# WAADAC Legislative Report
# March 1, 2025
# Melissa Johnson, Consultant

The Legislature reached another important cutoff deadline on Friday, the fiscal committee cutoff. Bills that have an impact on the state budget must pass the fiscal committees (Finance, Appropriations, Transportation, and Ways & Means) by today to remain alive for further legislative consideration. However, bills that are deemed by majority leadership to be "necessary to implement the budget" or "NTIB," are exempt from cutoff deadlines. Next week, lawmakers begin full-time floor action to pass bills to meet the House of Origin cutoff on March 12th. There are no committee meetings scheduled.

The most significant development of the week wasn't just the hearings and fiscal committee actions—it was Governor Bob Ferguson's news conference, where he outlined approximately $4 billion in additional budget cuts for the Legislature to consider. In developing the $4 billion in proposed cuts, state agencies were instructed to assess programs based on specific criteria, targeting:

- Recently launched programs
- Programs funded by one-time federal dollars
- Services reaching fewer than 1,000 people annually
- Programs lacking performance tracking

Additionally, Governor Ferguson's cost-reduction framework focused on improving efficiency before considering new revenue options. His plan includes:

- Consolidating agency management roles by 10-25%
- Cutting administrative positions
- Limiting equipment purchases
- Reducing travel expenses

These cuts, on top of those in Governor Inslee's proposed budget, cover only about half of the state's projected shortfall.

Legislative reaction to Governor Ferguson's plan was muted, at best. While Governor Ferguson has been upfront about revenue as a last resort, House and Senate Democratic budget leaders continue to talk about the impact an all-cuts budget would have on Washingtonians. House Majority Leader Fitzgibbon said he welcomed the Governor's recommendations, noting that many overlap with reductions the House is also considering. Ways & Means Chair Robinson stated, "…we have also reached the conclusion that reductions alone will not allow us to sustain the services Washingtonians rely on…"

The Legislature, constitutionally required to pass a balanced budget, will use this as a foundation for negotiations. On March 18th, updated revenue and caseload forecasts will guide legislators in shaping their own budget proposals, incorporating spending reductions and potential revenue measures. The final budget must be approved by April 27th, or the state could face one or more special sessions. And of course, the Governor must agree to sign it.

## WAADAC Bills of Interest

HB 1155, the bill that **prohibits non-compete agreements**, remains alive. It is in the Rules Committee.

HB 1392 creates the Medicaid Access Program to **increase Medicaid reimbursement rates** to the Medicare rate as of December 31, 2024. It passed the Appropriations Committee on Thursday and is now in the Rules Committee.

HB 1427 expands access to and training for **peer support specialists**. This bill is now in the Rules Committee.

HB 1432 passed the Appropriations Committee and is now in the Rules Committee. It updates Washington's mental health parity law to include the following:

- Defines medically necessary for purposes of certain requirements related to a health plan's coverage of mental health services and substance use disorder (SUD) services.
- Modifies the definition of mental health services and repeals and recodifies parts of the Mental Health Parity Act.
- Incorporates the requirements of the final rules issued September 23, 2024, related to the Mental Health Parity and Addiction Equity Act into the act.
- Requires health carriers to provide meaningful benefits for mental health conditions and SUD conditions it covers in every classification in which medical or surgical benefits are covered.

HB 1574 expands **protections for a person seeking medical assistance for someone experiencing a drug-related overdose** or who experiences a drug-related overdose and needs medical assistance. This bill is in the Rules Committee.

HB 1686, the bill creating a **health care entity registry,** passed the Appropriations Committee on Thursday and is now in the Rules Committee. It was amended as follows:

- Excludes adult family homes and behavioral health agencies, except for behavioral health agencies owned, controlled, or affiliated with an acute care hospital, from the definition of "health care entity."
- Excludes temporary locations and a patient's or health care provider's home from the definition of a "site where health care services are provided."
- Modifies the DOH's enforcement authority by: removing the authority to audit the records of registering entities and their affiliates and subsidiaries; delaying the issuance of any civil penalties until after the DOH requires reporting through a health enforcement and licensing management system or similar system; authorizing rather requiring the DOH to issue civil penalties; and requiring the registering entity to be provided a 30-day opportunity to cure reports before civil penalties are assessed.
- Authorizes the DOH to determine the means in which the submitted reports are made publicly available beginning in 2027 and delays the date the DOH must make the reports submitted in 2026 publicly available to November 1, 2026.
- Modifies the financial statements a registering entity must submit by only requiring a registering entity to submit documents containing publicly available financial reports or statements for the

previous fiscal reporting year of the registering entity, in a form and manner determined by the DOH.
- Modifies the plan and recommendations the DOH must develop to: include input from stakeholders; require the recommendations to identify opportunities to streamline reporting and consider opportunities to allow for information sharing between state agencies for entities and providers licensed or certified by a state agency; require the recommendations to include any recommended changes to the reported items; be provided through a progress update to the relevant committees of the Legislature by December 31, 2026, and a final report by November 1, 2027.
- Specifies that the registration fee must cover the DOH's implementation costs, in addition to the administrative, oversight, and enforcement costs.
- Defines "business identification numbers," which excludes a tax identification number that is an individual's social security number.
- Modifies the definition of "registering entity" to remove references to affiliates and subsidiaries.

HB 1813, concerning the **reprocurement of medical assistance services**, including the realignment of behavioral health crisis services for Medicaid enrollees, passed the Appropriations Committee on Friday and is now in the Rules Committee. You can view the second substitute bill here.

SB 5290 permits individuals charged with possession of drugs to seek a **dismissal of the charge** by successfully completing court approved treatment. It is in the Rules Committee.

SB 5361, the bill to **delay the use of the ASAM 4 criteria**, treatment criteria for addictive, substance related, and co-occurring conditions, is now on the Senate second reading calendar. This means that it is eligible for a Senate floor vote.

SB 5387, the **corporate practice of medicine** bill, passed the Senate Ways & Means Committee on Friday and is now in the Rules Committee. It was amended as follows:

- Exempts HMOs and health care service contractors organized as integrated care delivery systems from the corporate practice of health care provisions in the bill.
- Clarifies that unlicensed persons may not interfering with ultimate clinical decision making of health care providers.
- Adds restrictions related to unlicensed persons interfering with the ultimate clinical decision making of health care providers at facilities operated by HMOs and health care service contractors organized as integrated care delivery systems.
- Modifies language related to the policies and requirements that are not subject to the restrictions related to unlicensed persons interfering with clinical decision making.
- Clarifies that only the Attorney General may enforce violations by telemedicine companies through the Consumer Protection Act.
- Adds definitions for "licensed health care provider," "health care practice," and "health care profession."

Bills that did not pass either the policy committee or fiscal committee before the cutoff deadline include:

- SB 5229, the bill that increases options for proving a person is gravely disabled by a behavioral health disorder for the purposes of **involuntary commitment**
- SB 5254, the **medical records** bill from the Washington State Association for Justice (trial lawyers)
- SB 5683, the bill requiring health carriers to report **timeliness of claims payments** to providers to the Office of the Insurance Commissioner (OIC)

**Important Dates:**
Wednesday, March 12 - House of Origin Floor Cutoff
Wednesday, April 2 - Policy Committee Cutoff, Opposite House
Tuesday, April 8 - Fiscal Committee Cutoff, Opposite House
Wednesday, April 16 - Opposite House Floor Cutoff
Sunday, April 27 - Sine Die

## High Priority Bills

| Bill Details | | Status | Sponsor | Position |
|---|---|---|---|---|
| 2SHB 1427 | **Peer support specialists**<br>Concerning certified peer support specialists. | H APPDP2S | Davis | |
| 2SHB 1432<br>(SB 5477) | **Mental health services**<br>Improving access to appropriate mental health and substance use disorder services. | H APPDP2S | Simmons | |
| SSB 5290 | **Controlled subs. dismissal**<br>Allowing persons who complete substance abuse programs to seek dismissal of certain controlled substance related charges. | S Rules 2 | Salomon | |
| SB 5361<br>(HB 1469) | **ASAM 4 treatment criteria**<br>Delaying the use of the ASAM 4 criteria, treatment criteria for addictive, substance related, and co-occurring conditions. | S Rules 2 | Dhingra | |

## Monitoring Bills

| Bill Details | | Status | Sponsor | Position |
|---|---|---|---|---|
| SHB 1123<br>(2SSB 5083) | **Health carrier reimbursement**<br>Ensuring access to primary care, behavioral health, and affordable hospital services. | H Rules R | Macri | |
| SHB 1155<br>(SB 5437) | **Noncompetition agreements**<br>Prohibiting noncompetition agreements and clarifying nonsolicitation agreements. | H Rules R | Berry | |
| HB 1198<br>(SB 5167) | **Operating budget**<br>Making 2025-2027 fiscal biennium operating appropriations. | H Approps | Ormsby | |

| | | | |
|---|---|---|---|
| **HB 1234**<br>**(SB 5449)** | **Counselors, etc. committee**<br>Concerning the mental health counselors, marriage and family therapists, and social workers advisory committee. | S Health & Long-T | Simmons |
| **HB 1262**<br>**(SB 5228)** | **Health disparities council**<br>Updating the governor's interagency coordinating council on health disparities. | H 2nd Reading | Santos |
| **SHB 1296** | **Public education system**<br>Promoting a safe and supportive public education system. | H Rules R | Stonier |
| **SHB 1308**<br>**(SB 5345)** | **Access to personnel records**<br>Concerning access to personnel records. | H Rules R | Reed |
| **HB 1320** | **Business & occupation tax**<br>Modifying business and occupation tax rates to fund programs and services to benefit Washingtonians. | H Finance | Street |
| **HB 1382** | **All payers claim database**<br>Modernizing the all payers claim database. | H 2nd Reading | Tharinger |
| **SHB 1392**<br>**(SB 5372)** | **Medicaid access program**<br>Creating the medicaid access program. | H APPDPS | Macri |
| **2SHB 1422** | **Drug take-back program**<br>Modifying the drug take-back program. | H Rules R | Peterson |
| **HB 1574** | **Substance use/care, services**<br>Protecting access to life-saving care and substance use services. | H Rules R | Macri |
| **2SHB 1589**<br>**(SB 5588)** | **Health carriers & providers**<br>Concerning the relationships between health carriers and contracting providers. | H APPDP2S | Bronoske |
| **2SHB 1686**<br>**(SB 5561)** | **Health care entity registry**<br>Creating a health care entity registry. | H Rules R | Bronoske |
| **SHB 1718** | **Health care prof. well-being**<br>Concerning well-being programs for certain health care professionals. | H Rules R | Thai |
| **SHB 1811** | **Crisis co-response**<br>Enhancing crisis response services through co-response integration and support. | H 2nd Reading | Salahuddin |
| **2SHB 1813** | **Medical assist reprocurement**<br>Concerning the reprocurement of medical assistance services, including the realignment of behavioral health crisis services for medicaid enrollees. | H APPDP2S | Macri |
| **SHB 1996** | **Behavioral health diversion**<br>Authorizing a qualified county to impose a tax for the funding of behavioral health diversion from the criminal justice system. | H Rules R | Farivar |

| | | | |
|---|---|---|---|
| **2SSB 5083** **(SHB 1123)** | **Health carrier reimbursement** | S Rules 2 | Robinson |
| | Ensuring access to primary care, behavioral health, and affordable hospital services. | | |
| **SSB 5112** **(HB 1124)** | **Prescribing psychologists** | S Rules 2 | Bateman |
| | Establishing a prescribing psychologist certification in Washington state. | | |
| **SB 5167** **(HB 1198)** | **Operating budget** | S Ways & Means | Robinson |
| | Making 2025-2027 fiscal biennium operating appropriations. | | |
| **SSB 5324** **(SHB 1706)** | **Prior auth. APIs/health** | S Rules 2 | Cleveland |
| | Aligning the implementation of application programming interfaces for prior authorization with federal guidelines. | | |
| **SSB 5331** **(HB 1199)** | **Insurance code violations** | S 2nd Reading | Cortes |
| | Strengthening consumer protection through increased insurer accountability for violations of the insurance code. | | |
| **2SSB 5387** **(HB 1675)** | **Corp practice of health care** | S Rules 2 | Robinson |
| | Concerning the corporate practice of health care. | | |
| **SSB 5388** | **DOC behavioral health cert.** | S Rules 2 | Dhingra |
| | Concerning department of corrections behavioral health certification. | | |
| **SSB 5568** | **State health plan** | H HC/Wellness | Cleveland |
| | Updating and modernizing the Washington state health plan. | | |

## Dead Bills

| Bill Details | | Status | Sponsor | Position |
|---|---|---|---|---|
| **HB 1124** **(SSB 5112)** | **Prescribing psychologists** | H HC/Wellness | Simmons | |
| | Establishing a prescribing psychologist certification in Washington state. | | | |
| **HB 1199** **(SSB 5331)** | **Insurance code violations** | H ConsPro&Bus | Taylor | |
| | Strengthening consumer protection through increased insurer accountability for violations of the insurance code. | | | |
| **HB 1225** | **Budgeting process** | H Approps | Couture | |
| | Reforming the Washington state budgeting process through requiring prioritized spending on essential state functions, placing limitations on state spending and revenue proposals, and requiring accountability for every dollar spent within the state budget. | | | |
| **HB 1259** | **Behavioral health/schools** | H Postsec Ed & W | Shavers | Support |
| | Concerning supervision requirements for behavioral health professionals in elementary and secondary public schools. | | | |
| **HB 1413** | **Opioid reversal purchasing** | H HC/Wellness | Reeves | |
| | Prohibiting government purchases of opioid overdose reversal medications from certain entities. | | | |

| | | | |
|---|---|---|---|
| **HB 1425** | **Pharmacogenomic testing**<br>Requiring coverage of pharmacogenomic testing for psychotropic medications. | H HC/Wellness | Davis |
| **HB 1433**<br>**(SB 5201)** | **Psychedelic substances**<br>Concerning access to psychedelic substances. | H HC/Wellness | Macri |
| **HB 1445**<br>**(SB 5233)** | **Washington health trust**<br>Developing the Washington health trust. | H HC/Wellness | Parshley |
| **HB 1451** | **SVP civil commitment**<br>Concerning civil commitment of sexually violent predators. | H Community Safe | Griffey |
| **HB 1469**<br>**(SB 5361)** | **ASAM 4 treatment criteria**<br>Delaying the use of the ASAM 4 criteria, treatment criteria for addictive, substance related, and co-occurring conditions. | H HC/Wellness | Macri |
| **HB 1496**<br>**(SSB 5254)** | **Health care information**<br>Strengthening patients' rights regarding their health care information. | H HC/Wellness | Berry |
| **HB 1502** | **Behavioral health teaching**<br>Establishing a behavioral health teaching clinic designation and enhancement rate. | H HC/Wellness | Rule |
| **HB 1507** | **Health care nondisclosure**<br>Limiting health care nondisclosure agreements. | H Civil R & Judi | Scott |
| **HB 1520**<br>**(SB 5513)** | **Pharmacist scope of practice**<br>Expanding pharmacists' scope of practice to improve access to health care and the management of chronic diseases. | H HC/Wellness | Thai |
| **HB 1547**<br>**(SB 5126)** | **Student mental health net.**<br>Establishing a statewide network for student mental and behavioral health. | H Education | Santos |
| **SHB 1566**<br>**(SSB 5395)** | **Prior authorization/health**<br>Making improvements to transparency and accountability in the prior authorization determination process. | H Approps | Rule |
| **HB 1581** | **988 line tax**<br>Increasing the statewide 988 behavioral health crisis response and suicide prevention line tax. | H Finance | Macri |
| **SHB 1634** | **Behavioral health/schools**<br>Providing school districts and public schools with assistance to coordinate comprehensive behavioral health supports for students. | H Approps | Thai |
| **HB 1663**<br>**(SSB 5369)** | **Youth mental health/schools**<br>Enhancing youth mental health and well-being through advanced training and expansion of the workforce in schools. | H Education | Rule |

| | | | |
|---|---|---|---|
| **HB 1675 (2SSB 5387)** | **Corp. practice of medicine**<br>Concerning the corporate practice of medicine. | H HC/Wellness | Thai |
| **HB 1787** | **Substance use/commitment**<br>Updating the involuntary treatment commitment standards for individuals suffering from a substance use disorder. | H Civil R & Judi | Griffey |
| **HB 1809** | **Behavioral health response**<br>Professionalizing first responders and co-responders through training and reimbursement for behavioral health emergency response. | H HC/Wellness | Nance |
| **HB 1933** | **Overdose information**<br>Providing universal access to overdose information to law enforcement and emergency services providers. | H HC/Wellness | Manjarrez |
| **HB 1957** | **Health plan rate approval**<br>Providing consistency in the rate approval process for individual and small group market health plans. | H HC/Wellness | Schmick |
| **HB 1968** | **Controlled sub. endangerment**<br>Concerning endangerment with a controlled substance. | H Community Safe | Rule |
| **HB 2001** | **Sunsetting state entities**<br>Sunsetting all nonconstitutionally mandated state agencies, commissions, boards, task forces, work groups, and councils every 10 years absent affirmative reestablishment by the legislature. | H State Govt & Tr | Dufault |
| **SSB 5031** | **Confinement health coord.**<br>Concerning health care coordination regarding confined individuals. | S Ways & Means | Wilson |
| **SB 5126 (HB 1547)** | **Student mental health net.**<br>Establishing a statewide network for student mental and behavioral health. | S EL/K-12 | Nobles |
| **SB 5201 (HB 1433)** | **Psychedelic substances**<br>Concerning access to psychedelic substances. | S Labor & Comm | Salomon |
| **SB 5204** | **Ibogaine-assisted therapy**<br>Concerning ibogaine-assisted therapy. | S Health & Long- | Salomon |
| **SB 5213** | **Fentanyl possession**<br>Penalizing the possession of fentanyl. | S Law & Justice | McCune |
| **SB 5228 (HB 1262)** | **Health disparities council**<br>Updating the governor's interagency coordinating council on health disparities. | S Health & Long- | Riccelli |
| **SSB 5229** | **Opioid overdose/civil commit**<br>Facilitating civil commitment for treatment for a person requiring revival by opioid overdose reversal medication. | S Ways & Means | Wagoner |

| | | | |
|---|---|---|---|
| **SB 5233**<br>**(HB 1445)** | **Washington health trust**<br>Developing the Washington health trust. | S Health & Long- | Hasegawa |
| **SB 5242** | **Behavioral health resources**<br>Establishing an interactive screening program to improve access to behavioral health resources for health care providers. | S Health & Long- | Orwall |
| **SSB 5254**<br>**(HB 1496)** | **Health care information**<br>Strengthening patients' rights regarding their health care information. | S Ways & Means | Orwall |
| **SB 5345**<br>**(SHB 1308)** | **Access to personnel records**<br>Concerning access to personnel records. | S Labor & Comm | Saldana |
| **SSB 5369**<br>**(HB 1663)** | **Youth mental health/schools**<br>Enhancing youth mental health and well-being through advanced training and expansion of the workforce in schools. | S Ways & Means | Orwall |
| **SB 5372**<br>**(SHB 1392)** | **Medicaid access program**<br>Creating the medicaid access program. | S Health & Long- | Riccelli |
| **SSB 5395**<br>**(SHB 1566)** | **Prior authorization/health**<br>Making improvements to transparency and accountability in the prior authorization determination process. | S Ways & Means | Orwall |
| **SB 5424** | **UW health sciences campus**<br>Establishing a health sciences campus of the University of Washington. | S Higher Ed & Wo | Braun |
| **SB 5437**<br>**(SHB 1155)** | **Noncompetition agreements**<br>Prohibiting noncompetition agreements and clarifying nonsolicitation agreements. | S Labor & Comm | Stanford |
| **SB 5449**<br>**(HB 1234)** | **Counselors, etc. committee**<br>Concerning the mental health counselors, marriage and family therapists, and social workers advisory committee. | S Health & Long- | Slatter |
| **SB 5452** | **Psychiatric pharmacists**<br>Allowing board-certified psychiatric pharmacists to be licensed as agency-affiliated counselors. | S Health & Long- | Slatter |
| **SB 5477**<br>**(2SHB 1432)** | **Mental health services**<br>Improving access to appropriate mental health and substance use disorder services. | S Health & Long-T | Bateman |
| **SB 5481** | **Behavioral health/schools**<br>Providing access to behavioral health services to children using licensed clinicians colocated within the school. | S Health & Long-T | Wilson |
| **SB 5513**<br>**(HB 1520)** | **Pharmacist scope of practice**<br>Expanding pharmacists' scope of practice to improve access to health care and the management of chronic diseases. | S Health & Long- | Slatter |

| | | | |
|---|---|---|---|
| **SB 5561 (2SHB 1686)** | **Health care entity registry**<br>Creating a health care entity registry. | S Health & Long- | Cleveland |
| **SB 5588 (2SHB 1589)** | **Health carriers & providers**<br>Concerning the relationships between health carriers and contracting providers. | S Health & Long-T | Cleveland |
| **SB 5666** | **Mental health internships**<br>Establishing a public school-based mental health internship grant program. | S Higher Ed & Wo | Slatter |
| **SSB 5683** | **Health carrier payment times**<br>Concerning health carrier transparency of payment timeliness of claims submitted by health care providers and health care facilities. | S Ways & Means | Slatter |
| **SB 5762** | **988 line tax**<br>Increasing the statewide 988 behavioral health crisis response and suicide prevention line tax. | S Ways & Means | Orwall |
| **SB 5765** | **Psychiatric pharmacists**<br>Concerning psychiatric pharmacists. | S Health & Long- | Slatter |