

Increasing Clubhouse Programs

Engrossed Substitute House Bill 1109; Section 215(40);
Chapter 415; Laws of 2019

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Executive Summary

For nearly 70 years, Clubhouse programs have benefitted individuals and communities working toward mental health recovery. Clubhouses demonstrate positive clinical and social outcomes. Based on the core principles of peer support, self-empowerment, and functionality within a community setting, Clubhouses strive to help members:

- Participate in mainstream employment and educational opportunities
- Find community-based housing
- Join health and wellness activities
- Reduce hospitalizations
- Reduce involvement with the criminal justice system
- Improve social relationships, satisfaction, and quality of life

The Legislature provided funding in the state’s 2017–2019 and the 2019-2020 biennial operating budget for existing Clubhouse services, developing new programs, and developing options for Washington Apple Health (Medicaid) funding. Engrossed Substitute House Bill 1102, Sec. 215(40) stated:

“\$1,968,000 of the general fund—state appropriation for fiscal year 2020 and \$3,396,000 of the general fund—state appropriation for fiscal year 2021, and \$12,150,000 of the general fund – federal appropriation are provided solely for support of and to increase clubhouse facilities across the state.

The authority shall work with the centers for Medicare and Medicaid services to review opportunities to include clubhouse services as an optional “in lieu of” services in managed care organization contracts in order to maximize federal participation.

The authority must provide a report to the office of financial management and the appropriate committees of the legislature on the status of efforts to implement clubhouse programs and receive federal approval for including these services in managed care organization contracts as an optional “in lieu of” service.”

The purpose of this report is to provide an update on the support provided clubhouse facilities across the state and an update on the progress toward making clubhouse services an optional “in lieu of” service and Medicaid reimbursement within managed care organization contracts.

Background

The Division of Behavioral Health and Recovery (DBHR) convened a stakeholder workgroup in 2018-2019 comprised of national subject matter experts, existing Clubhouse personnel, individuals with lived behavioral health experiences, agency representatives, behavioral health advocates, and Behavioral Health Organization (BHO) staff. For the best outcomes, the Clubhouse expansion must recognize the changing times and corresponding advances that have been made in the years since the first Clubhouse. The workgroup recommends expanding the definition of Clubhouse programs to include more consumer-run, consumer-operated and recovery café-type services. This expanded definition would support the availability of services statewide, which is necessary for the Centers



for Medicaid/Medicare reimbursement.

The group was also charged with identifying options and the estimated costs to implement Clubhouse programs statewide using a Medicaid waiver or State Plan amendment. The workgroup had two objectives:

1. Assist in determining how the proviso funds should be distributed to expand Clubhouse services
2. Contribute to the recommendations for future Apple Health funding. The workgroup identified three funding categories for the solicitation of proviso funds. DBHR gave awards to 10 programs in various stages of development in one of the three possible funding categories. Categories consisted of:
 - Start-up
 - Program development
 - Program expansion

Agencies awarded funds under the public 2018 procurement process have been notified of contract extension with new deliverables. Contracts for date range 11/1/2019-6/30/2021 have been fully executed

Federal Funding

The ESHB 1109 (2019) directed the Health Care Authority (HCA) to work with the Centers for Medicare and Medicaid (CMS) services to review opportunities to include clubhouse services as an optional “in lieu of” service in managed care organization contracts in order to maximize federal participation. As CMS notes (Preamble p. 156), an “in lieu of service” is “a substitute service or setting for a service or setting covered under the State plan.” Thus the “in lieu of” option seemingly would not permit federal financial participation for services completely unrelated to covered state plan services, with the exception of the new authority to states under the final rule to cover short stays in institutions for mental diseases (IMD).

Currently Washington’s Medicaid State Plan, under Title XIX of the Social Security Act, has a section entitled Rehabilitation Services which includes a service modality called ‘Day Support’. The Day Support modality aligns with the clubhouse services as defined in the 2018 Developing Clubhouse Programs Report to the Legislature.

“Day Support: An intensive rehabilitative program which provides a range of integrated and varied life skills training (e.g., health, hygiene, nutritional issues, money management, maintaining living arrangement, symptom management) for Medicaid enrollees to promote improved functioning or a restoration to a previous higher level of functioning.

The program is designed to assist the individual in the acquisition of skills, retention of current functioning or improvement in the current level of functioning, appropriate socialization and adaptive coping skills. Eligible individuals must demonstrate restricted functioning as evidenced by an inability to provide for their instrumental activities of daily living.



This modality may be provided as an adjunctive treatment or as a primary intervention. The staff to consumer ratio is no more than 1:20 and is provided by or under the supervision of a mental health professional in a location easily accessible to the client (e.g., community mental health agencies, clubhouses, community centers). This service is available 5 hours per day, 5 days per week.”

Day Support can be provided within clubhouse settings so the “in lieu of service” is not necessary.

Conclusion

Ongoing funding support for agencies that were successfully awarded funds through the competitive procurement process in 2018 for start-up, program development and program expansion were issued to nine of the ten agencies. One agency chose not to continue. Each organization’s contract focuses on deliverables that continue to strengthen their administration and programmatic services.

Managed Care Organizations (MCO) and Behavioral Health Organization (BHO) contracts have been modified to add clarifying language to provide day support services within clubhouse settings and additional funding appropriated by the Legislature has been added to their rates.

