

FINAL BILL REPORT

2SSB 5736

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Synopsis as Enacted

Brief Description: Concerning partial hospitalizations and intensive outpatient treatment services for minors.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Frockt, Dhingra, Conway, Hasegawa, Honeyford, Keiser, Kuderer, Lovelett, Lovick, Nobles, Randall, Salomon and Stanford).

Senate Committee on Health & Long Term Care

Senate Committee on Behavioral Health Subcommittee to Health & Long Term Care

Senate Committee on Ways & Means

House Committee on Appropriations

Background: The Medicaid State Plan. The Health Care Authority (HCA) administers the state Medicaid program, referred to locally as Apple Health. Apple Health is a public health insurance program for qualifying patients funded by the state in partnership with the federal government. The services offered to Apple Health beneficiaries in Washington are described in the Medicaid State Plan. The Medicaid State Plan contains a mixture of mandatory benefits required under federal law and optional benefits, which may be authorized by states on a case-by-case basis if they are able to comply with program requirements, including making services available across the state, and willing to contribute the state portion of the funding. HCA negotiates changes to the Medicaid State Plan on behalf of Washington with a federal government agency called the Centers for Medicare and Medicaid Services. Clients who enroll in Apple Health who meet medical necessity requirements are entitled to receive services described in the Medicaid State Plan. Washington makes services contained in the Medicaid State Plan available on a limited basis for individuals who do not qualify for Apple Health enrollment within available funding through behavioral health administrative services organizations (BH-ASOs) contracted in each region of the state.

Partial Hospitalization and Intensive Outpatient Treatment. Partial hospitalization and intensive outpatient treatment refer to structured behavioral health programs that provide

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outpatient services as an alternative to inpatient care. The services are more intense than those ordinarily received in a doctor's or therapist's office, but the patient returns home after each treatment period. While the programs are similar, intensive outpatient programs tend to have shorter hours than partial hospitalization programs. Partial hospitalization and intensive outpatient treatment are optional Medicaid services which have not been included in Washington's Medicaid State Plan.

Partial Hospitalization and Intensive Outpatient Treatment Pilots. The 2021-2023 operating budget allocated \$8.6 million general fund dollars to create two pilot programs for partial hospitalization and intensive outpatient treatment services, effective January 1, 2021. One pilot program is located at Seattle Children's Hospital in Seattle, and the other is located at Providence Sacred Heart Medical Center in Spokane. These pilot programs are limited to patients who can be served within available funding, and do not have the ability to claim federal matching funds for services to Medicaid clients. A preliminary report on the pilot programs was submitted to the Legislature and a final report is due December 1, 2022, which calls for recommendations on expanding the program statewide and actuarial projections on the statewide need for services and estimated costs for adding each service to the Medicaid State Plan.

Summary: Within funds allocated by the Legislature, managed care organizations and BH-ASOs may provide partial hospitalization and intensive outpatient programs to persons under 21 years of age.

HCA must add coverage for partial hospitalization and intensive outpatient services for persons under 21 years of age to the Medicaid State Plan by January 1, 2024, subject to approval by the Centers for Medicare and Medicaid Services.

Votes on Final Passage:

Senate	49	0
House	98	0

Effective: June 9, 2022