

# SENATE BILL REPORT

## HB 2807

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As Reported By Senate Committee On:  
Human Services & Corrections, February 23, 2000  
Ways & Means, February 28, 2000

**Title:** An act relating to authorizing blended funding projects for youth.

**Brief Description:** Authorizing blended funding projects for youth.

**Sponsors:** Representatives Kagi, Boldt, Wolfe, Ruderman, D. Sommers, Tokuda, Lovick, Kenney and Santos.

**Brief History:**

**Committee Activity:** Human Services & Corrections: 2/18/2000, 2/23/2000 [DPA].  
Ways & Means: 2/20/2000, 2/28/2000 [DPA].

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### SENATE COMMITTEE ON HUMAN SERVICES & CORRECTIONS

**Majority Report:** Do pass as amended.

Signed by Senators Hargrove, Chair; Costa, Vice Chair; Franklin, Kohl-Welles, Long, Patterson, Sheahan, Stevens and Zarelli.

**Staff:** Jennifer Strus (786-7484)

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** Do pass as amended.

Signed by Senators Loveland, Chair; Bauer, Vice Chair; Brown, Vice Chair; Fairley, Fraser, Honeyford, Kohl-Welles, Long, McDonald, Roach, Rossi, B. Sheldon, Snyder, Spanel, Thibaudeau, West, Winsley, Wojahn and Zarelli.

**Staff:** Risa Sandler (786-7708)

**Background:** Serving children with serious emotional disturbances who require intensive services has been problematic. Each service system funds a discrete service separate from the services the child may need from the other service system agencies. The systems typically involved with these children include education, child welfare, mental health, alcohol and drug, and juvenile rehabilitation.

The separate system approach places parents, guardians and custodians in the position of trying to understand multiple funding streams, different eligibility requirements and program limitations for those systems, and manage relationships with multiple entities.

Pilot programs are underway in this state to address the complex needs of these children through blended funding. Under this approach, each service system for which the child is

eligible contributes funding to the care of the child. In theory, blended funding frees the child, parent and providers to focus on serving the child and achieving better outcomes for the child and his or her family.

**Summary of Ways & Means Amended Bill:** The Department of Social and Health Services (DSHS) shall authorize and facilitate blended funding projects for youth who receive services from two or more of the following DSHS departments: the Children's Administration, the Juvenile Rehabilitation Administration, the Department of Alcohol and Substance Abuse, and/or the Mental Health Administration.

The secretary must transfer appropriated funds to support blended funding projects subject to any current or future IV-E waiver.

The community public health and safety networks must approve projects before they are implemented.

Blended funding projects occur within the current appropriation level, and all funds that are blended are charged to the original appropriation. Additionally, the department must report annually on blended funding projects, beginning in December of this year. This report must include: the number of children served by blended funding projects, total expenditures, expenditures charged to individual appropriations, and the services received by each participating child.

**Ways & Means Amended Bill Compared to Human Services & Corrections Amended Bill:** Language is added regarding the community public health and safety networks so that the networks don't approve blending funds for every child but rather approve projects before they are implemented. Language confirming that the blended funding projects will occur within the current appropriation level is also added.

Additional language requires that all funds that are blended be charged to the original appropriation. The annual report of blended funding projects and expenditures is also added.

**Human Services & Corrections Amended Bill Compared to Original Bill:** The public health and safety networks must approve any blended funding project established by DSHS. DSHS must transfer appropriated funds subject to any current or future IV-E waiver. Education funds are removed from inclusion in blended funding projects.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** July 1, 2000.

**Testimony For (Human Services & Corrections):** This bill will allow more expeditious use of public funds to assist a child and his or her family. Having the money follow the child has assisted many children in King County, where a project currently exists, to obtain needed services. It is much easier to negotiate the system when the services for which the child is eligible are offered at one point of entry.

**Testimony Against (Human Services & Corrections):** DSHS is concerned how the bill would impact its current IV-E waiver from the federal government.

**Testified (Human Services & Corrections):** PRO: Representative Ruth Kagi, prime sponsor; Bob Jones, Project Director, King County Blended Funding Project; Terry Lindquist, Superintendent, Puget Sound ESD; Monique Brooks; Bonnie Rivero; CONCERNS: Rosie Oreskovich, Assistant Secretary, Children’s Administration, DSHS.

**Testimony For (Ways & Means):** Blended funding is a positive way to deliver services in the state. A three-year pilot project in King County saved \$1,000 per month per child, and was able to address multiple needs.

**Testimony Against (Ways & Means):** Requiring blended funding project approval by the community public health and safety networks is too stringent.

**Testified (Ways & Means):** PRO: Representative Ruth Kagi, prime sponsor; Laurie Lippold, Children’s Home Society; Peggy Brown, Children’s Administration Director of Management Services (concern).