



SALISH BEHAVIORAL HEALTH
ADMINISTRATIVE SERVICES ORGANIZATION
EXECUTIVE BOARD
MEETING

Providing Behavioral Health Services in
Clallam, Jefferson and Kitsap Counties

DATE: Friday, January 17, 2020
TIME: 9:00 AM – 11:00 AM
LOCATION: Jamestown S’Klallam Tribe, Council Chamber
1033 Old Blyn Hwy, Sequim, WA

A G E N D A

[Salish Behavioral Health Administrative Services Organization – Executive Board](#)

1. Call To Order
2. Announcements/Introductions
3. Opportunity to Address the Board on Agenda Topics (limited to 3 minutes each)
4. Approval of Agenda
5. Approval of SBHO Executive Board Meeting Notes for December 13, 2019 (Attachment 5)
6. Action Items
 - a. Election of SBH-ASO Executive Board Vice-Chairs
7. Informational Items
 - a. SBH-ASO Recruitment of Elected Tribal Official
 - b. BAART Update
 - c. Update on Early Phase of IMC Transition
 - d. HCA Technical Assistance Monitoring
 - e. SBH-ASO Operating Reserves Discussion (Attachment 6.e.1, 6.e.2, 6.e.3, 6.e.4, 6.e.5)
8. Opportunity for Public Comment (limited to 3 minutes each)
9. Adjournment

ACRONYMS

ACH	Accountable Community of Health
ASAM	Criteria used to determine substance use disorder treatment
BAART	A BayMark health services company, opioid treatment company
BH-ASO	Behavioral Health Administrative Services Organization
BHO	Behavioral Health Organization, replaced the Regional Support Network
CAP	Corrective Action Plan
CMS	Center for Medicaid & Medicare Services (federal)
DBHR	Division of Behavioral Health & Recovery
DCFS	Division of Child & Family Services
DCR	Designated Crisis Responder
DDA	Developmental Disabilities Administration
DEA	Drug Enforcement Agency
DSHS	Department of Social and Health Services
E&T	Evaluation and Treatment Center (i.e., AUI, YIU)
EBP	Evidence Based Practice
EPSDT	Early and Periodic Screening, Diagnosis and Treatment
EQRO	External Quality Review Organization
FIMC	Full Integration of Medicaid Services
FYSPRT	Family, Youth and System Partner Round Table
HARPS	Housing and Recovery through Peer Services
HCA	Health Care Authority
HCS	Home and Community Services
HIPAA	Health Insurance Portability & Accountability Act
HRSA	Health and Rehabilitation Services Administration
IMD	Institutes for the Mentally Diseased
IS	Information Services
ITA	Involuntary Treatment Act
MAT	Medical Assisted Treatment
MCO	Managed Care Organization
MHBG	Mental Health Block Grant
MOU	Memorandum of Understanding
OCH	Olympic Community of Health
OPT	Opiate Treatment Program
OST	Opiate Substitution Treatment
PACT	Program of Assertive Community Treatment
PATH	Programs to Aid in the Transition from Homelessness
PIHP	Prepaid Inpatient Health Plans
PIP	Performance Improvement Project
P&P	Policies and Procedures
QUIC	Quality Improvement Committee
RCW	Revised Code Washington
RFP, RFQ	Requests for Proposal, Requests for Qualifications
SABG	Substance Abuse Block Grant
SAPT	Substance Abuse Prevention Treatment
SBHO	Salish Behavioral Health Organization
SUD	Substance Use Disorder
TAM	Technical Assistance Monitoring
UM	Utilization Management
VOA	Volunteers of America
WAC	Washington Administrative Code
WM	Withdrawal Management
WSH	Western State Hospital, Tacoma

[Full listing of definitions and acronyms](#)



Providing Behavioral Health Services in
Clallam, Jefferson and Kitsap Counties

SALISH BEHAVIORAL HEALTH ADMINISTRATIVE SERVICES ORGANIZATION EXECUTIVE BOARD MEETING

January 17, 2020

Action Items

A. ELECTION OF SBH-ASO EXECUTIVE BOARD VICE-CHAIRS

The SBH-ASO Interlocal Agreement dictates that, annually, the Board shall elect a Chair, Vice-Chair, a Second Vice-Chair and a Third Vice-Chair by majority vote. Commissioner Ozias has been elected as Chair. Staff respectfully requests that the Executive Board Elect Vice-Chair, Second-Vice Chair and Third-Vice Chair for 2020.

Informational Items

A. SBH-ASO RECRUITMENT OF ELECTED TRIBAL OFFICIAL

Liz Muller of Jamestown S'Klallam Tribe has historically served on the Board for many years. Last year, she stepped down from the seat and Rob Welch was appointed Interim Tribal Representative. Consensus among the Tribes is required to appoint an elected Tribal Official to the BH-ASO Executive Board. Commissioner Ozias drafted a recruitment letter which was sent to the Chair of each Tribal Council within the 3 counties.

B. BAART UPDATE

At last report, the Port Angeles clinic was serving 54 individuals with a similar number on the wait list. BAART reports continued daily walk-ins. They are starting to work with Clallam County Drug Court. The BAART Director reports positive community integration and successful transition of individuals who had been receiving services outside of the region.

The Bremerton clinic has not yet open. They are working with the Washington Board of Pharmacy on final details. This was slowed down by the holidays. They are working to hire a prescriber for Bremerton. The prescriber from Port Angeles will cover Bremerton upon opening. The clinic will be able to open within a week of finalization of the paperwork.

C. UPDATE ON EARLY PHASE OF IMC TRANSITION

- **SBH-ASO Operations**

New Crisis System protocols began on 1/1/20. Full implementation of the new Salish Regional Crisis Line has gone smoothly. Local providers are expressing positive feedback about the new system. Volunteers of America (VOA) received 100 calls on 1/1/20 with 9 dispatches of Designated Crisis Responder Teams. SBH-ASO has also heard feedback regarding challenges experienced by some community partners regarding the new system. SBH-ASO staff are continuing community outreach work to ensure continued success.

A new Utilization Management Program and was initiated in late December. SBH-ASO brought all Utilization Management work internally. On December 18th, SBH-ASO began full operations of its new Utilization Management portal which accepts electronic notification and authorization requests. There have been a few challenges with the new technology which have been quickly addressed. Some providers have expressed concern with the new system, noting it to be labor intensive. Staff will continue incorporate provider feedback as much as possible. However, the limited financial resources necessitate close oversight of all non-mandatory or involuntary treatment services.

- Provider Operations

The HCA has been facilitating “Rapid Response” calls on Mondays, Wednesdays and Fridays for the Salish region. The purpose of these calls is to respond to emerging systemic issues or questions needing immediate attention. Participants generally include: physical health providers, behavioral health providers, MCOs, OCH, BH-ASO and Tribal representatives. Some early challenges reported by Clallam County Providers include: erroneous primary care provider assignments for Medicaid enrollees and lack of MCO rosters being supplied to physical health providers. Kitsap Mental Health has reported challenges obtaining authorization for Crisis Triage/Stabilization services for Medicaid/Medicare or dually eligible clients.

D. HCA TECHNICAL ASSISTANCE MONITORING (TAM)

The first official monitoring activity performed by the HCA for Salish BH-ASO will be “Technical Assistance Monitoring” or TAM. Subsequent HCA monitoring will be in the form of Annual Reviews. HCA conducts its TAM similar to the Readiness Review that Salish just completed in October. Staff is creating a work plan to identify the documents and processes requiring the most attention. The timeline for Salish’s TAM is as follows:

- February 27, 2020- Documents to SBH-ASO from HCA
- March 30, 2020- Documents to HCA from SBH-ASO
- April 28, 2020- HCA on-site monitoring of SBH-ASO

Staff will provide additional details about its TAM work plan.

E. SBH-ASO OPERATING RESERVES DISCUSSION

Salish BH-ASO began operations without reserves. The timeline for correspondence on the issue of SBH-ASO reserve funding is as follows:

- November 7, 2019: Letter to SBHO from HCA
- November 25, 2019: Letter to HCA from SBHO
- December 17, 2019: Letter to SBHO from HCA
- December 20, 2019: Letter to HCA from SBHO
- January 3, 2020: Letter to SBHO from HCA

The message from the HCA remains, “we continue to be constrained by the current budget appropriation and thus do not have the authorizing authority to appropriate operating reserves.”

**MINUTES OF THE
SALISH BEHAVIORAL HEALTH ORGANIZATION
EXECUTIVE BOARD**

Friday, December 13, 2019

9:00 a.m. - 11:00 a.m.

**Jamestown S’Klallam Tribe, Council Chamber
1033 Old Blyn Hwy, Sequim, WA 98382**

CALL TO ORDER – Commissioner Mark Ozias, Chair, called the meeting to order at 9:04 a.m.

INTRODUCTIONS – Self introductions were conducted around the room.

ANNOUNCEMENTS – None.

OPPORTUNITY FOR PUBLIC TO ADDRESS THE BOARD ON AGENDA TOPICS – None.

APPROVAL of AGENDA –

MOTION: Commissioner Greg Brotherton moved to approve the agenda as submitted. Commissioner Robert Gelder seconded the motion. Motion carried unanimously.

APPROVAL of MINUTES –

MOTION: Commissioner Greg Brotherton moved to approve the meeting notes as submitted for the November 1, 2019 meeting. Commissioner Robert Gelder seconded the motion. Motion carried unanimously.

ACTION ITEMS

➤ **APPROVAL OF SBH-ASO ADVISORY BOARD BY-LAWS**

- A draft version of Advisory Board By-Laws is attached for review and approval. The attachment provided includes tracked changes for ease of review.

MOTION: Commissioner Robert Gelder moved to approve the adoption of the SBH-ASO by laws amending section 3.a.2. to indicate 5 members for 1-year terms for a total of 11 members. Commissioner Greg Brotherton seconded the motion. Motion carried unanimously.

➤ **APPOINTMENT OF SBH-ASO ADVISORY BOARD MEMBERS**

- During the November 1st Joint Executive and Advisory Board Meeting, there was agreement with staff’s recommendation to reduce the size of the Advisory Board from seventeen (17) members to eleven (11). The eleven-member board would be comprised of 3 representatives from each county and 2 at-large Tribal representatives. On November 18th, staff sent an email to all active SBHO Advisory Board Members and requested an attestation from members interested in serving on the BH-ASO Advisory Board.
- Staff received attestations of interest from seven (7) Advisory Board Members: Lois Hoell (Kitsap), Jon Stroup (Kitsap), Sandy Goodwick (Clallam), Janet Nickolaus (Clallam), Anne Dean (Jefferson), Jolene Sullivan (at-large Tribal) and Roberta Charles (at-large Tribal).

- Staff recommends the one (1) year appointment of Lois Hoel, Jon Stroup, Sandy Goodwick, Janet Nickolaus, Anne Dean, Jolene Sullivan and Roberta Charles to the SBH-ASO Advisory Board.

➤ **SBH-ASO EXECUTIVE BOARD CHAIR**

- Commissioner Ozias has served as the Chair of BHO Executive Board for the past two years. Commissioner Ozias' second year as Chair will end December 31, 2019. An SBH-ASO Executive Board Chair needs to be established for 2020.

MOTION: Commissioner Greg Brotherton moved to appointment Commissioner Mark Ozias as the SBH-ASO Executive Board Chair. Commissioner Robert Gelder seconded the motion. Motion carried unanimously.

INFORMATIONAL ITEMS

➤ **SBH-ASO OPERATING RESERVES DISCUSSION**

- On November 7th, HCA notified SBHO that the BHASO would not be provided operating reserves. This was contrary to multiple previous communications dating back to early 2019. On November 25th, SBHO responded to the HCA and copied the region's legislative delegation and contracted provider network. As the of December 5th, HCA has not responded to SBHO's November 25th communication.
- Attachments were reviewed, as well as an additional handout titled SBH-ASO Transitional Operating Reserves and Non-Medicaid Funding. These projections will be updated in 2020.
- As of this meeting a response from the HCA had not been received.
- Discussion of current SBHO reserves that were submitted in the closeout plan in April 2019 and will be returned to HCA mid-2020.
- Discussion of community partnerships and working with local government to request support for the impact of the SBH-ASO starting with no operating reserves in 2020.
- Executive Board members requested to be updated with any changes in the status of a response by the HCA to the SBHO regarding operating reserves.

➤ **2020 SBH-ASO LEGISLATIVE PRIORITIES (ATTACHMENT 7)**

- Attached is a summary of 2020 Legislative Priorities which reflects the collaborative efforts of mid and on-time BHASOs. Brad Banks will share the process involved with identifying these shared priorities as well as further prioritization that has occurred over the past few weeks.
- Noted that this document was created with the other on-time adopters.
- Request to hold off on review and discussion until next Executive Board Meeting in January 2020.

➤ **SBH-ASO STAFFING UPDATE**

- The reduction in staffing from the BHO to BHASO is the equivalent of three (3) full-time staff. Two SBHO staff are being laid off and the vacant Administrative Support position has been eliminated. Martha Crownover has served as the BHO Compliance Officer and Resource Manager since March 2015. Ellie Carrithers has served as the BHO Children's Manager since May 2018. Martha and Ellie's last day with SBHO will be 1/2/20.
- Staff has consolidated required roles and responsibilities into 9 positions:
 - Stephanie Lewis, Administrator
 - Jolene Kron, Deputy Administrator
 - Ilea Nehus, Utilization Manager and Privacy Officer
 - Richelle Jordan, Quality Manager and Compliance Officer
 - Elise Bowditch, Data and Quality Analyst
 - Dani Repp, Information Services Manager
 - Mavis Beach, Fiscal Analyst
 - Sam Agnew, Clinical Care Manager
 - Martiann Lewis, Clinical Care Manager
- Reviewed a new organization chart for the SBH-ASO (handout).
- Reviewed the roles and responsibilities of staff, pointing out the notable change to the Privacy Officer and Compliance Officer roles.
- Continuing in 2020, Dr. Glenn Lippman, will continue as the SBH-ASO Medical Director role.

➤ **CRISIS SYSTEM IMPLEMENTATION UPDATE**

- Salish staff and Volunteers of America (VOA) staff have been out in the community marketing the new toll-free crisis line since November 18th. Staff and VOA are distributing posters and business cards along with face-to-face presentations to community organizations and partners. Attached are copies of that information sheet and flyer.
- Reviewed crisis services media, including posters with tear off tags in both English and Spanish, as well as a 1-page informational document reviewing the upcoming changes.
- Overall, the new Salish Regional Crisis Line has been well received.

➤ **BAART UPDATE**

- BAART opened the Port Angeles OTP clinic on November 25th and began enrolling clients that week. The Bremerton clinic has a scheduled community forum as part of the final steps in competing licensure. Staff do not have a date for the opening at this time.
- Currently BAART Port Angeles is serving 30 individuals with 70 individuals on the waitlist.

- BAART is working towards contracting and coordinating with the regions MCO's.
- Bremerton site is hopeful to open by end of 2019. Currently there are 70 individuals on the waitlist.

PUBLIC COMMENT

- Colleen Bradley, Salish FYSPRT, gave positive feedback regarding the process to change from SBHO to the Salish BH-ASO.

GOOD OF THE ORDER

- The next meeting for the Salish BH-ASO Executive Board is January 17th, 2020 at 9:00 a.m.

ADJOURNMENT – Consensus for adjournment at 10:40 a.m.

ATTENDANCE

BOARD MEMBERS	STAFF	GUESTS
Present:	Stephanie Lewis, SBHO Admin	Janet Nicholaus, SBHO Advisory Board
Executive Board Members	Jolene Kron, SBHO Deputy Admin	Lois Hoell, SBHO Advisory Board
Commissioner Mark Ozias	Doug Washburn, Kitsap Human Services	Colleen Bradley, Salish FYSPRT
Commissioner Robert Gelder	Martiann Lewis, SBHO Staff	Andy Brastad, Clallam Human Services
Commissioner Greg Brotherton		Joe Roszak, KMHS
Celeste Shoenthaler, Olympic Community of Health		
Robert Welch, Tribal Representative		
Excused		
None.		

NOTE: These meeting notes are not verbatim.



STATE OF WASHINGTON
HEALTH CARE AUTHORITY

626 8th Avenue, SE • P.O. Box 45502 • Olympia, Washington 98504-5502

November 7, 2019

Brian Cameron
Chief Executive Officer
Great Rivers Behavioral Health Organization
Post Office Box 1447
Chehalis, WA 98532

Mark Freedman
Administrator
Thurston-Mason Behavioral Health Organization
612 Woodland Square Loop SE, Suite 401
Lacey, WA 98503

Stephanie Lewis
Administrator
Salish Behavioral Health Organization
614 Division Street MS-23
Port Orchard, WA 98366

Dear Behavioral Health Administrative Service Organization Partners:

SUBJECT: Reserve Funding Status - Behavioral Health Administrative Service Organization 2020 Regions – Great Rivers, Salish & Thurston-Mason

The purpose of this letter is to advise the Behavioral Health Administrative Service Organizations (BH-ASOs) for Great Rivers, Salish, and Thurston-Mason regions that the Health Care Authority (HCA) does not have budget authority to allocate reserve funding to the 2020 BH-ASOs.

Per the operating budget proviso in Engrossed Substitute House Bill 1109, section 215:

(30) The authority must require all behavioral health organizations transitioning to full integration to either spend down or return all reserves in accordance with contract requirements and federal and state law. Behavioral health organization reserves may not be used to pay for services to be provided beyond the end of a behavioral health organization's contract or for startup costs in full integration regions except as provided in this subsection. The authority must ensure that any increases in expenditures in behavioral health reserve spend-down plans are required for the operation of services during the contract period and do not result in overpayment to providers.

If the nonfederal share of reserves returned during fiscal year 2020 exceeds \$35,000,000, the authority shall use some of the amounts in excess of \$35,000,000 to support the final regions transitioning to full integration of physical and behavioral health care. These amounts must be distributed proportionate to the population of each regional area covered. The maximum amount allowed per region is \$3,175 per 1,000 residents. These

amounts must be used to provide a reserve for non-Medicaid services in the region to stabilize the new crisis services system.

The projected reserves returned to HCA during fiscal year 2020 will be less than \$35,000,000. As such, HCA does not have the authority to fund a reserve balance. While HCA is in support of your funding needs, we are restricted by the enacted budget from doing so. Should HCA have had budgetary authority to fund a reserve balance, the estimated reserve funding would have resulted in approximately \$420,000-\$480,000 per BH-ASO, consistent with the proportionate population formula.

Decision Package Request

HCA submitted a decision package requesting additional funds for Involuntary Treatment Act court costs. In addition, HCA submitted a placeholder request to the Office of Financial Management for additional funding related to voluntary inpatient hospital costs. Pending sufficient data and information obtained from the BHOs and BH-ASOs, HCA will be able to further support and quantify this request. Should the legislature approve the request as submitted, these additional funds would be allocated for fiscal year 2020.

HCA is invested in hearing from each BH-ASO as to the projected challenges this may pose on its organization. HCA will be offering individual check-in calls in the coming days for further discussion.

If you have not responded to HCA's request for additional data and information on voluntary hospital costs, we urge you to do so. This information is critical to our decision package request.

For immediate questions or concerns, please contact Teresa Claycamp, Integrated Managed Care Program Manager, Medicaid Services Administration, by email teresa.claycamp@hca.wa.gov or telephone at 360-725-0862. Thank you.

Sincerely,



MaryAnne Lindeblad, BSN, MPH
Medicaid Director

By email

cc: Rashi Gupta, Senior Policy Advisor, Office of the Governor
Megan Atkinson, Chief Financial Officer, Financial Services Division, HCA
Jason McGill, Assistant Director, MPOI, HCA
Alice Lind, Clinical Nurse Specialist, MPOI, HCA
Teresa Claycamp, Integrated Managed Care Program Manager, MSA, HCA



Serving Clallam, Jefferson
and Kitsap Counties

November 22, 2019

Dear Ms. Lindeblad,

The purpose of this letter is to respond to your November 7th HCA Communication on the subject of "Reserve Funding Status." The letter notifies Salish BHO that "The projected reserves returned to HCA during fiscal year 2020 will be less than \$35,000,000. As such, HCA does not have the authority to fund a reserve balance." ***The operating reserve balance that was expected and is necessary to support the Salish Behavioral Health Administrative Services Organization (SBH-ASO) is \$921,051.***

This untimely notification that the HCA will not fund Reserves for on-time adopters, contrary to every expectation that has been created and around which we have been planning for over a year, will have devastating impacts on behavioral health providers and the citizens within Clallam, Jefferson and Kitsap Counties.

SBH-ASO regional behavioral health providers are already bracing for disrupted Medicaid reimbursement as a result of the IMC Transition based on the experiences of providers in other regions that have made this transition. Even providers in regions such as Southwest, which transitioned in April 2016, are still reporting delayed Medicaid payments from MCOs. To prepare for this change, providers have shifted financial and personnel resources to meet the administrative demands of Managed Care Organizations, thus shifting resources away from the provision of vital treatment services.

If SBH-ASO does not receive operating reserves, then the non-Medicaid revenue stream will also be disrupted and payments will be delayed to providers. Non-Medicaid provider payments are dependent upon revenue from the HCA to the SBH-ASO. The timeline for providers to receive vital funds for operations will be notably lengthened.

This unfortunate reality is only exacerbated by the fact that the availability of behavioral health services for the non-Medicaid or un/underinsured population in the Salish regional service area is already being drastically cut due to the HCA's allocation of 30% GFS funds to the MCOs. This 30% reallocation of GFS to the MCOs results in a \$1.5 million-dollar shortfall for the non-Medicaid behavioral health continuum in the Salish Region. Specifically, funding for both mental health outpatient and mental health residential services will be cut by 80-90% for the non-Medicaid population.

If provider non-Medicaid payments are delayed (in addition to MCO Medicaid delays), providers may have to reduce staffing/personnel which will impact service delivery. The inability to pay and retain qualified staff will only contribute to present workforce shortages and challenges.

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Russell Hartman
Lois Hoell, RN, MS
Sally O'Callaghan
Jon Stroup

Tribal Representatives

Roberta Charles
Jolene Sullivan

If or when the untimely flow for Medicaid and non-Medicaid funds is resolved, the damage to the service delivery system and our communities may be irreparable in our professional lifetimes. Please let that take a moment to sink in: ***If this issue is not resolved the damage to our behavioral health service delivery system and our communities will likely be irreparable in our professional lifetimes.*** This is not acceptable.

SBHO Leadership has been actively and transparently communicating concerns to the HCA for more than a year. SBHO has worked to be true partners in this transition and invested a great deal of time and resources towards: 1) Supporting providers in preparing for the transition to Integrated Managed Care, 2) Providing MCOs with valuable regional knowledge to reduce their burden and 3) Collaborating with HCA to address region specific challenges such as limited Managed Care penetration in Clallam County.

Despite our best efforts to work as partners with the HCA in this vital transformation, and despite recognizing the very real probability of the challenges we are now in fact facing, we find that our system is in fact being set up for failure rather than for success. Learning about this lack of ability to fund an operating reserve balance in mid-November, only weeks before we are set for transition and after months of repeated assurances from HCA, is not only unreasonable, it is unconscionable.

The SBHO and 3-Counties request that the HCA acknowledge the devastating impact of this shortfall and initiate communication with the legislature to develop an immediate solution. We will be advocating independently with our Legislators, but we cannot stress strongly enough the importance of finding a solution that will allow us to transition on-time with a funded reserve balance, as has been afforded every other region that has transitioned to-date.

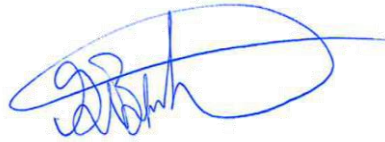
Sincerely,



Mark Ozias
Clallam County Commissioner



Robert Gelder
Kitsap County Commissioner



Greg Brotherton
Jefferson County Commissioner

CC: HCA Director Sue Birch
Teresa Claycamp
Amber Leaders
Sen. Christine Rolfes
Sen. Emily Randall
Sen. Kevin Van De Wege
Rep. Steve Tharinger
Rep. Mike Chapman
Rep. Sherry Appleton
Rep. Drew Hansen
Rep. Jesse Young
Rep. Michelle Caldier
SBH-ASO Provider Network



**STATE OF WASHINGTON
HEALTH CARE AUTHORITY**

626 8th Avenue, SE • P.O. Box 45502 • Olympia, Washington 98504-5502

December 17, 2019

Mark Ozias
Clallam County Commissioner, District 1
223 East 4th Street, Suite 4
Port Angeles, Washington 98362-3000

Robert Gelder
Kitsap County Commissioner, District 1
614 Division Street, MS-4
Port Orchard, WA 98366

Greg Brotherton
Jefferson County Commissioner, District 3
1820 Jefferson Street
Port Townsend, WA 98368

Dear Commissioners,

**SUBJECT: Reserve Funding - Salish Behavioral Health Administrative Services
Organization**

Thank you for your letter dated November 22, 2019, expressing concerns regarding the operating reserves for the Behavioral Health Administrative Services Organizations (BH-ASOs) in the biennial budget. The Health Care Authority (HCA) regrets that we do not have the budget authority to allocate reserve funding to the 2020 BH-ASOs. However, we understand the BH-ASO's concern regarding cash flow and propose the following:

1. Upon completion of signatures of a fully executed BH-ASO 2020 contract, HCA fiscal/budget team will release the monthly payment on or before January 2, 2020.
2. Upon completion of signatures of a fully executed BH-ASO 2020 contract, HCA fiscal/budget team will release all one-time payments on or before January 2, 2020.
3. In preparation of release of these payments, HCA contracts team reached out via email on 12/4/19 to the 2020 BH-ASOs to ensure systems are configured correctly to receive payment.
4. Historically, HCA payments were provided to BH-ASOs by the 10th of each month. Moving forward, HCA fiscal/budget team will release monthly payments to the 2020 BH-ASOs on or before the 1st of each month in an effort to ensure adequate cash flow.

HCA hopes these expedited payments will relieve part of the concerns regarding immediate and timely cash flow. HCA understands that without the funding of operating reserves, Salish BH-

ASO has concerns regarding permanent damage to the behavioral health service delivery system and is strongly advocating that the legislature funds operating reserves for the 2020 ASOs.

As a state agency, HCA is limited by budget appropriation. The operating budget proviso in Engrossed Substitute House Bill 1109, section 215 (30) does not provide HCA with the authority to fund a reserve balance. HCA would welcome dialogue to further discuss options to fund operating reserves for the 2020 ASO regions.

Please know that HCA recognizes and appreciates SBH-ASO as a strong partner. HCA is committed to providing ongoing technical assistance, support and partnership, in ensuring your success. Please contact Teresa Claycamp at teresa.claycamp@hca.wa.gov or 360-725-0862 with ongoing questions or concerns.

Sincerely,



MaryAnne Lindeblad, BSN, MPH
Medicaid Director

By email

cc: Senator Christine Rolfes, Washington State Senate
Senator Emily Randall, Washington State Senate
Senator Kevin Van De Wege, Washington State Senate
Representative Steve Tharinger, Washington State House of Representatives
Representative Mike Chapman, Washington State House of Representatives
Representative Sherry Appleton, Washington State House of Representatives
Representative Drew Hansen, Washington State House of Representatives
Representative Jesse Young, Washington State House of Representatives
Representative Michelle Caldier, Washington State House of Representatives
Amber Leaders, Senior Policy Advisor, BHI, Office of the Governor
Sue Birch, Director, HCA
Megan Atkinson, Chief Financial Officer, FS HCA
Jason McGill, Assistant Director, MPOI, HCA
Alice Lind, Clinical Nurse Specialist, MPOI, HCA
Teresa Claycamp, Integrated Managed Care Program Manager, MSA, HCA
Stephanie Lewis, Administrator, Salish Behavioral Health Organization



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Sally O'Callaghan
Jon Stroup

Tribal Representatives

Roberta Charles
Jolene Sullivan

December 20, 2019

Washington State Health Care Authority
MaryAnne Lindeblad - State Medicaid Director
Cherry Street Plaza
626 8th Avenue SE
Olympia, WA 98501

Dear Director Lindeblad,

Thank you for your letter dated December 17th, 2019, acknowledging the jeopardy the Salish communities have been placed in if the Salish BHASO is not afforded Operating Reserves. Salish BHASO appreciates the initial solutions introduced by HCA and will certainly be a good best practice in ensuring timely future payments. However, these initial solutions do not fully address the critical need to start the year with Operating Reserves and the risk to behavioral health providers and vulnerable citizens within the Salish community.

The BHASO has a contracted provider network that provides 24/7 Crisis Services. This network depends upon funding from the BHASO to staff these 24/7 operations. The BHASO is also required to pay for ITA Psychiatric Inpatient for non-Medicaid individuals and all ITA Court costs regardless of client's funding. The HCA's contract with Salish BHASO allows for small monthly payments to the BHASO. But, in any given month, the BHASO's expenses will fluctuate based upon Psychiatric Inpatient Costs, ITA Court Costs and other Crisis Service Utilization.

An additional challenge are terms with HCA's BHASO contract. One example includes the following contract term:

2.32.1 The Contractor understands and agrees that it is required to make some advance payments under this Contract prior to reimbursement from the state, and that the amount of such payments may vary on a month to month basis.

Twenty-five percent (25%) of the funds attached to Salish BHASO's contract are released after the BHASO pays its provider network for services. If the Salish BHASO is not afforded Operating Reserves, it will have to further restrict vital services within at least the first quarter of 2020 to the minimum contract required as there would not be sufficient capital to pay providers in advance of receiving payment from the HCA.

Operating reserves have been afforded to every other region that has transitioned to date to address this very untenable predicament. We request that the HCA continue to advocate to the Governor's office and work with legislative leaders and staff on a solution to fund a Salish BHASO Operating Reserve balance and seek approval to release those funds prior to January 1, 2020.

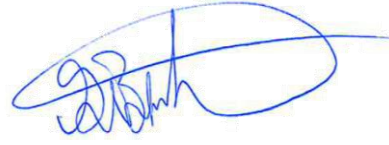
Sincerely,



Mark Ozias
Clallam County Commissioner



Robert Gelder
Kitsap County Commissioner



Greg Brotherton
Jefferson County Commissioner

CC: HCA Director Sue Birch
Teresa Claycamp
Amber Leaders
Sen. Christine Rolfes
Sen. Emily Randall
Sen. Kevin Van De Wege
Rep. Steve Tharinger
Rep. Mike Chapman
Rep. Sherry Appleton
Rep. Drew Hansen
Rep. Jesse Young
Rep. Michelle Caldier
SBH-ASO Provider Network



STATE OF WASHINGTON
HEALTH CARE AUTHORITY

626 8th Avenue, SE • P.O. Box 45502 • Olympia, Washington 98504-5502

January 3, 2020

Mark Ozias
Clallam County Commissioner
District 1
223 East 4th Street, Suite 4
Port Angeles, WA 98362-3000

Robert Gelder
Kitsap County Commissioner
District 1
614 Division Street, MS-4
Port Orchard, WA 98366

Greg Brotherton
Jefferson County Commissioner
District 3
1820 Jefferson Street
Port Townsend, WA 98368

Dear Commissioners:

SUBJECT: Salish Behavioral Health Administrative Services Organization Reserve Funding

Thank you for your letter of December 20, 2019, outlining the critical need for Salish Behavioral Health Administrative Services Organization (BH-ASO) to be afforded operating reserves. The Health Care Authority (HCA) both acknowledges and validates Salish BH-ASO's grave concerns regarding the lack of operating reserves and the impact this has. As promised, HCA released payments to the BH-ASOs on January 2, 2020 in an effort to proactively ensure cash flow. However, we continue to be constrained by the current budget appropriation and thus do not have the authorizing authority to appropriate operating reserves. HCA leadership has relayed your concerns to the Governor's Office via the Office of Financial Management. We sincerely regret that there is not more we are able to do.

HCA appreciates SBH-ASO's strong partnership and is committed to providing ongoing technical assistance, support, and partnership in ensuring your success. Please contact Teresa Claycamp, Project Manager, Managed Care Integration by telephone at 360-725-0862 or via email at teresa.claycamp@hca.wa.gov with ongoing questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read 'MaryAnne Lindeblad'.

MaryAnne Lindeblad, BSN, MPH
Medicaid Director
Medicaid Services Administration

January 3, 2019

Page 2

By email

cc: Senator Christine Rolfes, Washington State Senate
Senator Emily Randall, Washington State Senate
Senator Kevin Van De Wege, Washington State Senate
Representative Sherry Appleton, House of Representatives
Representative Michelle Caldier, House of Representatives
Representative Mike Chapman, House of Representatives
Representative Drew Hansen, House of Representatives
Representative Steve Tharinger, House of Representatives
Representative Jesse Young, House of Representatives
Sue Birch, Director, HCA
Amber Leaders, Senior Policy Advisor, Office of the Governor
Devon Nichols, Budget Assistant, OFM
Megan Atkinson, Chief Financial Officer, FSD, HCA
Jason McGill, Assistant Director, MPOI, HCA
Alice Lind, Clinical Nurse Specialist, MPOI, HCA
Teresa Claycamp, Integrated Managed Care Program Manager, MSA, HCA
Stephanie Lewis, Administrator, SBH-ASO