
HOUSE BILL 2319

State of Washington

68th Legislature

2024 Regular Session

By Representatives Davis, Macri, Mosbrucker, Griffey, Stearns, Fosse, Ramel, Simmons, Nance, Kloba, Farivar, Bateman, Reed, Ryu, Chopp, Ortiz-Self, Eslick, Jacobsen, Goodman, Alvarado, Peterson, Pollet, and Shavers

Read first time 01/11/24. Referred to Committee on Health Care & Wellness.

1 AN ACT Relating to substance use disorder treatment; amending RCW
2 71.24.037, 41.05.526, 48.43.761, and 71.24.618; adding new sections
3 to chapter 71.24 RCW; adding a new section to chapter 28B.20 RCW; and
4 creating a new section.

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

6 NEW SECTION. **Sec. 1.** (1) The legislature finds that ensuring
7 that individuals with substance use disorders can enter into and
8 complete residential addiction treatment is an important public
9 policy objective. Substance use disorder providers forcing patients
10 to leave treatment prematurely and insurance authorization barriers
11 both present impediments to realizing this goal.

12 (2) The legislature further finds that patients with substance
13 use disorders should be provided information regarding and access to
14 the full panoply of treatment options for their condition, as would
15 be the case with any other life-threatening disease.
16 Pharmacotherapies are incredibly effective and severely underutilized
17 tools in the treatment of opioid use disorder and alcohol use
18 disorder. The federal food and drug administration has approved three
19 medications for the treatment of opioid use disorder and three
20 medications for the treatment of alcohol use disorder. Only 37
21 percent of individuals with opioid use disorder and nine percent of

1 individuals with alcohol use disorder receive medication to treat
2 their condition.

3 (3) Therefore, it is the intent of the legislature to reduce
4 forced patient discharges from residential addiction treatment, to
5 remove arbitrary insurance authorization barriers to residential
6 addiction treatment, and to ensure that patients with opioid use
7 disorder and alcohol use disorder receive access to care that is
8 consistent with clinical best practices.

9 NEW SECTION. **Sec. 2.** A new section is added to chapter 71.24
10 RCW to read as follows:

11 (1)(a) By October 1, 2024, each licensed or certified behavioral
12 health agency providing voluntary inpatient or residential substance
13 use disorder treatment services or withdrawal management services
14 shall submit to the department any policies that the agency maintains
15 regarding the transfer or discharge of a person without the person's
16 consent from a facility providing those services. The policies that
17 agencies must submit include any policies related to situations in
18 which the agency transfers or discharges a person without the
19 person's consent, therapeutic progressive disciplinary processes that
20 the agency maintains, and procedures to assure safe transfers and
21 discharges when a patient is discharged without the patient's
22 consent.

23 (b) By April 1, 2025, the department shall adopt a model policy
24 for licensed or certified behavioral health agencies providing
25 voluntary inpatient or residential substance use disorder treatment
26 services or withdrawal management services to consider when adopting
27 policies related to the transfer or discharge of a person without the
28 person's consent from a facility providing those services. In
29 developing the model policy, the department shall consider the
30 policies submitted by agencies under (a) of this subsection and
31 establish factors to be used in making a decision to transfer or
32 discharge a person without the person's consent. Factors may include,
33 but are not limited to, the person's medical condition, the clinical
34 determination that the person no longer requires treatment or
35 withdrawal management services at the facility, the risk of physical
36 injury presented by the person to the person's self or to other
37 persons at the facility, the extent to which the person's behavior
38 risks the recovery goals of other persons at the facility, and the
39 extent to which the agency has applied a therapeutic progressive

1 disciplinary process. The model policy must include provisions
2 addressing the use of an appropriate therapeutic progressive
3 disciplinary process and procedures to assure safe transfers and
4 discharges of a patient who is discharged without the patient's
5 consent.

6 (2)(a) Beginning April 1, 2025, every licensed or certified
7 behavioral health agency providing voluntary inpatient or residential
8 substance use disorder treatment services or withdrawal management
9 services shall submit a report to the department for each instance in
10 which a person receiving services either: (i) Was transferred or
11 discharged from the facility by the agency without the person's
12 consent; or (ii) released the person's self from the facility prior
13 to a clinical determination that the person had completed treatment.

14 (b) The department shall adopt rules to implement the reporting
15 requirement under (a) of this subsection, using a standard form. The
16 rules must require that the agency provide a description of the
17 circumstances related to the person's departure from the facility,
18 including whether the departure was voluntary or involuntary, the
19 extent to which a therapeutic progressive disciplinary process was
20 applied, the patient's self-reported understanding of the reasons for
21 discharge, efforts that were made to avert the discharge, and efforts
22 that were made to establish a safe discharge plan prior to the
23 patient leaving the facility.

24 NEW SECTION. **Sec. 3.** A new section is added to chapter 28B.20
25 RCW to read as follows:

26 The addictions, drug, and alcohol institute at the University of
27 Washington shall create a patient shared decision-making tool to
28 assist behavioral health providers when discussing medication
29 treatment options for patients with alcohol use disorder. The
30 institute shall distribute the tool to behavioral health providers
31 and instruct them on ways to incorporate the use of the tool into
32 their practices. The institute shall conduct regular evaluations of
33 the tool and update the tool as necessary.

34 **Sec. 4.** RCW 71.24.037 and 2023 c 454 s 2 are each amended to
35 read as follows:

36 (1) The secretary shall license or certify any agency or facility
37 that: (a) Submits payment of the fee established under RCW 43.70.110
38 and 43.70.250; (b) submits a complete application that demonstrates

1 the ability to comply with requirements for operating and maintaining
2 an agency or facility in statute or rule; and (c) successfully
3 completes the prelicensure inspection requirement.

4 (2) The secretary shall establish by rule minimum standards for
5 licensed or certified behavioral health agencies that must, at a
6 minimum, establish: (a) Qualifications for staff providing services
7 directly to persons with mental disorders, substance use disorders,
8 or both; (b) the intended result of each service; and (c) the rights
9 and responsibilities of persons receiving behavioral health services
10 pursuant to this chapter and chapter 71.05 RCW. The secretary shall
11 provide for deeming of licensed or certified behavioral health
12 agencies as meeting state minimum standards as a result of
13 accreditation by a recognized behavioral health accrediting body
14 recognized and having a current agreement with the department.

15 (3) The department shall review reports or other information
16 alleging a failure to comply with this chapter or the standards and
17 rules adopted under this chapter and may initiate investigations and
18 enforcement actions based on those reports.

19 (4) The department shall conduct inspections of agencies and
20 facilities, including reviews of records and documents required to be
21 maintained under this chapter or rules adopted under this chapter.

22 (5) The department may suspend, revoke, limit, restrict, or
23 modify an approval, or refuse to grant approval, for failure to meet
24 the provisions of this chapter, or the standards adopted under this
25 chapter. RCW 43.70.115 governs notice of a license or certification
26 denial, revocation, suspension, or modification and provides the
27 right to an adjudicative proceeding.

28 (6) No licensed or certified behavioral health agency may
29 advertise or represent itself as a licensed or certified behavioral
30 health agency if approval has not been granted or has been denied,
31 suspended, revoked, or canceled.

32 (7) Licensure or certification as a behavioral health agency is
33 effective for one calendar year from the date of issuance of the
34 license or certification. The license or certification must specify
35 the types of services provided by the behavioral health agency that
36 meet the standards adopted under this chapter. Renewal of a license
37 or certification must be made in accordance with this section for
38 initial approval and in accordance with the standards set forth in
39 rules adopted by the secretary.

1 (8) Licensure or certification as a licensed or certified
2 behavioral health agency must specify the types of services provided
3 that meet the standards adopted under this chapter. Renewal of a
4 license or certification must be made in accordance with this section
5 for initial approval and in accordance with the standards set forth
6 in rules adopted by the secretary.

7 (9) The department shall develop a process by which a provider
8 may obtain dual licensure as an evaluation and treatment facility and
9 secure withdrawal management and stabilization facility.

10 (10) Licensed or certified behavioral health agencies may not
11 provide types of services for which the licensed or certified
12 behavioral health agency has not been certified. Licensed or
13 certified behavioral health agencies may provide services for which
14 approval has been sought and is pending, if approval for the services
15 has not been previously revoked or denied.

16 (11) The department periodically shall inspect licensed or
17 certified behavioral health agencies at reasonable times and in a
18 reasonable manner.

19 (12) Upon petition of the department and after a hearing held
20 upon reasonable notice to the facility, the superior court may issue
21 a warrant to an officer or employee of the department authorizing him
22 or her to enter and inspect at reasonable times, and examine the
23 books and accounts of, any licensed or certified behavioral health
24 agency refusing to consent to inspection or examination by the
25 department or which the department has reasonable cause to believe is
26 operating in violation of this chapter.

27 (13) The department shall maintain and periodically publish a
28 current list of licensed or certified behavioral health agencies.

29 (14) Each licensed or certified behavioral health agency shall
30 file with the department or the authority upon request, data,
31 statistics, schedules, and information the department or the
32 authority reasonably requires. A licensed or certified behavioral
33 health agency that without good cause fails to furnish any data,
34 statistics, schedules, or information as requested, or files
35 fraudulent returns thereof, may have its license or certification
36 revoked or suspended.

37 (15) The authority shall use the data provided in subsection (14)
38 of this section to evaluate each program that admits children to
39 inpatient substance use disorder treatment upon application of their
40 parents. The evaluation must be done at least once every twelve

1 months. In addition, the authority shall randomly select and review
2 the information on individual children who are admitted on
3 application of the child's parent for the purpose of determining
4 whether the child was appropriately placed into substance use
5 disorder treatment based on an objective evaluation of the child's
6 condition and the outcome of the child's treatment.

7 (16) Any settlement agreement entered into between the department
8 and licensed or certified behavioral health agencies to resolve
9 administrative complaints, license or certification violations,
10 license or certification suspensions, or license or certification
11 revocations may not reduce the number of violations reported by the
12 department unless the department concludes, based on evidence
13 gathered by inspectors, that the licensed or certified behavioral
14 health agency did not commit one or more of the violations.

15 (17) In cases in which a behavioral health agency that is in
16 violation of licensing or certification standards attempts to
17 transfer or sell the behavioral health agency to a family member, the
18 transfer or sale may only be made for the purpose of remedying
19 license or certification violations and achieving full compliance
20 with the terms of the license or certification. Transfers or sales to
21 family members are prohibited in cases in which the purpose of the
22 transfer or sale is to avoid liability or reset the number of license
23 or certification violations found before the transfer or sale. If the
24 department finds that the owner intends to transfer or sell, or has
25 completed the transfer or sale of, ownership of the behavioral health
26 agency to a family member solely for the purpose of resetting the
27 number of violations found before the transfer or sale, the
28 department may not renew the behavioral health agency's license or
29 certification or issue a new license or certification to the
30 behavioral health service provider.

31 (18) Every licensed or certified outpatient behavioral health
32 agency shall display the 988 crisis hotline number in common areas of
33 the premises and include the number as a calling option on any phone
34 message for persons calling the agency after business hours.

35 (19) Every licensed or certified inpatient or residential
36 behavioral health agency must include the 988 crisis hotline number
37 in the discharge summary provided to individuals being discharged
38 from inpatient or residential services.

39 (20) Every licensed or certified behavioral health agency
40 providing voluntary inpatient or residential substance use disorder

1 treatment services or withdrawal management services must comply with
2 the policy submission and mandatory reporting requirements
3 established in section 2 of this act.

4 (21)(a) A licensed or certified behavioral health agency shall
5 provide each patient with opioid use disorder or alcohol use
6 disorder, whether receiving inpatient or outpatient treatment, with
7 counseling related to treatment options specific to the patient's
8 diagnosed condition. The counseling must include an unbiased
9 explanation of all recognized possible forms of treatment, as
10 required under RCW 7.70.050 and 7.70.060, including any available
11 pharmacological treatments for the patient's diagnosed condition. In
12 addition, the behavioral health agency shall facilitate access to the
13 course of treatment that the patient chooses to pursue, including any
14 pharmacological treatments.

15 (b) Unless it meets the requirements of (a) of this subsection, a
16 behavioral health agency may not:

17 (i) Advertise that it treats opioid use disorder or alcohol use
18 disorder; or

19 (ii) Treat patients for opioid use disorder or alcohol use
20 disorder, regardless of the form of treatment that the patient
21 chooses.

22 (c)(i) Failure to meet the counseling requirements of (a) of this
23 subsection may be an element of proof in demonstrating a breach of
24 the duty to secure an informed consent under RCW 7.70.050.

25 (ii) Failure to meet the counseling and facilitation requirements
26 of (a) of this subsection may be the basis of a disciplinary action
27 under this section.

28 NEW SECTION. Sec. 5. A new section is added to chapter 71.24
29 RCW to read as follows:

30 A behavioral health provider or licensed or certified behavioral
31 health agency that provides withdrawal management services to a
32 patient may not engage in a course of treatment that requires the
33 patient to discontinue usage of or reduce dosage amounts of a
34 medication, including a psychotropic medication, if the patient has
35 been using the medication in accordance with the directions of a
36 prescribing health care provider.

37 **Sec. 6.** RCW 41.05.526 and 2020 c 345 s 2 are each amended to
38 read as follows:

1 (1) Except as provided in subsection (2) of this section, a
2 health plan offered to employees and their covered dependents under
3 this chapter issued or renewed on or after January 1, 2021, may not
4 require an enrollee to obtain prior authorization for withdrawal
5 management services or inpatient or residential substance use
6 disorder treatment services in a behavioral health agency licensed or
7 certified under RCW 71.24.037.

8 (2)(a) A health plan offered to employees and their covered
9 dependents under this chapter issued or renewed on or after January
10 1, 2021, must:

11 (i) Provide coverage for no less than two business days,
12 excluding weekends and holidays, in a behavioral health agency that
13 provides inpatient or residential substance use disorder treatment
14 prior to conducting a utilization review; and

15 (ii) Provide coverage for no less than three days in a behavioral
16 health agency that provides withdrawal management services prior to
17 conducting a utilization review.

18 (b)(i) The health plan may not require an enrollee to obtain
19 prior authorization for the services specified in (a) of this
20 subsection as a condition for payment of services prior to the times
21 specified in (a) of this subsection. ((Onee))

22 (ii)(A) Except as provided in (b)(ii)(B) of this subsection, once
23 the times specified in (a) of this subsection have passed, the health
24 plan may initiate utilization management review procedures if the
25 behavioral health agency continues to provide services or is in the
26 process of arranging for a seamless transfer to an appropriate
27 facility or lower level of care under subsection (6) of this section.

28 (B) For a health plan issued or renewed on or after January 1,
29 2025, for inpatient or residential substance use disorder treatment
30 services, after the times specified in (a) of this subsection have
31 passed, a health plan may not initiate utilization review procedures
32 prior to 28 days following admission, except to initiate the initial
33 medical necessity review process permitted under (c)(iii) of this
34 subsection or to assist with a transfer as permitted under this
35 subsection (2)(b)(ii).

36 (c)(i) The behavioral health agency under (a) of this subsection
37 must notify an enrollee's health plan as soon as practicable after
38 admitting the enrollee, but not later than twenty-four hours after
39 admitting the enrollee. The time of notification does not reduce the
40 requirements established in (a) of this subsection.

1 (ii) The behavioral health agency under (a) of this subsection
2 must provide the health plan with its initial assessment and initial
3 treatment plan for the enrollee within two business days of
4 admission, excluding weekends and holidays, or within three days in
5 the case of a behavioral health agency that provides withdrawal
6 management services.

7 (iii) After the time period in (a) of this subsection and receipt
8 of the material provided under (c)(ii) of this subsection, the plan
9 may initiate a medical necessity review process. Medical necessity
10 review must be based on the standard set of criteria established
11 under RCW 41.05.528. In a review for inpatient or residential
12 substance use disorder treatment services, a health plan may not
13 consider a patient's length of abstinence when determining whether
14 the services are medically necessary. If the health plan determines
15 within one business day from the start of the medical necessity
16 review period and receipt of the material provided under (c)(ii) of
17 this subsection that the admission to the facility was not medically
18 necessary and advises the agency of the decision in writing, the
19 health plan is not required to pay the facility for services
20 delivered after the start of the medical necessity review period,
21 subject to the conclusion of a filed appeal of the adverse benefit
22 determination. If the health plan's medical necessity review is
23 completed more than one business day after (~~the~~) the start of the
24 medical necessity review period and receipt of the material provided
25 under (c)(ii) of this subsection, the health plan must pay for the
26 services delivered from the time of admission until the time at which
27 the medical necessity review is completed and the agency is advised
28 of the decision in writing.

29 (3) (a) The behavioral health agency shall document to the health
30 plan the patient's need for continuing care and justification for
31 level of care placement following the current treatment period, based
32 on the standard set of criteria established under RCW 41.05.528, with
33 documentation recorded in the patient's medical record.

34 (b) For a health plan issued or renewed on or after January 1,
35 2025, for inpatient or residential substance use disorder treatment
36 services, the health plan may not consider the patient's length of
37 stay at the behavioral health agency when making decisions regarding
38 the authorization to continue care at the behavioral health agency.

39 (4) Nothing in this section prevents a health carrier from
40 denying coverage based on insurance fraud.

1 (5) If the behavioral health agency under subsection (2)(a) of
2 this section is not in the enrollee's network:

3 (a) The health plan is not responsible for reimbursing the
4 behavioral health agency at a greater rate than would be paid had the
5 agency been in the enrollee's network; and

6 (b) The behavioral health agency may not balance bill, as defined
7 in RCW 48.43.005.

8 (6) When the treatment plan approved by the health plan involves
9 transfer of the enrollee to a different facility or to a lower level
10 of care, the care coordination unit of the health plan shall work
11 with the current agency to make arrangements for a seamless transfer
12 as soon as possible to an appropriate and available facility or level
13 of care. The health plan shall pay the agency for the cost of care at
14 the current facility until the seamless transfer to the different
15 facility or lower level of care is complete. A seamless transfer to a
16 lower level of care may include same day or next day appointments for
17 outpatient care, and does not include payment for nontreatment
18 services, such as housing services. If placement with an agency in
19 the health plan's network is not available, the health plan shall pay
20 the current agency until a seamless transfer arrangement is made.

21 (7) The requirements of this section do not apply to treatment
22 provided in out-of-state facilities.

23 (8) For the purposes of this section "withdrawal management
24 services" means twenty-four hour medically managed or medically
25 monitored detoxification and assessment and treatment referral for
26 adults or adolescents withdrawing from alcohol or drugs, which may
27 include induction on medications for addiction recovery.

28 **Sec. 7.** RCW 48.43.761 and 2020 c 345 s 3 are each amended to
29 read as follows:

30 (1) Except as provided in subsection (2) of this section, a
31 health plan issued or renewed on or after January 1, 2021, may not
32 require an enrollee to obtain prior authorization for withdrawal
33 management services or inpatient or residential substance use
34 disorder treatment services in a behavioral health agency licensed or
35 certified under RCW 71.24.037.

36 (2)(a) A health plan issued or renewed on or after January 1,
37 2021, must:

38 (i) Provide coverage for no less than two business days,
39 excluding weekends and holidays, in a behavioral health agency that

1 provides inpatient or residential substance use disorder treatment
2 prior to conducting a utilization review; and

3 (ii) Provide coverage for no less than three days in a behavioral
4 health agency that provides withdrawal management services prior to
5 conducting a utilization review.

6 (b) (i) The health plan may not require an enrollee to obtain
7 prior authorization for the services specified in (a) of this
8 subsection as a condition for payment of services prior to the times
9 specified in (a) of this subsection. (~~Onee~~)

10 (ii) (A) Except as provided in (b) (ii) (B) of this subsection, once
11 the times specified in (a) of this subsection have passed, the health
12 plan may initiate utilization management review procedures if the
13 behavioral health agency continues to provide services or is in the
14 process of arranging for a seamless transfer to an appropriate
15 facility or lower level of care under subsection (6) of this section.

16 (B) For a health plan issued or renewed on or after January 1,
17 2025, for inpatient or residential substance use disorder treatment
18 services, after the times specified in (a) of this subsection have
19 passed, a health plan may not initiate utilization review procedures
20 prior to 28 days following admission, except to initiate the initial
21 medical necessity review process permitted under (c) (iii) of this
22 subsection or to assist with a transfer as permitted under this
23 subsection (2) (b) (ii).

24 (c) (i) The behavioral health agency under (a) of this subsection
25 must notify an enrollee's health plan as soon as practicable after
26 admitting the enrollee, but not later than twenty-four hours after
27 admitting the enrollee. The time of notification does not reduce the
28 requirements established in (a) of this subsection.

29 (ii) The behavioral health agency under (a) of this subsection
30 must provide the health plan with its initial assessment and initial
31 treatment plan for the enrollee within two business days of
32 admission, excluding weekends and holidays, or within three days in
33 the case of a behavioral health agency that provides withdrawal
34 management services.

35 (iii) After the time period in (a) of this subsection and receipt
36 of the material provided under (c) (ii) of this subsection, the plan
37 may initiate a medical necessity review process. Medical necessity
38 review must be based on the standard set of criteria established
39 under RCW 41.05.528. In a review for inpatient or residential
40 substance use disorder treatment services, a health plan may not

1 consider a patient's length of abstinence when determining whether
2 the services are medically necessary. If the health plan determines
3 within one business day from the start of the medical necessity
4 review period and receipt of the material provided under (c)(ii) of
5 this subsection that the admission to the facility was not medically
6 necessary and advises the agency of the decision in writing, the
7 health plan is not required to pay the facility for services
8 delivered after the start of the medical necessity review period,
9 subject to the conclusion of a filed appeal of the adverse benefit
10 determination. If the health plan's medical necessity review is
11 completed more than one business day after (~~the~~) the start of the
12 medical necessity review period and receipt of the material provided
13 under (c)(ii) of this subsection, the health plan must pay for the
14 services delivered from the time of admission until the time at which
15 the medical necessity review is completed and the agency is advised
16 of the decision in writing.

17 (3) (a) The behavioral health agency shall document to the health
18 plan the patient's need for continuing care and justification for
19 level of care placement following the current treatment period, based
20 on the standard set of criteria established under RCW 41.05.528, with
21 documentation recorded in the patient's medical record.

22 (b) For a health plan issued or renewed on or after January 1,
23 2025, for inpatient or residential substance use disorder treatment
24 services, the health plan may not consider the patient's length of
25 stay at the behavioral health agency when making decisions regarding
26 the authorization to continue care at the behavioral health agency.

27 (4) Nothing in this section prevents a health carrier from
28 denying coverage based on insurance fraud.

29 (5) If the behavioral health agency under subsection (2)(a) of
30 this section is not in the enrollee's network:

31 (a) The health plan is not responsible for reimbursing the
32 behavioral health agency at a greater rate than would be paid had the
33 agency been in the enrollee's network; and

34 (b) The behavioral health agency may not balance bill, as defined
35 in RCW 48.43.005.

36 (6) When the treatment plan approved by the health plan involves
37 transfer of the enrollee to a different facility or to a lower level
38 of care, the care coordination unit of the health plan shall work
39 with the current agency to make arrangements for a seamless transfer
40 as soon as possible to an appropriate and available facility or level

1 of care. The health plan shall pay the agency for the cost of care at
2 the current facility until the seamless transfer to the different
3 facility or lower level of care is complete. A seamless transfer to a
4 lower level of care may include same day or next day appointments for
5 outpatient care, and does not include payment for nontreatment
6 services, such as housing services. If placement with an agency in
7 the health plan's network is not available, the health plan shall pay
8 the current agency until a seamless transfer arrangement is made.

9 (7) The requirements of this section do not apply to treatment
10 provided in out-of-state facilities.

11 (8) For the purposes of this section "withdrawal management
12 services" means twenty-four hour medically managed or medically
13 monitored detoxification and assessment and treatment referral for
14 adults or adolescents withdrawing from alcohol or drugs, which may
15 include induction on medications for addiction recovery.

16 **Sec. 8.** RCW 71.24.618 and 2020 c 345 s 4 are each amended to
17 read as follows:

18 (1) Beginning January 1, 2021, a managed care organization may
19 not require an enrollee to obtain prior authorization for withdrawal
20 management services or inpatient or residential substance use
21 disorder treatment services in a behavioral health agency licensed or
22 certified under RCW 71.24.037.

23 (2)(a) Beginning January 1, 2021, a managed care organization
24 must:

25 (i) Provide coverage for no less than two business days,
26 excluding weekends and holidays, in a behavioral health agency that
27 provides inpatient or residential substance use disorder treatment
28 prior to conducting a utilization review; and

29 (ii) Provide coverage for no less than three days in a behavioral
30 health agency that provides withdrawal management services prior to
31 conducting a utilization review.

32 (b) (i) The managed care organization may not require an enrollee
33 to obtain prior authorization for the services specified in (a) of
34 this subsection as a condition for payment of services prior to the
35 times specified in (a) of this subsection. (~~Once~~)

36 (ii) (A) Except as provided in (b) (ii) (B) of this subsection, once
37 the times specified in (a) of this subsection have passed, the
38 managed care organization may initiate utilization management review
39 procedures if the behavioral health agency continues to provide

1 services or is in the process of arranging for a seamless transfer to
2 an appropriate facility or lower level of care under subsection (6)
3 of this section.

4 (B) Beginning January 1, 2025, for inpatient or residential
5 substance use disorder treatment services, after the times specified
6 in (a) of this subsection have passed, a managed care organization
7 may not initiate utilization review procedures prior to 28 days
8 following admission, except to initiate the initial medical necessity
9 review process permitted under (c)(iii) of this subsection or to
10 assist with a transfer as permitted under this subsection (2)(b)(ii).

11 (c)(i) The behavioral health agency under (a) of this subsection
12 must notify an enrollee's managed care organization as soon as
13 practicable after admitting the enrollee, but not later than twenty-
14 four hours after admitting the enrollee. The time of notification
15 does not reduce the requirements established in (a) of this
16 subsection.

17 (ii) The behavioral health agency under (a) of this subsection
18 must provide the managed care organization with its initial
19 assessment and initial treatment plan for the enrollee within two
20 business days of admission, excluding weekends and holidays, or
21 within three days in the case of a behavioral health agency that
22 provides withdrawal management services.

23 (iii) After the time period in (a) of this subsection and receipt
24 of the material provided under (c)(ii) of this subsection, the
25 managed care organization may initiate a medical necessity review
26 process. Medical necessity review must be based on the standard set
27 of criteria established under RCW 41.05.528. In a review for
28 inpatient or residential substance use disorder treatment services, a
29 managed care organization may not consider a patient's length of
30 abstinence when determining whether the services are medically
31 necessary. If the health plan determines within one business day from
32 the start of the medical necessity review period and receipt of the
33 material provided under (c)(ii) of this subsection that the admission
34 to the facility was not medically necessary and advises the agency of
35 the decision in writing, the health plan is not required to pay the
36 facility for services delivered after the start of the medical
37 necessity review period, subject to the conclusion of a filed appeal
38 of the adverse benefit determination. If the managed care
39 organization's medical necessity review is completed more than one
40 business day after (~~the~~) the start of the medical necessity

1 review period and receipt of the material provided under (c)(ii) of
2 this subsection, the managed care organization must pay for the
3 services delivered from the time of admission until the time at which
4 the medical necessity review is completed and the agency is advised
5 of the decision in writing.

6 (3)(a) The behavioral health agency shall document to the managed
7 care organization the patient's need for continuing care and
8 justification for level of care placement following the current
9 treatment period, based on the standard set of criteria established
10 under RCW 41.05.528, with documentation recorded in the patient's
11 medical record.

12 (b) Beginning January 1, 2025, for inpatient or residential
13 substance use disorder treatment services, the managed care
14 organization may not consider the patient's length of stay at the
15 behavioral health agency when making decisions regarding the
16 authorization to continue care at the behavioral health agency.

17 (4) Nothing in this section prevents a health carrier from
18 denying coverage based on insurance fraud.

19 (5) If the behavioral health agency under subsection (2)(a) of
20 this section is not in the enrollee's network:

21 (a) The managed care organization is not responsible for
22 reimbursing the behavioral health agency at a greater rate than would
23 be paid had the agency been in the enrollee's network; and

24 (b) The behavioral health agency may not balance bill, as defined
25 in RCW 48.43.005.

26 (6) When the treatment plan approved by the managed care
27 organization involves transfer of the enrollee to a different
28 facility or to a lower level of care, the care coordination unit of
29 the managed care organization shall work with the current agency to
30 make arrangements for a seamless transfer as soon as possible to an
31 appropriate and available facility or level of care. The managed care
32 organization shall pay the agency for the cost of care at the current
33 facility until the seamless transfer to the different facility or
34 lower level of care is complete. A seamless transfer to a lower level
35 of care may include same day or next day appointments for outpatient
36 care, and does not include payment for nontreatment services, such as
37 housing services. If placement with an agency in the managed care
38 organization's network is not available, the managed care
39 organization shall pay the current agency at the service level until
40 a seamless transfer arrangement is made.

1 (7) The requirements of this section do not apply to treatment
2 provided in out-of-state facilities.

3 (8) For the purposes of this section "withdrawal management
4 services" means twenty-four hour medically managed or medically
5 monitored detoxification and assessment and treatment referral for
6 adults or adolescents withdrawing from alcohol or drugs, which may
7 include induction on medications for addiction recovery.

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