

Department of Social and Health Services
Mental Health
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	2,998.9	1,061,687	1,277,398	2,339,085
2017-19 Maintenance Level	3,204.7	1,278,186	1,214,469	2,492,655
Difference from 2015-17	205.8	216,499	-62,929	153,570
% Change from 2015-17	6.9%	20.4%	-4.9%	6.6%
Policy Other Changes:				
1. Tribal Fee-for-Service Staffing	3.0	445	295	740
2. Medicaid Transformation Waiver	0.0	0	19,557	19,557
3. BH: Crisis Walk-in Centers	0.0	2,286	1,341	3,627
4. BH: Housing and Stepdown Services	0.0	2,762	0	2,762
5. BH: Mobile Crisis Teams	0.0	3,712	1,238	4,950
6. BH: State Community BH Hospitals	166.9	2,676	1,078	3,754
7. BH: Stepdown Housing	0.0	4,556	0	4,556
8. BH: SUD Treatment & Peer Support	21.0	3,480	0	3,480
9. Tribal Behavioral Health E&T Plan	0.0	300	0	300
10. Community Policing Program	0.0	159	0	159
11. Hepatitis C Treatment Costs	0.0	306	87	393
12. Hospital Compliance	137.0	52,716	0	52,716
13. Reduce BHO Non-Medicaid Reserves	0.0	-7,800	0	-7,800
14. Facilities One-Time Costs	0.0	1	0	1
Policy -- Other Total	327.9	65,599	23,596	89,195
Policy Comp Changes:				
15. State Public Employee Benefits Rate	0.0	681	48	729
16. WFSE General Government	0.0	35,718	2,777	38,495
17. State Represented Emp Benefits Rate	0.0	7,817	572	8,389
18. The Coalition of Unions Agreement	0.0	7,878	631	8,509
19. Non-Rep General Wage Increase	0.0	1,731	121	1,852
20. Non-Rep Targeted Pay Increases	0.0	1,943	145	2,088
21. WFSE Orca Transit Pass	0.0	2	0	2

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22. Gen Govt SEIU 1199 Agreement	0.0	20,852	1,546	22,398
23. Vacation Leave Chng-Non-represented	0.0	6	0	6
Policy -- Comp Total	0.0	76,628	5,840	82,468
Policy Transfer Changes:				
24. BH: Integration Transfer	-86.0	-780,437	-1,041,868	-1,822,305
Policy -- Transfer Total	-86.0	-780,437	-1,041,868	-1,822,305
Total Policy Changes	241.9	-638,210	-1,012,432	-1,650,642
2017-19 Policy Level	3,446.6	639,976	202,037	842,013
Difference from 2015-17	447.7	-421,711	-1,075,361	-1,497,072
% Change from 2015-17	14.9%	-39.7%	-84.2%	-64.0%

POLICY CHANGES

1. Tribal Fee-for-Service Staffing

Tribal governments, through consultation at the state and federal levels, stated there is a lack of access to culturally appropriate and timely behavioral health services for American Indian/Alaska Native (AI/AN) individuals. DSHS will implement an AI/AN Fee-for-Service (FFS) program which will allow AI/AN individuals to access all Medicaid-funded behavioral services without being enrolled in a managed care program. Three staff are provided to support this new AI/AN FFS program. (General Fund-State; General Fund-Medicaid)

2. Medicaid Transformation Waiver

Funding is provided to align with projected expenditures under the Medicaid Transformation Waiver expected to be approved by the federal Centers for Medicare and Medicaid Services (CMS). The waiver’s three initiatives fund (1) incentive-based payments for transformation projects designed to achieve sustainable goals of better care, better health and lower cost for the state’s Medicaid population; (2) new services and supports for family caregivers that help people stay at home and avoid the need for more intensive services; and (3) supportive housing and supported employment services for those who are most vulnerable and have complex care needs. (General Fund-Federal)

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3. BH: Crisis Walk-in Centers

This item creates two new crisis walk-in centers that allow individuals in mental health crisis to stay up to 23 hours under observation. Services in crisis walk-in centers include crisis stabilization and intervention, individual counseling, peer support, medication management, education, and referral assistance. Crisis walk-in centers will reduce admission and re-admission to the state psychiatric hospitals. This item is part of the Governor's statewide behavioral health reform package. (General Fund-State; General Fund-Medicaid)

4. BH: Housing and Stepdown Services

The Housing and Recovery through Peer Services (HARPS) program is increased by two additional teams. These teams provide guidance delivered by peers who assist not only in securing housing for an individual but also provide strategies to maintain housing and referrals for other needed services. The HARPS program will help prevent readmission to the state psychiatric hospitals and will reduce the length of stay by helping individuals ready for discharge find housing in the community. This item is part of the Governor's statewide behavioral health reform package. (General Fund-State)

5. BH: Mobile Crisis Teams

Three additional mobile crisis teams are added to enable more timely and effective responses to individuals in crisis for whom relocation to a facility will likely prevent successful intervention. Mobile crisis teams provide access to behavioral health professionals with specialized skill sets who can address the needs of individuals in crisis and diffuse a crisis situation before it escalates to a point at which an individual may need to be hospitalized or jailed. This item is part of the Governor's statewide behavioral health reform package. (General Fund-State; General Fund-Medicaid)

6. BH: State Community BH Hospitals

This item establishes nine new 16-bed community behavioral health hospitals by 2023 that provide acute psychiatric inpatient care in regional settings for civil commitments. These new facilities will enable more regional, specialized care for patients, while keeping them closer to their home communities during inpatient treatment. Since each new hospital will not be classified as an institution for mental disease, additional federal Medicaid funding will be available. This item is part of the Governor's statewide behavioral health reform package. (General Fund-State; General Fund-Medicaid)

7. BH: Stepdown Housing

This item creates 60 new community stepdown beds that have 24-hour staffing and include both nursing and rehabilitative therapy. Community stepdown beds are essential for individuals ready for discharge from the state psychiatric hospitals, but still need assistance transitioning to life outside a state psychiatric hospital. These new community stepdown beds will free up capacity at the state psychiatric hospitals. This item is part of the Governor's statewide behavioral health reform package. (General Fund-State)

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8. BH: SUD Treatment & Peer Support

Substance use disorder (SUD) and mental health treatment will be intergrated at the state psychiatric hospitals. Six chemical dependency professionals and 15 peer support specialists will improve psychiatric symptoms and functioning, decrease hospitalization, increase housing stability and improve the quality of life for clients served. This item is part of the Governor's statewide behavioral health reform package. (General Fund-State)

9. Tribal Behavioral Health E&T Plan

Tribal governments, through consultation at the state and federal levels, stated there is a lack of access to culturally appropriate and timely behavioral health services for American Indian/Alaska Native (AI/AN) individuals. The Behavioral Health Administration will work collaboratively with tribal governments to identify a location on tribal land for the establishment of an Evaluation and Treatment (E&T) facility. The E&T facility will specialize in providing care specifically to AI/AN individuals. (General Fund-State)

10. Community Policing Program

Since 2007, the Lakewood Community Policing Program (CPP) has reduced calls for police service around Western State Hospital and the surrounding neighborhoods. The biennial cost of the program is \$621,297 but funding remains at the original appropriation of \$462,000. Funding is provided to cover the full cost of the CPP. (General Fund-State)

11. Hepatitis C Treatment Costs

On May 27, 2016, a federal judge granted a preliminary injunction which requires Washington State to expand its coverage of Medicaid patients with Hepatitis C (Hep C) to include those with more mild stages of the disease. Before the injunction, only individuals with more severe cases were covered. Funding to provide medical treatment for BHA patients who have Hep C is provided. (General Fund-State; General Fund-Medicaid)

12. Hospital Compliance

As a result of a series of immediate jeopardies and entering into a Systems Improvement Agreement with the Centers for Medicare and Medicaid Services, the Department of Social and Health Services contracted with a consultant to conduct a root cause analysis which identified seven Conditions of Participation (CoPs). To meet these CoPs and maintain federal funding, DSHS will hire 137 staff to address root cause issues at the state psychiatric hospitals, resulting in increased safety and security, improved environment of care, better infection control, and quality assessment and performance improvement. (General Fund-State)

13. Reduce BHO Non-Medicaid Reserves

A one-time General Fund-State reduction is made to the Behavioral Health Organization (BHO) non-Medicaid reserves. This one-time reduction is reinvested in community behavioral health. (General Fund-State)

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14. Facilities One-Time Costs

Funding is provided for one-time relocation and project costs to support the DSHS Leased Facilities Strategic Plan. (General Fund-State)

15. State Public Employee Benefits Rate

Health insurance funding is provided for state employees who are not represented by a union, who are covered by a bargaining agreement that is not subject to financial feasibility determination, or who are not part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State; General Fund-Federal; General Fund-Medicaid)

16. WFSE General Government

Funding is provided for a collective bargaining agreement and arbitration award with Washington Federation of State Employees (WFSE), which includes a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; a general wage increase of 2 percent, effective January 1, 2019; salary adjustments for targeted classifications; a minimum starting wage of \$12 an hour; and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State; General Fund-Medicaid)

17. State Represented Emp Benefits Rate

This provides health insurance funding as part of the master agreements for employees who bargain as part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State; General Fund-Medicaid)

18. The Coalition of Unions Agreement

Funding is provided for a collective bargaining agreement with the Coalition of Unions (Coalition) which includes a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; a general wage increase of 2 percent, effective January 1, 2019; salary adjustments for targeted classifications; and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State; General Fund-Medicaid)

19. Non-Rep General Wage Increase

Funding is provided for wage increases for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. It is sufficient for a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; and a general wage increase of 2 percent, effective January 1, 2019. This item includes both higher education and general government workers. (General Fund-State; General Fund-Federal; General Fund-Medicaid)

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20. Non-Rep Targeted Pay Increases

Funding is provided for classified state employees who are not represented by a union for pay increases in specific job classes in alignment with other employees. (General Fund-State; General Fund-Medicaid)

21. WFSE Orca Transit Pass

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, who are represented by the Washington Federation of State Employees. (General Fund-State)

22. Gen Govt SEIU 1199 Agreement

Funding is provided for a collective bargaining agreement with Service Employees International Union – Healthcare (SEIU), which includes salary adjustments for targeted classifications and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State; General Fund-Medicaid)

23. Vacation Leave Chng-Non-represented

This item funds the cost of additional overtime or other replacement staff for positions in 24/7 institutions as a result of changes in vacation leave accruals for non-higher education employees who are non-represented. (General Fund-State)

24. BH: Integration Transfer

Chapter 225, Laws of 2014 requires the Health Care Authority (HCA) and Department of Social and Health Services (DSHS) to fully integrate physical health care and behavioral health care services to Medicaid clients by January 1, 2020. As part of the second phase of behavioral health integration, all community mental health and substance use disorder programs are transferred from DSHS to HCA, with the exception of the Licensing and Certification Program which will transfer to the Department of Health (DOH). In total, 161 staff and \$2.6 billion total funds (\$956 million General Fund-State) will move out of DSHS to HCA and DOH. This whole-person approach to care offers better coordinated care and consolidates the payment and delivery of physical and behavioral health services for individuals enrolled in Medicaid, through managed care. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)