



King County

Policy Paper: **Behavioral Health**

IN BRIEF

There are three key components to the County's comprehensive approach to improve the behavioral health of King County's residents:

1. Transformation and Innovation through continued Behavioral Health Integration

By bringing together the formerly separate mental health and substance use disorder treatment systems, known as "Behavioral Health Integration", and through leveraging change initiated by the Affordable Care Act, the County is transforming how care is delivered and creating opportunities for innovation.

2. Building on Success by Continuing the Mental Illness and Drug Dependency Sales Tax

The opportunities afforded King County by the extension of the Mental Illness and Drug Dependency (MIDD) sales tax enable the County to continue its historic partnership between the criminal justice and health and human services systems to allow residents of King County to achieve their full potential.

3. Leading Development of Behavioral Health Policy

As a result of innovation, integration, and the opportunities afforded by MIDD, King County is leading the development of behavioral health policy in a number of important emerging issue areas. The County is working to decrease the demand for psychiatric inpatient beds, address the opioid epidemic, and create a system of treatment on demand.

OVERVIEW OF NEEDS

Untreated behavioral health conditions are costly in human and in financial terms. Pressing human needs coupled with the goal of improving the operations of the behavioral health system are driving King County's desire to make further progress in behavioral health areas. Data indicates:

- ❖ People with behavioral health conditions (mental illnesses and/or substance use disorders) are over represented in the criminal justice system.¹
- ❖ Individuals with untreated or undertreated behavioral health needs have higher than average emergency department visits.²
- ❖ People with behavioral health disorders are disproportionately affected by homelessness.³
- ❖ According to the Washington State Department of Health, suicide was the eighth leading cause of death for King County residents from 2008-2012.⁴
- ❖ Between 2010 and the second quarter of 2016 Washington State dropped from 1,220 to 729 state hospital psychiatric beds, a loss of 491 beds or 40 percent.⁵ The impacts are significant:

Largely reserved for those individuals considered unsuccessfully treated and/or too dangerous for other health care settings, state hospitals today are the last resort of the mental health system. When there are no beds for them, people who can't be treated elsewhere instead cycle through other institutions or live on the streets. They crowd into emergency rooms and languish behind bars, waiting for beds to open. Some become violent or, more often, the victims of violence. They grow sicker and die. The personal and public costs are incalculable.⁶

The King County Behavioral Health and Recovery Division (BHRD)⁷ provides oversight and management of publicly funded behavioral health services for eligible King County residents, with an emphasis on prevention, intervention, and recovery.

In 2015, close to 50,000 people were served by the County's behavioral health system and its dozens of community partner agencies and hundreds of staff. Medicaid and non-Medicaid funds, including King County's MIDD sales tax, support a wide array of services across multiple areas of need. Behavioral health services and policies affect outcomes across the county, including housing and homelessness, criminal justice, and public health programs.

¹ Prevalence of Mental Illnesses in U.S. State Prisons: A Systematic Review, Seth J. Prins, *Psychiatric Services* 2014 65:7, 862-872. American Psychiatric Association. <http://ps.psychiatryonline.org/doi/abs/10.1176/appi.ps.201300166>

² Medical Emergency Department Utilization Patterns Among Uninsured Patients With Psychiatric Disorders. Jacques Baillargeon, Ph.D., Chris R. Thomas, M.D., Brie Williams, M.D., Charles E. Begley, Ph.D., Sarghi Sharma, M.D., Brad H. Pollock, Ph.D., M.P.H., Owen J. Murray, D.O., John S. Pulvino, P.A., and Ben Raimer, M.D. *Psychiatric Services* 2008 59:7, 808-811. American Psychiatric Association. <http://ps.psychiatryonline.org/doi/abs/10.1176/ps.2008.59.7.808>

³ <http://www.samhsa.gov/homelessness-housing>

⁴ <http://www.kingcounty.gov/healthservices/health/data/~media/health/publichealth/documents/indicators/LifeExpectancy/Top10CausesDeath.ashx>

⁵ Going, Going, Gone: Trends and Consequences of Eliminating State Psychiatric Beds, 2016, Doris A. Fuller, Elizabeth Sinclair, Jeffery Geller, MD, MPH, Cameron Quanbeck, MD., John Snook. <http://www.tacereports.org/storage/documents/going-going-gone.pdf>

⁶ Ibid

⁷ Prior to April 1, 2016, BHRD was known as the Mental Health, Chemical Abuse, and Dependency Services Division (MHCADSD).

KING COUNTY IS TAKING ACTION TO IMPROVE LIVES

King County has long been a regional leader in the delivery of coordinated and integrated behavioral health services. Through a three-pronged approach that includes 1) **innovation and transformation through behavioral health integration**; 2) **building on success by continuing the MIDD sales tax**; and, 3) **leading development of behavioral health policy**, King County will continue to transform its approach to health and human services in the 2017-2018 biennium and beyond by improving health and well-being and creating conditions that allow residents of King County to achieve their full potential.

BEHAVIORAL HEALTH INTEGRATION: INNOVATION AND TRANSFORMATION

In 2014, the Washington State legislature passed ESSB 6312 calling for the integrated purchasing of mental health and substance use treatment services (collectively behavioral health) for the Medicaid program through a single managed care contract by April 1, 2016. The previous system of having Regional Support Networks (RSNs) for mental health services and County Chemical Dependency Coordinators for substance use services went away and was replaced by Behavioral Health Organizations (BHOs). BHOs are local entities providing the continuum of Medicaid funded inpatient and outpatient mental health and substance use disorder treatment services, carrying full risk and responsibility.

On April 1, 2016, King County became the BHO for the King County region. Today, the county is able to braid together multiple funding sources including Medicaid, state general fund dollars, federal block grants, and MIDD dollars to ensure a comprehensive continuum of behavioral health services is available to clients in need. As a result of this work, the County is:

- ❖ Increasing access to treatment for people with behavioral health disorders, including moving to a system that will provide treatment on demand and same-day access to care. Often the window of opportunity to intervene in a crisis is short – the system being created will assure that individuals in need of care receive care when they need it, where they need it, and at the right level of care.
- ❖ Supporting earlier interventions for people with behavioral health disorders to prevent unnecessary use of jail, emergency rooms, avoidable hospitalizations, and crisis services including new benefits and treatment models for co-occurring disorders.
- ❖ Supporting models of care that deliver or drive toward fully integrated physical and behavioral health care, a model known to improve overall health and social outcomes.
- ❖ Supporting the development and use of mechanisms that engage individuals with mental health, substance use, and co-occurring disorders, and link to comprehensive treatment through the King County BHO.

Fully Integrated Managed Care: ESSB 6312 also called for full integration of mental health, substance use, and physical health care by January 1, 2020. This includes aspects of both clinical integration and financial integration for the state Medicaid program. Today, Medicaid physical health care services are purchased through private Managed Care Organizations (MCOs) while Medicaid behavioral health services are purchased through regional BHOs.

Research shows that fully integrated physical and behavioral health care achieves better outcomes for clients. As King County assesses the optimal path to full integration for the region, the shared focus is on keeping clients at the center of planning and ensuring a system of care that provides the best experience for clients, improves outcomes, and reduces overall costs to the system.

MIDD: BUILDING ON SUCCESS

King County’s Mental Illness and Drug Dependency (MIDD) sales tax is a countywide 0.1% sales tax generating more than \$60 million per year for programs and services for people living with behavioral health disorders. MIDD funding is used to fill gaps in the system, pay for services and supports that are not eligible for other funding sources, such as Medicaid, and provide access to people who are under or uninsured or are not eligible for Medicaid and other health insurance (e.g., immigrants and refugees).

MIDD’s proposed investments are based on the logic that when people who are living with or who are at risk of behavioral health conditions use culturally relevant prevention and early intervention, crisis diversion, community reentry, treatment, and recovery services, and have stable housing and income, they will experience wellness and recovery, improve their quality of life, and reduce involvement with crisis, criminal justice, and hospital systems.

MIDD 1. The original MIDD Implementation Plan (“MIDD 1”), adopted in 2008, expires at the end of 2016. It was a groundbreaking partnership between health and human services, criminal justice, King County government, and community providers. Successful MIDD 1 programs are proposed to continue into MIDD 2, though some are merged or will be retooled during the implementation planning or request for proposal (RFP) process.

MIDD 2. The County Executive has recently proposed a new MIDD Service Improvement Plan (“MIDD 2”) that provides a new framework and recommended investments for the next ten years. Proposed initiatives for MIDD 2 build on the success of the first MIDD and are:

- ❖ informed by community and MIDD Oversight Committee input;
- ❖ grounded in the County’s Equity and Social Justice work;
- ❖ driven by outcomes;
- ❖ guided by the behavioral health continuum of care; and
- ❖ aligned with other County policy initiatives.

A major component of the MIDD 2 framework is the creation of four strategy areas that are aligned with the continuum of behavioral health care and services – from prevention to crisis services – and include a vital system support area:

MIDD 2 Strategy Area	Purpose
Prevention and Intervention	<i>People get the help they need to stay healthy and keep problems from escalating</i>
Crisis Diversion	<i>People who are in crisis get the help they need to avoid unnecessary hospitalization OR incarceration</i>
Recovery and Re-entry	<i>People become healthy and safely reintegrate to the community after crisis</i>
System Improvements	<i>Strengthen the behavioral health system to become more accessible and deliver on outcomes</i>

While not under the oversight or management of BHRD, therapeutic courts are also proposed to be funded by MIDD 2, including both mental health and drug courts. Therapeutic courts offer eligible defendants the opportunity to receive treatment and services in lieu of incarceration and/or services that help families with children in the dependency system reunite.

LEADING DEVELOPMENT OF BEHAVIORAL HEALTH POLICY

In response to community needs and in order to drive innovative behavioral health policy forward, King County is working on a number of fronts. Major initiatives include:

Community Alternatives to Boarding Task Force. Convened by Governor Jay Inslee and King County Executive Dow Constantine, this Task Force was created to bring forward innovative, coordinated solutions that decrease demand for psychiatric inpatient beds via community-based prevention, early intervention, diversion, and re-entry strategies.

Heroin and Prescription Opiate Addiction Task Force. The death toll for opioid overdose is the highest it has ever been, and the problem is occurring in every zip code in King County. In response to the heroin and opioid overdose epidemic, leaders from around the region co-convened the Heroin and Prescription Opiate Addiction Task Force. Executive Constantine, Seattle Mayor Ed Murray, Auburn Mayor Nancy Backus, and Renton Mayor Denis Law are seeking recommendations on how to solve the problems of opioid use and abuse.

Task Force recommendations are expected by the end of September 2016. One early outcome of the Task Force's work is distribution of naloxone (trade name Narcan) to homeless treatment providers and local law enforcement to serve as an antidote to overdose. As of August 1, 2016, Seattle Police state they have used naloxone to save ten lives. It is envisioned that MIDD 2 funds will support some aspects of the Task Force recommendations in the 2017-2018 biennium.

Treatment on Demand. People in both the mental health (e.g., psychiatric treatment beds) and substance use disorder service systems (e.g., medication assisted treatment) are asked to wait for a treatment slot to open when they are in need of services, and that wait for care can be deadly. For this reason, King County is focusing on developing the services and infrastructure for a system of treatment on demand – where anyone can access the treatment they need, when and where they need it, and available at the right level of care.

NEW INVESTMENTS

BEHAVIORAL HEALTH INTEGRATION

With the passage of the Affordable Care Act (ACA) and Washington State's decision to expand Medicaid, the number of Medicaid eligible people in the region has increased significantly. This section summarizes the proposed investments in the 2017-2018 biennium to continue to move forward on integration work.

Building system capacity and treatment options. With an increase in Medicaid covered people comes an increase in available Medicaid funding to provide mental health and substance use disorder treatment to those in need. The County is committed to improving access to treatment and to the development of new prevention, early intervention, and treatment programs that will help people access care sooner and avoid the need for more intensive and crisis oriented services.

In addition to the increase in Medicaid eligible individuals in the region, the integration of mental health and substance use disorder treatment dollars has also increased the County's overall Medicaid budget,

allowing greater investment in treatments and services as well as the development of specialized treatment programs for people living with co-occurring mental health and substance use disorders. Integrating care for people with co-occurring disorders have been shown to improve overall health while reducing costs and creating efficiencies within the system.

As a result of these increases in Medicaid funding, BHRD is making significant investments to build service capacity within the region including added Evaluation and Treatment beds, detox beds, SUD residential treatment capacity, and expanding Opiate Treatment Programs throughout the region.

Improving data infrastructure to support integration. BHRD will be embarking on a new IT project to further develop its IT infrastructure to support full integration. The Integration IT project will make it possible for King County to support the delivery of integrated physical and behavioral health care for the region.

Advancing planning for full integration by 2020 or sooner. DCHS staff has been working with community partners, state leadership, and local managed care organizations to plan for full physical and behavioral health integration. As a priority, clients should be at the center of any system improvement efforts. King County is committed to ensuring a fully integrated system of care that is client centered and promotes equity, addresses the needs of the whole person across the continuum from prevention to recovery, promotes value-based purchasing and maximizes resources, and invests in the infrastructure necessary to support the system and achieve outcomes.

MIDD

The renewal of MIDD brings the potential for \$134 million of revenue to support behavioral health services and therapeutic courts over the 2017-2018 biennium. Key elements of the proposed MIDD 2 Service Improvement Plan includes:

Funding economic adjustments for MIDD service providers. One major difference between the proposed MIDD 2 and MIDD 1 is that MIDD 1 did not provide for economic adjustments to providers' allocations based on inflation. Consequently, partner agencies had to manage the erosion of MIDD funds while being expected to provide a constant level of services, resulting in provider subsidy of MIDD programs. MIDD 2 seeks to address this inequity – County-operated programs did receive inflationary adjustments in most years – by providing economic adjustments to providers.

Expanding crisis and diversion services. MIDD 2 includes new and expanded funding for services and programs to keep people out of or returning to jail and the criminal justice system, including upstream prevention and diversion activities. These include initiatives such as:

- ❖ Law Enforcement Assisted Diversion (LEAD) – diverts individuals involved in low-level drug-related crimes from the justice system, bypassing prosecution and jail time, to case management and wraparound services.
- ❖ Housing Capital and Rental Assistance – creates housing units set aside for people with behavioral health needs who are homeless or being discharged from hospitals, jails/prisons, crisis diversion facilities, or residential treatment.
- ❖ Crisis Diversion and Mobile Crisis Services – includes expansion of services to south King County.
- ❖ Recovery Café – provides a drug- and alcohol-free space and community to anchor participants in sustained recovery and helps them obtain and maintain housing, services, relationships, education, and jobs.

- ❖ Young Adult Crisis Facility – houses community-based treatment beds for young people with high behavioral health needs to avert more significant crises.

Investing in a treatment on demand system. Investing in a treatment on demand system that delivers treatment to people who need it, how they need it, and when they need it so crises can be avoided or shortened. These include initiatives like:

- ❖ Behavioral Health Urgent Care Walk In Clinic Pilot – provides walk-in access to behavioral health services and supports to avert the need for intensive crisis response.
- ❖ Next Day Appointments – provides an urgent crisis response follow-up (within 24 hours) for individuals presenting at emergency departments or who received an evaluation from a Designated Mental Health Professional and found not-eligible for involuntary treatment.
- ❖ Peer Bridger and Peer Support – connects people in inpatient psychiatric units or in substance use disorder service settings with peers with lived experience to help people with behavioral health needs transition to the community and link-up with needed services.

Launching Community Driven Grants. MIDD 2 proposes to create community-driven grants so that geographically and culturally diverse communities can customize behavioral health services for their unique needs.

MIDD 2 is proposed to continue successful initiatives from MIDD 1 and also includes 21 new proposed initiatives, bringing the total number of initiatives to 51. The following summarizes the Executive's proposed investments as described in the MIDD 2 Service Improvement Plan:

- ❖ Prevention and Intervention (\$36.9 million)
- ❖ Crisis Diversion (\$35.3 million)
- ❖ Recovery and Reentry (\$19.6 million)
- ❖ System Improvements (\$12.5 million)
- ❖ Therapeutic Courts (\$21.6 million)

All of MIDD 2's investments are linked to outcomes. The accountability structure of MIDD 2 is driven by the results policymakers and stakeholders want to see in the community as the result of investment of MIDD funds; the indicators that the County will use to signal that it is headed down the right path to get there; and the actions the County and its partners will take to create the change stakeholders want to see.

LEADING DEVELOPMENT OF BEHAVIORAL HEALTH POLICY

In addition to the headlining investments that are part of Behavioral Health Integration and MIDD renewal, BHRD will continue to work on and invest in key policy initiatives in multiple other emerging areas. Major initiatives that will continue into 2017-2018 include:

Building involuntary psychiatric treatment capacity. Washington State continues to rank near the bottom in terms of inpatient psychiatric inpatient beds per capita. BHRD has increased capacity in the past two years and plans to continue efforts in the 2017-2018 budget cycle. Two new hospital based Evaluation and Treatment facilities located in underserved areas of King County will open by the end of 2017. Valley Cities Counseling and Consultation will open a new 24-bed facility located in Kent and Telecare will open a new 16-bed unit in Federal Way.

Increasing substance use disorder residential services. Development of substance use disorder (SUD) residential services capacity is another facet of Treatment on Demand. Currently 60% of those needing SUD residential services must leave King County to receive services. The county is working to increase SUD residential services, with 70 beds currently in development. Valley Cities Counseling and Consultation will open a new 30 bed residential program and Sea Mar will add 40 residential beds. Detoxification services are also being expanded, adding approximant 16-24 new beds in Seattle and 16 new secure detox beds in Kent.

Community Alternatives to Boarding Task Force. A joint State/King County task force was convened to seek solutions to the bed shortage and to seek alternatives to involuntary treatment. Although people sometimes still have to wait for an appropriate bed to open, and a serious logjam remains at Western State Hospital, the bed situation has improved in King County and across the state. As more involuntary inpatient beds open in 2017, funded by BHRD, the placement issues will ease a bit more. The Task Force recommendations, released in summer 2016, include legislative requests for the 2017 state legislative session to continue to improve the mental health system and make it more responsive to the needs of people in crisis and to boost community treatment options.

Heroin and Prescription Opiate Addiction Task Force. As described earlier, a Heroin and Prescription Opiate Addiction Task Force was convened in 2016 to develop recommendations to solve the problem of use and abuse. Task force members were charged with exploring prevention, health care and safety, and treatment options. A “community conversation” held in Renton in summer 2016 brought out over 100 treatment providers, parents, people in recovery, and other stakeholders to discuss issues and community concerns. The final report recommends a mix of prevention activities, enhancements to treatment options, increasing access to treatment on demand, and elimination of wait lists for treatment. The task force also looked at health and harm reduction strategies. All recommendations will be explored by the sponsors and may include legislative asks for the 2017 state legislative session.

POTENTIAL FUTURE IMPACTS

Full Integration of Physical and Behavioral Health Care

As the state moves forward with plans to fully integrate physical and behavioral health care, King County has significant decisions to make related to what the financial infrastructure for fully integrated managed care will be and what the optimal role of the County is in that model. King County is considering a number of potential models and working with community stakeholders and partners to identify options for the best path forward.

One key decision to be made is the role of King County in the service delivery system. DCHS currently plays a significant role in the administration and delivery of Medicaid-funded behavioral health services for the region as the BHO. Under full integration, there is a wide range of options for what could happen to the role of the BHO, ranging from going away completely, to being modified to take on more responsibility for a few specialty populations, to being reduced to a limited set of services (e.g., operating the crisis system).

The role the County elects to play will have a significant impact on the overall Medicaid funding that comes to DCHS. Recommendations will be provided to the Executive and County Council later this year.

Once a decision is made by the Executive and Council, the magnitude of the effect on the DCHS budget will be clearer.

In addition to the financing and service delivery model for fully integrated care, the County must also decide whether or not it wants to be considered a mid-adopter of fully integrated managed care. Earlier this year, the Health Care Authority and the Department of Social and Health Services jointly issued a letter to counties identifying three potential timelines for moving to fully integrated managed care. Those options include a start date of: July 1, 2017; July 1, 2018; or January 1, 2020. Once options and impact analysis has been completed, the Executive will make recommendations to the King County Council regarding the recommended timeline for implementation. Should the County elect to be a mid-adopter (2018 integration), DCHS could experience budget impacts during the 2017-2018 biennium.

Whatever decision is made regarding the role of the County in fully integrated managed care and the timeline for implementation, strategies and investments made through the MIDD could be affected. For example, if King County is no longer operating behavioral health services for the region, the County may choose to invest MIDD dollars in other areas of need. Alternately, if the County is operating a specialty plan for people with complex needs, the County may wish to invest more resources in integrated care models to achieve whole health outcomes.

The impacts of decisions about fully integrated managed care on MIDD 2 will need to be carefully considered as part of the options analysis. The decisions King County makes regarding its future role in fully integrated managed care could require a complete retooling of MIDD programming.

Medicaid Section 1115 Waiver

Washington State is currently in negotiations with the Centers for Medicare and Medicaid Services (CMS) around a potential global Medicaid Section 1115 waiver. The Medicaid waiver would allow the state to test new innovative approaches to providing health coverage and care. Through a five-year demonstration, Washington's proposal seeks to improve care through three strategies: Transformation Projects within each region to support integrated, whole-person care; Long Term Services and Supports that expand options for people so they can stay at home and delay or avoid the need for more intensive services; and Supportive Housing and Supported Employment strategies for individuals with significant behavioral health challenges so they can get and stay healthy.

If the Medicaid waiver is approved, it will provide up to \$3 billion over five years for the state to invest in the three strategies and reduce overall Medicaid costs. The implementation and availability of additional funding in these areas could provide funding for projects proposed under the MIDD or expansion of strategies that would allow MIDD 2 investments to shift to other priorities.

CONCLUSION

King County continues its work to transform its approach to health and human services by improving health and well-being and creating conditions that allow residents of King County to achieve their full potential.

The integration of mental health and substance use disorder treatment and the continued efforts to plan for full physical and behavioral health integration allow the County to continue to transform the healthcare system and develop innovative strategies to care for the people of the region by attending to their whole health needs as well as social needs around housing, employment, and community connectedness.

The groundbreaking MIDD 1 provided a strong foundation on which to plan and build MIDD 2. Looking ahead, MIDD is positioned to further help the County's behavioral health and criminal justice systems to serve more people and deliver more notable outcomes by closing funding gaps for critical services like Therapeutic Courts and launching original programming like the Behavioral Health Urgent Care Walk in Clinic.

The County's responsive and innovative policy work around emerging issues is based in collaboration with the state, local entities and jurisdictions, and the critically important provider network.

Looking ahead to the 2017-2018 biennium, the County and its behavioral health partners are poised to address some of the region's most serious issues.