

TO: Alison Poulsen

FR: Erica Hallock, BHT Government Affairs Consultant

RE: Summary of Key Behavioral Health Budget Items

Prior to adjourning March 10th, the Legislature approved a \$64.1 billion [operating budget](#) along with a [capital budget](#). Governor Inslee has until Saturday, April 2nd to sign both the operating and capital budgets.

The final operating budget amount came in lower than the House's proposed \$65.2 billion budget and higher than the Senate's proposed \$63.5 billion approach. The final budget includes \$800 million in reserves as well as an additional \$2.75 billion designed for COVID-19 related or other emergency responses.

Behavioral Health was a key focus, with particular emphasis on stabilizing the Behavioral Health Workforce.

Behavioral Health related investments include:

- **Provider Relief Grants.** \$100 million to stabilize the workforce. Funding is intended to address behavioral health treatment access issues resulting from workforce shortages and impacts of the COVID-19 public health emergency. This funding must be used to provide one-time assistance payments to non-hospital-based community behavioral health treatment providers receiving payment for Medicaid services contracted through the Medicaid MCOs or BHASOs.
- **Medicaid Rate increase.** A total of nearly \$50 million (in a combination of federal and state General Fund dollars) to increase Medicaid behavioral health rates by 7% as of January 1, 2023.
- **Behavioral Health Integration.** \$2 million in one-time grants for eligible clinics to establish behavioral health integration in primary care clinics for children and adolescents.
- **Spokane Capital Budget Investment.** \$700,000 in the Capital Budget for the Northeast Spokane Community Behavioral Health Center.
- **Children and Youth Behavioral Health Strategic Plan.** Funding is provided to support the development of a strategic plan regarding behavioral health services for families by the Children and Youth Behavioral Health Workgroup.
- **Youth Behavioral Health Grant.** A total of \$600,000 for grants to youth shelter providers to offer behavioral health services
- **Continuum of Care.** A total of \$200,000 for the Department of Commerce to develop a report on the behavioral health and long-term care settings that provide services for individuals discharged from state psychiatric hospitals, in coordination with the

Department of Social and Health Services, the Department of Health, and the Health Care Authority. The report must be submitted no later than December 1, 2022.

- **Grants for Youth Exiting Systems of Care.** A total of \$2.018 million for the Office of Homeless Youth to provide grants to prevent youth from exiting public systems into homelessness. Of this amount, \$500,000 is provided for services to assist young adults discharging from behavioral health inpatient settings.
- **CCBHC Bridge Funding.** A total of \$5 million is provided for grants to 12 Certified Community Behavioral Health Clinics (CCBHCs) who received funding from the federal Substance Abuse and Mental Health Services Administration to continue their operations pending the end of their federal grant period.
- **Short Term Housing Support for Youth.** A total of \$1 million for short-term rental subsidies and assistance for youth with mental health or substance use disorders transitioning from behavioral health facilities, juvenile rehabilitation institutions, or the child welfare system who are at risk of homelessness. The Health Care Authority shall contract these funds through Housing and Recovery Through Peer Services teams.
- **Rural Behavioral Health Study.** \$50,000 for the Health Care Authority to conduct a study and provide data regarding challenges to accessing behavioral health services in rural communities
- **Behavioral Health Service Delivery Guide.** One-time funding of \$300,000 for the HCA to contract with a consultant to develop a Washington state behavioral health service delivery guide. The guide must include, but is not limited to, information on the service modalities, facilities, and providers that make up Washington's behavioral health delivery system.
- **Behavioral Health – Minors.** Funding is provided for implementation of Substitute House Bill 1800 (behavioral health/minors) which requires the HCA to dedicate a full-time employee to connecting families, providers, educators, and other stakeholders with current information about law and policy related to behavioral health services for minors. The bill also requires the design and implementation of a parent portal to connect families to their community's service and education infrastructure related to behavioral health services for minors
- **Behavioral Health – Discharge.** Funding is provided for staff costs to implement Second Substitute House Bill 1860 (behavioral health discharge) which requires psychiatric hospitals to coordinate with the Authority and Medicaid Managed Care Organizations (MCOs) on discharge planning and connecting patients to appropriate community resources.
- **Homelessness / Youth Discharge.** Funding is provided for implementation of Second Substitute House Bill 1905 (homelessness/youth discharge) which requires the HCA to participate with other state agencies in rapid response teams that support youth and young adults exiting a publicly funded system of care.