S-4421.1

SECOND SUBSTITUTE SENATE BILL 5736

State of Washington 67th Legislature 2022 Regular Session

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

READ FIRST TIME 02/07/22.

1 AN ACT Relating to partial hospitalizations and intensive 2 outpatient treatment services for minors; reenacting and amending RCW 3 71.24.385; and creating a new section.

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

5 Sec. 1. RCW 71.24.385 and 2019 c 325 s 1023 and 2019 c 264 s 6 6 are each reenacted and amended to read as follows:

7 (1) Within funds appropriated by the legislature for this 8 purpose, behavioral health administrative services organizations and 9 managed care organizations, as applicable, shall develop the means to 10 serve the needs of people:

(a) With mental disorders residing within the boundaries of theirregional service area. Elements of the program may include:

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 - (i) Crisis diversion services;
- 14 (ii) Evaluation and treatment and community hospital beds;
- 15 (iii) Residential treatment;
- 16 (iv) Programs for intensive community treatment;
- 17 (v) Outpatient services, including family support;
- 18 (vi) Peer support services;
- 19 (vii) Community support services;
- 20 (viii) Resource management services; ((and))

1 (ix) Partial hospitalization and intensive outpatient programs 2 for persons under 21 years of age; and

(x) Supported housing and supported employment services.

4 (b) With substance use disorders and their families, people 5 incapacitated by alcohol or other psychoactive chemicals, and 6 intoxicated people.

7 (i) Elements of the program shall include, but not necessarily be 8 limited to, a continuum of substance use disorder treatment services 9 that includes:

10 (A) Withdrawal management;

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11 (B) Residential treatment; and

12 (C) Outpatient treatment.

(ii) The program may include peer support, supported housing, supported employment, crisis diversion, recovery support services, or technology-based recovery supports.

16 (iii) The authority may contract for the use of an approved 17 substance use disorder treatment program or other individual or 18 organization if the director considers this to be an effective and 19 economical course to follow.

(2) (a) The managed care organization and the behavioral health 20 21 administrative services organization shall have the flexibility, 22 within the funds appropriated by the legislature for this purpose and 23 the terms of their contract, to design the mix of services that will be most effective within their service area of meeting the needs of 24 25 people with behavioral health disorders and avoiding placement of 26 such individuals at the state mental hospital. Managed care organizations and behavioral health administrative services 27 28 organizations are encouraged to maximize the use of evidence-based 29 practices and alternative resources with the goal of substantially reducing and potentially eliminating the use of institutions for 30 31 mental diseases.

32 (b) Managed care organizations and behavioral health 33 administrative services organizations may allow reimbursement to 34 providers for services delivered through a partial hospitalization or 35 intensive outpatient program. Such payment and services are distinct 36 from the state's delivery of wraparound with intensive services under 37 the *T.R. v. Strange and Birch* settlement agreement.

(3) (a) Treatment provided under this chapter must be purchasedprimarily through managed care contracts.

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1 (b) Consistent with RCW 71.24.580, services and funding provided 2 through the criminal justice treatment account are intended to be 3 exempted from managed care contracting.

<u>NEW SECTION.</u> Sec. 2. Pursuant to approval by the centers for medicare and medicaid services to implement services not covered under the existing social security Title XIX state plan, the health care authority shall take the steps necessary to 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.

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