SENATE BILL REPORT
2SHB 1528

As Reported by Senate Committee On:
Behavioral Health Subcommittee to Health & Long Term Care, March 29, 2019
Ways & Means, April 9, 2019

Title: An act relating to recovery support services.

Brief Description: Concerning recovery support services.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Davis, Harris, Irwin, Stonier, Rude, Jinkins, Sutherland, Thai, Entenman, Mead, Callan, Goodman, Frame, Kloba, Chapman, Tarleton, Senn, Eslick, Barkis, Peterson, Walen, Ryu, Bergquist, Paul, Stanford, Valdez, Pollet, Leavitt and Macri).

Brief History: Passed House: 3/05/19, 98-0.
Committee Activity: Behavioral Health Subcommittee to Health & Long Term Care: 3/15/19, 3/29/19 [DPA-WM].
Ways & Means: 4/05/19, 4/09/19 [DPA (BH)].

Brief Summary of Amended Bill

- Requires the Health Care Authority to establish a registry of approved recovery residences.
- Requires a recovery residence to meet a nationally recognized certification standard to appear on the registry, or be a chapter of a national recovery residence organization that meets specified standards.
- Prohibits licensed or certified residential substance use disorder treatment agencies from discharging a client to a recovery residence that is not on the registry effective January 1, 2023.
- Establishes a revolving loan fund to assist operators of new recovery residences or operators who are actively seeking certification for existing residences.
- Allows coverage of technology based substance use disorder recovery supports for Medicaid clients in the community behavioral health program.

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.

SENATE COMMITTEE ON BEHAVIORAL HEALTH SUBCOMMITTEE TO HEALTH & LONG TERM CARE

Majority Report: Do pass as amended and be referred to Committee on Ways & Means.
Signed by Senators Dhingra, Chair; Wagoner, Ranking Member; Darneille, Frockt and O'Ban.

Staff: Kevin Black (786-7747)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.
Signed by Senators Rolfes, Chair; Frockt, Vice Chair, Operating, Capital Lead; Mullet, Capital Budget Cabinet; Braun, Ranking Member; Brown, Assistant Ranking Member, Operating; Honeyford, Assistant Ranking Member, Capital; Bailey, Becker, Billig, Carlyle, Conway, Darneille, Hasegawa, Hunt, Keiser, Liias, Palumbo, Pedersen, Rivers, Schoesler, Van De Wege, Wagoner and Warnick.

Staff: Travis Sugarman (786-7446)

Background: The Community Behavioral Health Program. The Health Care Authority (HCA) provides medical care services to eligible low-income state residents and their families, primarily through the Medicaid program. Coverage for medical services is provided through fee-for-service and managed care systems. Managed care is a prepaid, comprehensive system for delivering a complete medical benefits package that is available for eligible families, children under age nineteen, low-income adults, certain disabled individuals, and pregnant women.

HCA contracts with behavioral health organizations, fully-integrated managed care organizations, and behavioral health administrative services organizations to oversee the delivery of mental health and substance use disorder services for adults and children. A behavioral health organization may be a county, group of counties, or a nonprofit entity. Behavioral health organizations are paid by the state on a capitation basis and funding is adjusted based on caseload. Behavioral health organizations contract with local providers to provide an array of mental health services, monitor the activities of local providers, and oversee the distribution of funds under the state managed care plan. In 2014, legislation was enacted requiring all behavioral health services and medical care services be fully-integrated in a managed care health system for Medicaid clients by January 1, 2020. Since January 1, 2016, regions of the state have been transitioning from behavioral health organizations to fully-integrated managed care organizations and behavioral health administrative services organizations.

Oxford House. Oxford House is a recovery housing model started in the state of Maryland in 1975 which has been extensively studied and replicated. Oxford House, Inc. is a non-profit umbrella organization that issues charters to individual Oxford Houses and provides manuals and guidelines. According to the model, a house is rented by at least six persons in recovery who manage the house using peer governance and collectively pay the full costs of operation.

Residents in an Oxford House are required to maintain full abstinence from alcohol and illicit drugs. Resources provided by Oxford House, Inc. estimate there are over 2400 self-sustaining sober houses utilizing the Oxford House model serving more than 20,000 persons at a time and over 35,000 during the course of a year. The Oxford House model has been recognized in Congressional legislation which authorizes states to use substance abuse block grant funds to establish a revolving fund to provide loans of not more than $4,000 for the provision of housing under this model, provided that not less than $100,000 is available in the fund.

National Alliance for Recovery Residences. The National Alliance for Recovery Residences (NARR) was established in 2011 to expand the availability of well-operated, ethical, and supportive recovery housing. NARR has developed a certification program which provides a national standard for recovery residences and a code of ethics for recovery residences. NARR licenses affiliates in 26 states that make use of its certification program, which includes at-least annual visits to certified residences and interviews with recovery residence participants related to adherence to the NARR standard. Washington State has a NARR affiliate, the Washington Alliance for Quality Recovery Residences, which according to its website has been established since 2017 and certifies at least 12 recovery residences in at least three counties.

Summary of Amended Bill: HCA must establish and maintain a registry of approved recovery residences. HCA may contract with a nationally recognized recovery residence certification organization based in Washington that is approved by HCA to provide this registry. HCA or the contracted entity must approve a recovery residence if it is certified by a nationally recognized recovery residence certification organization based in Washington that is approved by HCA, or if the recovery residence is a chapter of a national recovery residence organization with peer-run homes that is approved by HCA as meeting the following standards:

- peers are required to be involved in the governance of the recovery residence;
- recovery support is integrated into daily activities;
- the recovery residence is maintained as a home-like environment that promotes healthy recovery;
- resident activities are promoted within the recovery residence and in the community through work, education, community engagement, or other activities; and
- the recovery residence maintains an environment free from alcohol and illicit drugs.

A recovery residence is not required to become certified by a recovery residence certification organization or to be included in an approved registry. Beginning January 1, 2023, a licensed or certified service provider may not refer a client who is appropriate for housing in a recovery residence to a recovery residence which is not included in the registry; however, this does not limit other discharge or referral options available to the client.

Subject to appropriations, HCA must establish a revolving fund for loans to operators of new recovery residences or existing recovery residences actively seeking certification by a recovery residence certification organization or approval on HCA's registry. Loan funds may be used for facility modifications needed to support modification and for operating start-up costs, including rent, mortgage payments, salaries, or maintenance.

The state substance use disorder program for Medicaid clients may include coverage of technology-based recovery supports.

The bill contains a null and void clause.

EFFECT OF BEHAVIORAL HEALTH SUBCOMMITTEE TO HEALTH & LONG TERM CARE COMMITTEE AMENDMENT(S): Clarifies that the prohibition on discharging a client to an unregistered recovery residence starting on January 1, 2023, does not otherwise limit discharge or referral options available to the client.

Appropriation: The bill contains a section or sections to limit implementation to the availability of amounts appropriated for that specific purpose.

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 on Second Substitute House Bill (Behavioral Health Subcommittee to Health & Long Term Care): *The committee recommended a different version of the bill than what was heard.* PRO: The demand for recovery housing outpaces supply by nearly three to one. There have been unethical actors in this industry that financially exploit persons in recovery and their families. There have been incidents of physical and sexual abuse as well. We want to create a basic floor to protect individuals in recovery and their families. Almost everyone who dies of a substance use disorder was in recovery at some point. Recovery support is part of a three-legged stool of response to substance use disorders. Helping people in early recovery stay in recovery is low-hanging fruit. Discharging a person in early recovery to homelessness or to an unethical recovery residence can break them. This bill addresses non-Oxford House model residences. The aim of WAQRR is to certify recovery residences, to provide training, and to field complaints. Residents of recovery residences find connections that are life changing, replicable, and cost effective. Over 70,000 Americans died by overdose in 2017. Addict lives matter, and this bill will save lives. Certification based on a common quality standard improves our work. We are grateful for the opportunity for certification of our recovery residences. A referral source can have more confidence in the safety of a certified home. Having a place for operators to go for consultation and support will make it easier to establish new recovery housing in this state. The opportunity to be discharged to recovery housing was helped me recover from my addiction. Treatment alone, or 12-step fellowships alone, are not enough. Addiction is for 24 hours and recovery residences provide 24 hour accountability. Most of our clients these days are referred from the Department of Corrections or from an inpatient facility. This is a great idea—there are questionable actors in this field, so we have need of a good-housekeeping seal for quality assurance. Oxford House is an abstinence-only model, so we need to allow for medication-assisted treatment models alongside this. A mandate for evidence-based best practices would be a good addition to this bill. There should be non-religious options and indications of cultural competence so that recovery residences can serve the breadth of the population.

OTHER: This is important legislation. We fully support licensing and certification of recovery residences to protect vulnerable residents. We are concerned that the industry association may not be the best entity to certify residences. All services within recovery residences should be evidence-based. Resident rights are very important. Provision should be made to protect the resident from eviction when sobriety ends.

Persons Testifying (Behavioral Health Subcommittee to Health & Long Term Care): PRO: Representative Lauren Davis, Prime Sponsor; Alan Muia, Washington Alliance for Quality Recovery Residences; Noah Van Houten, citizen; Carmin Ottley, Truly Motivated Transitional Living; Michael Mohn, citizen; Bob Cooper, Washington Association of Drug Courts.

OTHER: Melanie Smith, NAMI Washington.

Persons Signed In To Testify But Not Testifying (Behavioral Health Subcommittee to Health & Long Term Care): No one.

Staff Summary of Public Testimony on the Bill as Amended by Behavioral Health Subcommittee to Health & Long Term Care (Ways & Means): None.

Persons Testifying (Ways & Means): No one.

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