SENATE BILL REPORT
E2SHB 1713

As Reported by Senate Committee On:
Human Services, Mental Health & Housing, March 20, 2017
Ways & Means, April 4, 2017

Title: An act relating to implementing recommendations from the children's mental health work group.

Brief Description: Implementing recommendations from the children's mental health work group.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Senn, Dent, Kagi and Kilduff).

Brief History: Passed House: 3/01/17, 75-23.
Committee Activity: Human Services, Mental Health & Housing: 3/14/17, 3/20/17 [DP-WM, DNP].
Ways & Means: 4/03/17, 4/04/17 [DP, DNP, w/oRec].

Brief Summary of Bill

- Requires the Health Care Authority to coordinate mental health resources for Medicaid-eligible children and requires health plans to cover annual depression screenings for children aged 12-18 and mothers of children aged birth to six months.
- Requires the Office of the Superintendent of Public Instruction to fund two Educational Service Districts to pilot a lead staff person for mental health and substance use disorder services.
- Requires Washington State University to establish one additional 24-month residency position specializing in child and adolescent psychology.
- Requires behavioral health organizations to reimburse providers for the use of telemedicine to deliver medically necessary services to Medicaid clients.

SENATE COMMITTEE ON HUMAN SERVICES, MENTAL HEALTH & HOUSING

Majority Report: Do pass and be referred to Committee on Ways & Means.

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.

Signed by Senators O'Ban, Chair; Miloscia, Vice Chair; Darneille, Ranking Minority Member; Carlyle, Hunt and Walsh.

Minority Report: Do not pass.
Signed by Senator Padden.

Staff: Kevin Black (786-7747)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.
Signed by Senators Braun, Chair; Brown, Vice Chair; Rossi, Vice Chair; Ranker, Ranking Minority Member; Rolfes, Assistant Ranking Minority Member, Operating Budget; Frockt, Assistant Ranking Minority Member, Capital Budget; Billig, Carlyle, Conway, Darneille, Fain, Hasegawa, Keiser, Miloscia, Pedersen, Rivers, Warnick and Zeiger.

Minority Report: Do not pass.
Signed by Senator Padden.

Minority Report: That it be referred without recommendation.
Signed by Senators Honeyford, Vice Chair, Capital Budget ; Bailey, Becker and Schoesler.

Staff: Sandy Stith (786-7710)

Background: The Children's Mental Health Work Group (CMHWG) was established by E2SHB 2439 (2016). Part of the stated purpose of the CMHWG is to identify barriers to accessing mental health services for children and families, and to advise the Legislature on statewide mental health services for this population. The Work Group published its final report and recommendations in December 2016.

Medicaid Managed Care for Children. The Health Care Authority (HCA) administers Apple Health, the state-federal Medicaid program that provides health care for eligible low-income individuals. Apple Health for Kids is available at low or no cost for children whose families meet income eligibility criteria. Benefits for children and youth up to age 21 who are enrolled through Apple Health managed care organizations (MCOs) include the Early and Periodic Screening, Diagnosis and Treatment Program (EPSDT), which covers regularly scheduled health screening—well-child visits—to evaluate a child's growth, development, and general physical and mental health.

When purchasing managed care for Medicaid participants, HCA must ensure that MCOs demonstrate the ability to supply an adequate provider network. Federal regulations and state law require MCOs to maintain a network of appropriate providers sufficient to provide adequate access to all services covered under the contract.

Behavioral Health Organizations. The Department of Social and Health Services (DSHS) contracts with behavioral health organizations (BHOs) for the provision of community-based mental health and substance use disorder treatment services. BHOs are operated by a county

authority or group of county authorities and provide a network of services in a specific region. BHOs provide services to Medicaid enrollees and others who have a medical need. To access BHO mental health services funded by Medicaid, the client must meet Access to Care Standards established by the DSHS.

By January 1, 2020, behavioral health services must be fully integrated into managed care organizations that provide physical and behavioral health services to Medicaid clients.

Telemedicine. Telemedicine is the use of electronic communications to provide health care services to a patient at a distance. Electronic communication through audio-visual equipment allows real-time interaction between a patient and provider. Health plans offered by health carriers and MCOs must reimburse health care providers for eligible health care services provided through telemedicine. In addition, originating sites other than a person's home may charge a facility fee for infrastructure and preparation of the patient.

Mental Health in K-12 Schools. In October 2016, the Joint Legislative Audit Review Committee (JLARC) completed an inventory of mental health services available to students through schools, school districts, and educational service districts. JLARC reported that of the approximately 55,000 children aged 5-17 who received Medicaid-funded mental health services in 2015, approximately 10,000 students received those services in their schools. The remainder of students who received Medicaid-funded mental health services were served through MCOs or BHOs.

Child Care Consultation Pilot. In 2008, the Department of Early Learning (DEL) conducted a childcare consultation pilot project and project evaluation. The pilot linked childcare providers with resources to support the care of infants and young children with behavioral concerns. Services included targeted consultation and training on social and emotional supports for providers.

Psychiatric Residency Programs. The Accreditation Council for Graduate Medical Education (ACGME) accredits medical education and residency programs and associated sponsoring institutions. Examples of psychiatry residency programs in Washington include the Providence Psychiatry Residency located at the Spokane Teaching Health Clinic on the Washington State University (WSU) Spokane campus, and the University of Washington (UW) Child and Adolescent Psychiatry Residency Program based at Seattle Children's Hospital.

Summary of Bill: Medicaid Managed Care for Children. Until June 30, 2020, HCA must oversee the coordination of mental health resources and services for Medicaid-eligible children covered through the managed care system and health care provided through tribal organizations, regardless of whether the referral occurred through primary care, school-based services, or another practitioner. HCA must require each MCO and BHO to develop adequate capacity to facilitate child mental health treatment services by:

- ensuring individuals secure appointments;
- coordinating with primary care providers on individual treatment plans and medication management;
- providing information to plan members and primary care providers about the behavioral health resource line; and

- maintaining an accurate list of providers contracted to provide mental health services to children and youth. The list must contain current information about provider availability and be made available to plan members and primary care providers.

The HCA must report on the number of children's mental health providers available in the previous year, the languages spoken by these providers, and the overall percentage of providers who were actively accepting new patients in its annual report to the Legislature on the status of access for behavioral health services for children.

Depression Screenings for Children and Adolescents. Beginning January 1, 2018, subject to funding, HCA must require annual universal screening and provider payment for depression for children ages 12-18, as recommended by the Bright Futures Guidelines of the American Academy of Pediatrics. HCA must require provider payment for maternal depression screening for mothers of children aged birth to six months, subject to funding, effective January 1, 2018.

Telemedicine. Beginning January 1, 2018, BHOs contracting with DSHS must reimburse providers for behavioral health services provided through telemedicine. DSHS must adopt rules to implement this requirement.

Mental Health Leads in Educational Service Districts. Subject to funding, the Office of the Superintendent of Public Instruction (OSPI) must establish a competitive application process to designate two geographically diverse educational service districts (ESDs) in which to pilot a lead staff person for mental health and substance use disorder services. The staff person must coordinate Medicaid billing for schools and school districts in the ESD, coordinate with community behavioral health providers, seek public and private grant funding, and other duties. OSPI must report on the results of the two pilots by December 1, 2019, and make recommendations.

Childcare Provider Consultation. DEL must establish a trauma-informed childcare consultation program for providers caring for young children who exhibit behavioral concerns.

WSU must offer one 24-month residency position to a resident specializing in child and adolescent psychology. The WSU residency must be located in Eastern Washington.

An intent section states that the Legislature intends to encourage use of behavioral health therapies that are empirically supported or evidence based and only prescribe medications for children as a last resort.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony (Human Services, Mental Health & Housing): PRO: This bill comes from a recommendation made by the Children's Mental Health Work Group. It has been pared down for fiscal reasons, and amended in a bipartisan fashion. Some provisions have no fiscal impact. All adults were kids at some point in their lives. If we intervene early, we will make an impact. We need to serve kids where they are, in a medical or educational setting. There has been a connection found between maternal depression and childhood early brain development. Fifty percent of mental illnesses start around the age of 14. We lose two children to suicide every week in this state. Residencies are important to promote access. Where a doctor does their residency is where they are likely to practice. Adolescent depression is linked to substance abuse, suicide attempts, anxiety, and other mental disorders. Youth depression leads to adult impacts on many systems. Access is a huge issue. People can't get services and don't know where to go. We need to identify where services are available and build capacity where it is lacking. For decades the mental health needs of children have been under-addressed. This bill helps refocus the system on prevention. Depression screenings are critical. We are seeing increased mental health needs in schools. The health system is fragmented and needs better coordination. Twenty percent of Medicaid children need mental health care, and fewer than a quarter of them receive it. An up-to-date list of providers will be very helpful. Making sure patients get to the first appointment and sharing medical charts is vital. Resiliency and recovery are possible, but we need to have the building blocks in place to make this happen. Children's mental health is about the family. You need to look at the parent and child together for best outcomes.

CON: This bill will increase psychiatric services for children, including children who don't really need it. When does behavior become a disease? There is no clear definition of mental illness, so medications are being pushed on the public. Overtreatment of depression risks pathologizing normal human behavior. Coordination across different health care disciplines would have the largest benefit.

Persons Testifying (Human Services, Mental Health & Housing): PRO: Representative Senn, Prime Sponsor; Laurie Lippold, Partners for Our Children; Kathryn Kolan, WA State Medical Assn.; Seth Dawson, National Alliance on Mental Illness, WA State Psychiatric Assn., WA Assn. for Children and Families; Andrea Davis, Coordinated Care; Kristin Houser, King County Behavioral Health Advisory Board; Alicia Ferris, Community Youth Services; Gary Romjue, Catholic Community Services.

CON: Steven Pearce, Citizens Commission on Human Rights of Seattle.

Persons Signed In To Testify But Not Testifying (Human Services, Mental Health & Housing): No one.

Staff Summary of Public Testimony (Ways & Means): PRO: We are in strong support of this bill and appreciate the work of Senator Warnick and Senator Darneille and the Children's Mental Health Workgroup. The focus is on early identification and improving access so we can treat early, save lives, and save money. We believe the combination of this bill with Senate Bills 5779 and 5749 make a great package that will greatly advance access to mental health services for children. The lack of access for mental health services for youth has reached a crisis point in our state. This is a top priority for our members. A focus on

prevention could be cost effective now. This will help us reach them early, before they reach the hospital. This is cost-effective care. We are currently spending a great deal of money to board children in emergency rooms and hospitals. When youth are being kept in these facilities, we are keeping them safe, but we aren't providing them mental health treatment. This money could be spent on outpatient treatment. This would save money. Only about 4 percent of children in Medicaid receive outpatient behavioral health treatment, though about 22 percent need it. This has both a social and fiscal cost. We know that we spend about 50 percent of our Medicaid resources on about 5 percent of the children on Medicaid. Two of the drivers of this are inpatient and high end mental health costs. Twenty-three percent of emergency room visits have a mental health diagnosis. We believe we can stop this cost trajectory with early intervention and treatment, which have been pioneered here in Washington. Care coordination means more than just sharing a list of providers. We can do better. Linking childcare providers with appropriate behavioral health services for children who have experienced trauma is critical for early intervention, prepares kids for learning, and saves money in our education system. Healthy kids do a better job in school and complete more education and adults who have completed more education save the state money in the long run in safety, education, and health care. With regard to the residency program, there is an immense workforce need, particularly around childhood psychology. In this area, we know that where someone does there residency, they are 50 percent more likely to stay and do their practice there. For these reasons, we strongly support this bill.

Persons Testifying (Ways & Means): PRO: Laurie Lippold, Partners for Our Children; Sarah Rafton, WA Chapter American Academy of Pediatrics; Kristin Houser, King County Behavioral Health Advisory Board; Mike Hickman, Capital Region ESD; Melissa Johnson, Washington State Association of Headstart & ECEAP; Erica Hallock, Empire Health Foundation.

Persons Signed In To Testify But Not Testifying (Ways & Means): No one.