
SECOND SUBSTITUTE HOUSE BILL 2779

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; and providing expiration dates.

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

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

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 must be provided by the
35 house of representatives office of program research, the senate
36 committee services, and the health care authority.

37 (5) Legislative members of the work group are reimbursed for
38 travel expenses in accordance with RCW 44.04.120. Nonlegislative
39 members are not entitled to be reimbursed for travel expenses if they
40 are elected officials or are participating on behalf of an employer,

1 governmental entity, or other organization. Any reimbursement for
2 other nonlegislative members is subject to chapter 43.03 RCW.

3 (6) The expenses of the work group must be paid jointly by the
4 senate and the house of representatives. Work group expenditures are
5 subject to approval by the senate facilities and operations committee
6 and the house of representatives executive rules committee, or their
7 successor committees.

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

13 (8) This section expires December 30, 2020.

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

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

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

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

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

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

35 ~~((2) The report must also include))~~ (d) The number of children's
36 mental health providers available in the previous year, the languages
37 spoken by those providers, and the overall percentage of children's
38 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.

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