rates or fees of all vendors of goods, services, and care  
16    purchased by the department of social and health services including  
17    all medical and welfare care and services;

18        (b) Provide each professional and trade association or other  
19    representative groups of each of the service areas the opportunity to  
20    present to the committee their evidence for justifying the methods of  
21    computing and the justification for the rates or fees they propose;

22        (c) Request vendors to provide the committee with an evaluation  
23    and justification of the method of establishing rates or fees;

24        (d) Prepare and submit a written report to the governor, at least  
25    sixty days prior to each session of the legislature, which contains  
26    its findings and recommendations concerning the methods and  
27    procedures for establishing rates or fees and the specific rates or  
28    fees that should be paid by the department of social and health  
29    services to the various designated vendors. This report must include  
30    the suggested effective dates of the recommended rates or fees when  
31    appropriate. The vendors shall furnish adequate documented evidence  
32    related to the cost of providing their particular services, care, or  
33    supplies in the form, to the extent, and at such times as the  
34    committee may determine. The chair of the committee has the same  
35    authority as provided in RCW 74.04.290 as it is now or hereafter  
36    amended.

37        NEW SECTION.    **Sec. 3.**    A new section is added to chapter 74.13  
38    RCW to read as follows:

1 (1) The department shall, within appropriated funds, dedicate  
2 \$69,600,000 general fund—state and \$50,400,000 general fund—federal  
3 for the 2015-2017 biennium solely for behavioral rehabilitation  
4 services.

5 (2) For the 2015-2017 biennium reimbursement rates for behavioral  
6 rehabilitation services providers must be increased no less than  
7 fifteen point two seven percent. Thereafter the rate must be adjusted  
8 annually as specified in subsection (4) of this section.

9 (3) The department shall create a differentiated rate in  
10 behavioral rehabilitation services for licensed group homes which  
11 provide residential services to children. The rate shall be set at  
12 one hundred fifty percent of the therapeutic foster care rate in  
13 behavioral rehabilitation services.

14 (4) Effective July 1, 2017, contracted rates for behavioral  
15 rehabilitation services must be adjusted as needed to reflect the  
16 costs of care for the provider. The costs must be determined by a  
17 licensed actuary and reviewed for errors by the governor's advisory  
18 committee on vendor rates pursuant to section 2 of this act.

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