



STATE OF WASHINGTON  
DEPARTMENT OF SOCIAL AND HEALTH SERVICES  
*Behavioral Health and Service Integration Administration*  
P.O. Box 45050, Olympia, WA 98504-5050

April 10, 2014

Dear Stakeholders:

The 2014 Legislature just ended a productive and busy session. Here are some of the policy and budget highlights:

[2SSB 6312](#) Marks a major shift in how the state will purchase chemical dependency (CD) and mental health (MH) services in the future. The bill directs the state to purchase CD services through managed care contracts that integrate CD with MH services. These “behavioral health organizations (BHO)” will be functioning by April 2016. The legislation provides direction and standards for designing BHOs, financing them with a reformed payment system, monitoring with statewide performance standards, and eventually moving the state toward purchasing fully integrated health care for Medicaid clients by January 2020.

[2SHB 2627](#) Establishes a pilot program in Snohomish County that provides options for law enforcement to take certain offenders to CD treatment for examination and treatment instead of into jail. The measure will provide tools for local governments to respond more flexibly when CD is suspected. The option is voluntary and designed to help reduce recidivism in jails and address key underlying issues for certain offenders in the state.

[ESHB 2315](#) Primary care practitioners, nurses, physical therapists and others are added to the list of Health care providers required to complete a one-time training in suicide assessment, treatment, and management. The Department of Health is directed to work with the Department of Social and Health Services and others to develop a statewide suicide prevention plan that examines current data to identify demographic patterns and key risk and protective factors. A pilot program to support primary care providers in suicide prevention activities is authorized.

[SHB 2195](#) Individuals who return to jail after receiving competency restoration at a state hospital may be ordered to involuntarily take medications to maintain their mental competency while in jail.

[E2SHB 2572](#) The bill provides authorization and financing to initiate the State Innovation Plan building blocks including regional mobilization, clinical-community linkages and practice transformation aimed at better health, better care and lower costs, improved data collection architecture for performance and transparency metrics; and integrated Medicaid managed care procurement tied to enhance performance metrics.

The [2014 supplemental budget](#) provided new enhancements and supports for state hospitals, children’s mental health, community mental health, and behavioral health redesign initiatives. Funding is provided for increasing intensive mental health services for high needs youth to fulfill commitments in the TR v Quigley and Teeter Settlement Agreement. It is also provided for continued wraparound services to children with high risk behaviors in home and community settings.

The Legislature funded new staff positions to support the state's transition toward redesigning behavioral health services in managed care contracts. Funding is also provided for an actuarial review of CD, MH and physical health care purchasing to achieve sound rates for future behavioral health organizations. Funding is also directed toward evaluation and treatment facilities, program of assertive community treatment teams, and recovery support service teams in three regional support networks. Enhancements and supports to state hospitals were included in the budget. Funding includes security enhancements, anticipated overtime for hospital employees, training and new computers needed to implement the new electronic medical records system. Below is the summary of the budget.

2014 Legislative Session		
	FY 14	FY 15
<b>TR Settlement</b>		
GF-S	\$ 250,000	\$ 7,991,000
Medicaid	\$ -	\$ 7,221,000
<b>SB 6312</b>		
GF-S	\$ 264,000	\$ 1,246,000
Medicaid	\$ 197,000	\$ 1,390,000
<b>E&amp;T</b>		
GF-S	\$ -	\$ 4,048,735
Medicaid	\$ -	\$ 3,676,280
<b>PACT</b>		
GF-S	\$ -	\$ 1,081,125
Medicaid	\$ -	\$ 868,875
<b>Recovery Support Services Pilots</b>		
GF-S	\$ -	\$ 2,151,320
Medicaid	\$ -	\$ 43,583
<b>State Hospitals</b>		
Total Funds	\$ 3,888,000	\$ 1,506,000

Should you have questions, please contact me at 360-725-2260 or by email at [jane.beyer@dshs.wa.gov](mailto:jane.beyer@dshs.wa.gov), or you can contact Chris Imhoff at 360-725-3770 or by email at [chris.imhoff@dshs.wa.gov](mailto:chris.imhoff@dshs.wa.gov).

Sincerely,



Jane Beyer  
 Assistant Secretary

cc: Chris Imhoff, Director, Division of Behavioral Health and Recovery  
 Victoria Roberts, Deputy Assistant Secretary, Behavioral Health and Service Integration Services  
 Chanh Ly, Director, Management Services Division