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ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2779

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State of Washington

65th Legislature

2018 Regular Session

By House Appropriations (originally sponsored by Representatives Senn, Dent, Eslick, Bergquist, Tharinger, Goodman, Doglio, Pollet, Kloba, Macri, and Santos)

READ FIRST TIME 02/06/18.

1 AN ACT Relating to improving access to mental health services for  
2 children and youth; amending RCW 74.09.495, 71.24.385, 71.24.045, and  
3 28A.630.500; adding new sections to chapter 74.09 RCW; creating new  
4 sections; providing an effective date; and providing expiration  
5 dates.

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

7 NEW SECTION. **Sec. 1.** The legislature finds that the children's  
8 mental health work group established in chapter 96, Laws of 2016  
9 reported recommendations in December 2016 related to increasing  
10 access to adequate, appropriate, and culturally and linguistically  
11 relevant mental health services for children and youth. The  
12 legislature further finds that legislation implementing many of the  
13 recommendations of the children's mental health work group was  
14 enacted in 2017. Despite these gains, barriers to service remain and  
15 additional work is required to assist children with securing adequate  
16 mental health treatment. The legislature further finds that by  
17 January 1, 2020, the community behavioral health program must be  
18 fully integrated in a managed care health system that provides  
19 behavioral and physical health care services to medicaid clients.  
20 Therefore, it is the intent of the legislature to reestablish the  
21 children's mental health work group through December 2020 and to

1 implement additional recommendations from the work group in order to  
2 improve mental health care access for children and their families.

3 NEW SECTION. **Sec. 2.** (1) A children's mental health work group  
4 is established to identify barriers to and opportunities for  
5 accessing mental health services for children and families and to  
6 advise the legislature on statewide mental health services for this  
7 population.

8 (2) The work group shall consist of members and alternates as  
9 provided in this subsection. Members must represent the regional,  
10 racial, and cultural diversity of all children and families in the  
11 state. Members of the children's mental health work group created in  
12 chapter 96, Laws of 2016, and serving on the work group as of  
13 December 1, 2017, may continue to serve as members of the work group  
14 without reappointment.

15 (a) The president of the senate shall appoint one member and one  
16 alternate from each of the two largest caucuses in the senate.

17 (b) The speaker of the house of representatives shall appoint one  
18 member and one alternate from each of the two largest caucuses in the  
19 house of representatives.

20 (c) The governor shall appoint six members representing the  
21 following state agencies and offices: The department of children,  
22 youth, and families; the department of social and health services;  
23 the health care authority; the department of health; the office of  
24 homeless youth prevention and protection programs; and the office of  
25 the governor.

26 (d) The governor shall appoint one member representing each of  
27 the following:

- 28 (i) Behavioral health organizations;
- 29 (ii) Community mental health agencies;
- 30 (iii) Medicaid managed care organizations;
- 31 (iv) A regional provider of co-occurring disorder services;
- 32 (v) Pediatricians or primary care providers;
- 33 (vi) Providers specializing in infant or early childhood mental  
34 health;
- 35 (vii) Child health advocacy groups;
- 36 (viii) Early learning and child care providers;
- 37 (ix) The evidence-based practice institute;
- 38 (x) Parents or caregivers who have been the recipient of early  
39 childhood mental health services;

1 (xi) An education or teaching institution that provides training  
2 for mental health professionals;

3 (xii) Foster parents;

4 (xiii) Providers of culturally and linguistically appropriate  
5 health services to traditionally underserved communities;

6 (xiv) Pediatricians located east of the crest of the Cascade  
7 mountains; and

8 (xv) Child psychiatrists.

9 (e) The governor shall request participation by a representative  
10 of tribal governments.

11 (f) The superintendent of public instruction shall appoint one  
12 representative from the office of the superintendent of public  
13 instruction.

14 (g) The insurance commissioner shall appoint one representative  
15 from the office of the insurance commissioner.

16 (h) The work group shall choose three cochairs, two from among  
17 its legislative membership and one representative of a state agency.  
18 The two legislative cochairs must represent the minority and the  
19 majority caucuses in the house of representatives. The representative  
20 from the health care authority shall convene at least two, but not  
21 more than four, meetings of the work group each year.

22 (3) The work group shall:

23 (a) Monitor the implementation of enacted legislation, programs,  
24 and policies related to children's mental health, including provider  
25 payment for depression screenings for youth and new mothers,  
26 consultation services for child care providers caring for children  
27 with symptoms of trauma, home visiting services, and streamlining  
28 agency rules for providers of behavioral health services;

29 (b) Consider system strategies to improve coordination and remove  
30 barriers between the early learning, K-12 education, and health care  
31 systems; and

32 (c) Identify opportunities to remove barriers to treatment and  
33 strengthen mental health service delivery for children and youth.

34 (4) Staff support for the work group, including administration of  
35 work group meetings and preparation of the updated report required  
36 under subsection (6) of this section, must be provided by the health  
37 care authority. Additional staff support for legislative members of  
38 the work group may be provided by senate committee services and the  
39 house of representatives office of program research.

1 (5) Legislative members of the work group are reimbursed for  
2 travel expenses in accordance with RCW 44.04.120. Nonlegislative  
3 members are not entitled to be reimbursed for travel expenses if they  
4 are elected officials or are participating on behalf of an employer,  
5 governmental entity, or other organization. Any reimbursement for  
6 other nonlegislative members is subject to chapter 43.03 RCW.

7 (6) The work group shall update the findings and recommendations  
8 reported to the legislature by the children's mental health work  
9 group in December 2016 pursuant to chapter 96, Laws of 2016. The work  
10 group must submit the updated report to the governor and the  
11 appropriate committees of the legislature by December 1, 2020.

12 (7) This section expires December 30, 2020.

13 **Sec. 3.** RCW 74.09.495 and 2017 c 226 s 6 are each amended to  
14 read as follows:

15 (1) To better assure and understand issues related to network  
16 adequacy and access to services, the authority and the department  
17 shall report to the appropriate committees of the legislature by  
18 December 1, 2017, and annually thereafter, on the status of access to  
19 behavioral health services for children birth through age seventeen  
20 using data collected pursuant to RCW 70.320.050.

21 ~~((1))~~ (2) At a minimum, the report must include the following  
22 components broken down by age, gender, and race and ethnicity:

23 (a) The percentage of discharges for patients ages six through  
24 seventeen who had a visit to the emergency room with a primary  
25 diagnosis of mental health or alcohol or other drug dependence during  
26 the measuring year and who had a follow-up visit with any provider  
27 with a corresponding primary diagnosis of mental health or alcohol or  
28 other drug dependence within thirty days of discharge;

29 (b) The percentage of health plan members with an identified  
30 mental health need who received mental health services during the  
31 reporting period; ~~((and))~~

32 (c) The percentage of children served by behavioral health  
33 organizations, including the types of services provided~~((-))~~;

34 ~~((2) The report must also include))~~ (d) The number of children's  
35 mental health providers available in the previous year, the languages  
36 spoken by those providers, and the overall percentage of children's  
37 mental health providers who were actively accepting new patients; and

1 (e) Data related to mental health and medical services for eating  
2 disorder treatment in children and youth by county, including the  
3 number of:

4 (i) Eating disorder diagnoses;

5 (ii) Patients treated in outpatient, residential, emergency, and  
6 inpatient care settings; and

7 (iii) Contracted providers specializing in eating disorder  
8 treatment and the overall percentage of those providers who were  
9 actively accepting new patients during the reporting period.

10 NEW SECTION. Sec. 4. A new section is added to chapter 74.09  
11 RCW to read as follows:

12 (1) The authority shall collaborate with the department of  
13 children, youth, and families to identify opportunities to leverage  
14 medicaid funding for home visiting services.

15 (2) The authority must contract with a third party to:

16 (a) Build upon the research and strategies developed in the  
17 Washington state home visiting and medicaid financing strategies  
18 report submitted by the health care authority to the department of  
19 early learning in August 2017; and

20 (b) Provide a set of recommendations to the legislature by  
21 December 1, 2018.

22 NEW SECTION. Sec. 5. (1) By November 1, 2018, the department of  
23 children, youth, and families must:

24 (a) Develop a common set of definitions to clarify differences  
25 between evidence-based, research-based, and promising practices home  
26 visiting programs and discrete services provided in the home;

27 (b) Develop a strategy to expand home visiting programs  
28 statewide; and

29 (c) Collaborate with the health care authority to maximize  
30 medicaid and other federal resources in implementing current home  
31 visiting programs and the statewide strategy developed under this  
32 section.

33 (2) This section expires December 30, 2018.

34 **Sec. 6.** RCW 71.24.385 and 2016 sp.s. c 29 s 510 are each amended  
35 to read as follows:

1 (1) Within funds appropriated by the legislature for this  
2 purpose, behavioral health organizations shall develop the means to  
3 serve the needs of people:

4 (a) With mental disorders residing within the boundaries of their  
5 regional service area. Elements of the program may include:

6 (i) Crisis diversion services;

7 (ii) Evaluation and treatment and community hospital beds;

8 (iii) Residential treatment;

9 (iv) Programs for intensive community treatment;

10 (v) Outpatient services, including family support;

11 (vi) Peer support services;

12 (vii) Community support services;

13 (viii) Resource management services; and

14 (ix) Supported housing and supported employment services.

15 (b) With substance use disorders and their families, people  
16 incapacitated by alcohol or other psychoactive chemicals, and  
17 intoxicated people.

18 (i) Elements of the program shall include, but not necessarily be  
19 limited to, a continuum of substance use disorder treatment services  
20 that includes:

21 (A) Withdrawal management;

22 (B) Residential treatment; and

23 (C) Outpatient treatment.

24 (ii) The program may include peer support, supported housing,  
25 supported employment, crisis diversion, or recovery support services.

26 (iii) The department may contract for the use of an approved  
27 substance use disorder treatment program or other individual or  
28 organization if the secretary considers this to be an effective and  
29 economical course to follow.

30 (2)(a) The behavioral health organization shall have the  
31 flexibility, within the funds appropriated by the legislature for  
32 this purpose and the terms of their contract, to design the mix of  
33 services that will be most effective within their service area of  
34 meeting the needs of people with behavioral health disorders and  
35 avoiding placement of such individuals at the state mental hospital.  
36 Behavioral health organizations are encouraged to maximize the use of  
37 evidence-based practices and alternative resources with the goal of  
38 substantially reducing and potentially eliminating the use of  
39 institutions for mental diseases.

1       (b) The behavioral health organization may allow reimbursement to  
2 providers for services delivered through a partial hospitalization or  
3 intensive outpatient program. Such payment and services are distinct  
4 from the state's delivery of wraparound with intensive services under  
5 the *T.R. v. Strange and McDermott*, formerly the *T.R. v. Dreyfus and*  
6 *Porter*, settlement agreement.

7       (3)(a) Treatment provided under this chapter must be purchased  
8 primarily through managed care contracts.

9       (b) Consistent with RCW 71.24.580, services and funding provided  
10 through the criminal justice treatment account are intended to be  
11 exempted from managed care contracting.

12       **Sec. 7.** RCW 71.24.045 and 2016 sp.s. c 29 s 421 are each amended  
13 to read as follows:

14       The behavioral health organization shall:

15       (1) Contract as needed with licensed service providers. The  
16 behavioral health organization may, in the absence of a licensed  
17 service provider entity, become a licensed service provider entity  
18 pursuant to minimum standards required for licensing by the  
19 department for the purpose of providing services not available from  
20 licensed service providers;

21       (2) Operate as a licensed service provider if it deems that doing  
22 so is more efficient and cost effective than contracting for  
23 services. When doing so, the behavioral health organization shall  
24 comply with rules promulgated by the secretary that shall provide  
25 measurements to determine when a behavioral health organization  
26 provided service is more efficient and cost effective;

27       (3) Monitor and perform biennial fiscal audits of licensed  
28 service providers who have contracted with the behavioral health  
29 organization to provide services required by this chapter. The  
30 monitoring and audits shall be performed by means of a formal process  
31 which insures that the licensed service providers and professionals  
32 designated in this subsection meet the terms of their contracts;

33       (4) Establish reasonable limitations on administrative costs for  
34 agencies that contract with the behavioral health organization;

35       (5) Assure that the special needs of minorities, older adults,  
36 individuals with disabilities, children, and low-income persons are  
37 met within the priorities established in this chapter;

1 (6) Maintain patient tracking information in a central location  
2 as required for resource management services and the department's  
3 information system;

4 (7) Collaborate to ensure that policies do not result in an  
5 adverse shift of persons with mental illness into state and local  
6 correctional facilities;

7 (8) Work with the department to expedite the enrollment or  
8 reenrollment of eligible persons leaving state or local correctional  
9 facilities and institutions for mental diseases;

10 (9) Work closely with the designated crisis responder to maximize  
11 appropriate placement of persons into community services; (~~and~~)

12 (10) Coordinate services for individuals who have received  
13 services through the community mental health system and who become  
14 patients at a state psychiatric hospital to ensure they are  
15 transitioned into the community in accordance with mutually agreed  
16 upon discharge plans and upon determination by the medical director  
17 of the state psychiatric hospital that they no longer need intensive  
18 inpatient care; and

19 (11) Allow reimbursement for time spent supervising persons  
20 working toward satisfying supervision requirements established for  
21 the relevant practice areas pursuant to RCW 18.225.090.

22 NEW SECTION. Sec. 8. A new section is added to chapter 74.09  
23 RCW to read as follows:

24 Upon adoption of a fully integrated managed health care system  
25 pursuant to chapter 71.24 RCW, regional service areas:

26 (1) Must allow reimbursement for time spent supervising persons  
27 working toward satisfying supervision requirements established for  
28 the relevant practice areas pursuant to RCW 18.225.090; and

29 (2) may allow reimbursement for services delivered through a  
30 partial hospitalization or intensive outpatient program as described  
31 in RCW 71.24.385.

32 NEW SECTION. Sec. 9. (1) The department of social and health  
33 services must convene an advisory group of stakeholders to review the  
34 parent-initiated treatment process authorized by chapter 71.34 RCW.  
35 The advisory group must develop recommendations regarding:

36 (a) The age of consent for the behavioral health treatment of a  
37 minor;



1 (b) Options for parental involvement in youth treatment  
2 decisions;

3 (c) Information communicated to families and providers about the  
4 parent-initiated treatment process; and

5 (d) The definition of medical necessity for emergency mental  
6 health services and options for parental involvement in those  
7 determinations.

8 (2) The advisory group established in this section must review  
9 the effectiveness of serving commercially sexually exploited children  
10 using parent-initiated treatment, involuntary treatment, or other  
11 treatment services delivered pursuant to chapter 71.34 RCW.

12 (3) By December 1, 2018, the department of social and health  
13 services must report the findings and recommendations of the advisory  
14 group to the children's mental health work group established in  
15 section 2 of this act.

16 (4) This section expires December 30, 2018.

17 **Sec. 10.** RCW 28A.630.500 and 2017 c 202 s 6 are each amended to  
18 read as follows:

19 (1) Subject to the availability of amounts appropriated for this  
20 specific purpose, the office of the superintendent of public  
21 instruction shall establish a competitive application process to  
22 designate two educational service districts in which to pilot one  
23 lead staff person for children's mental health and substance use  
24 disorder services.

25 (2) The office must select two educational service districts as  
26 pilot sites by October 1, 2017. When selecting the pilot sites, the  
27 office must endeavor to achieve a balanced geographic distribution of  
28 sites east of the crest of the Cascade mountains and west of the  
29 crest of the Cascade mountains.

30 (3) The lead staff person for each pilot site must have the  
31 primary responsibility for:

32 (a) Coordinating medicaid billing for schools and school  
33 districts in the educational service district;

34 (b) Facilitating partnerships with community mental health  
35 agencies, providers of substance use disorder treatment, and other  
36 providers;

37 (c) Sharing service models;

38 (d) Seeking public and private grant funding;

1 (e) Ensuring the adequacy of other system level supports for  
2 students with mental health and substance use disorder treatment  
3 needs; (~~and~~)

4 (f) Collaborating with the other selected project and with the  
5 office of the superintendent of public instruction; and

6 (g) Delivering a mental health literacy curriculum, mental health  
7 literacy curriculum resource, or comprehensive instruction to  
8 students in one high school in each pilot site that:

9 (i) Improves mental health literacy in students;

10 (ii) Is designed to support teachers; and

11 (iii) Aligns with the state health and physical education K-12  
12 learning standards as they existed on January 1, 2018.

13 (4) The office of the superintendent of public instruction must  
14 report on the results of the two pilot projects to the governor and  
15 the appropriate committees of the legislature in accordance with RCW  
16 43.01.036 by December 1, 2019. The report must also include:

17 (a) A case study of an educational service district that is  
18 successfully delivering and coordinating children's mental health  
19 activities and services. Activities and services may include but are  
20 not limited to medicaid billing, facilitating partnerships with  
21 community mental health agencies, and seeking and securing public and  
22 private funding; and

23 (b) Recommendations regarding whether to continue or make  
24 permanent the pilot projects and how the projects might be replicated  
25 in other educational service districts.

26 (5) This section expires January 1, 2020.

27 NEW SECTION. Sec. 11. Subject to the availability of amounts  
28 appropriated for this specific purpose, the child and adolescent  
29 psychiatry residency program at the University of Washington shall  
30 offer one additional twenty-four month residency position that is  
31 approved by the accreditation council for graduate medical education  
32 to one resident specializing in child and adolescent psychiatry. The  
33 residency must include a minimum of twelve months of training in  
34 settings where children's mental health services are provided under  
35 the supervision of experienced psychiatric consultants and must be  
36 located west of the crest of the Cascade mountains.

1        NEW SECTION.    **Sec. 12.**    Section 11 of this act takes effect July  
2    1, 2020.

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