Gov. Inslee wants \$300 million to fix mentalhealth system in state budget plan

Originally published December 14, 2016 at 8:57 am Updated December 14, 2016 at 7:34 pm



Gov. Jay Inslee, photographed last month in Seattle, is expected to unveil his state budget plan Wednesday. (Elaine Thompson/The Associated Press)

Gov. Jay Inslee has proposed a 2017-19 state operating budget that would add billions of dollars — including hundreds of millions to the mental-health system.



By Joseph O'Sullivan

Seattle Times Olympia bureau

OLYMPIA — Gov. Jay Inslee has proposed adding hundreds of millions of dollars to the troubled mental-health system and eventually downsizing the state's two psychiatric hospitals by moving patients into community-based facilities.

The governor's plan to reshape Washington's mental-health system was the centerpiece of a 2017-19 state operating-budget proposal he unveiled Wednesday that would total \$46.7 billion over the two-year budget cycle.

The Democrat's plan represents a more than 20 percent spending hike over the \$38.2 billion two-year budget approved in 2015 — something sure to draw the ire of Republican lawmakers.

Budget highlights

Washington Gov. Jay Inslee unveiled his proposed 2017-19 state operating budget Wednesday. Here are some of the spending increases Inslee proposes:

\$2.75 billion for teacher and school worker pay to satisfy the state Supreme Court's McCleary education-funding order.

\$732 million for raises for state workers.

\$324 million to add K-12 school social and emotional-health workers, like nurses, counselors, psychologists and social workers.

\$300 million for the state's mental-health system, including roughly 1,000 new state and privately-contracted beds, and 700 mental-health workers.

\$139 million increase for health benefits of K-12 instructional and certified staff and administrators.

\$116 million to expand the state Need Grant to help low-income, nontraditional and returning college students.

\$56.5 million to freeze tuition at state colleges.

\$50 million for K-12 teacher mentoring programs.

Source: Office of the Governor, Office of Financial Management

Inslee would pay for the budget increase through the growth of existing tax revenue and \$4.4 billion in proposed new taxes he announced Tuesday along with his K-12 education-funding plan.

"It is not possible to fulfill the constitutional or moral obligation of the state of Washington without new revenue, that's just a fiscal fact," Inslee said during his budget announcement. "Unless you decide to sell the state parks, disband our veterans programs, defund the State Patrol and gut the mental-health care system again."

Inslee proposed taxing capital gains and carbon emissions, as well as increasing part of the state business-and-occupation tax, and rolling back some tax exemptions.

Republican lawmakers are expected to fight that tax package, even as legislators have generally agreed on the need to address court-ordered K-12 education funding and fixes to the mental-health system.

Even before the governor's budget release, some Republican lawmakers had been critical of the proposed pay raises for state workers contained in the governor's proposal.

In a statement Wednesday, Sen. John Braun, R-Centralia and chief GOP budget writer, said he was disappointed that Inslee relied so heavily on new taxes.

Such tax increases "would hurt job growth and fail to provide the stable and dependable revenues our public schools need," Braun said in a prepared statement.

At the center of Inslee's proposal Wednesday is a \$300 million increase in mentalhealth spending. About \$220 million of that is in the proposed operating budget, with the rest in the governor's proposed capital budget.

It comes as Western State Hospital, the state's largest psychiatric facility, has been beset by staffing and safety problems. The hospital is working through a federal agreement in hopes of maintaining its certification and federal funding.

A lack of bed space in the psychiatric hospital — <u>which quietly withdrew</u> from a national accreditation program earlier this year — has put pressure on regional mental-health facilities. Meanwhile, some patients in the hospital can't be discharged because there's nowhere in the community <u>for them to go</u>.

Inslee's budget plan would address those problems by funding about 700 new mentalhealth workers and 1,000 new beds of different types. Along with that, the plan would shift the majority of civilly committed patients out of the state's two psychiatric hospitals — Eastern State and Western State.

Such a move would mean that the majority of Western State's patients — those who are civilly committed — would move to community beds by 2020. Both hospitals would continue to hold patients sent there by the criminal courts, as well as a handful of civilly committed patients deemed a risk to the community.

Western State, in Lakewood, Pierce County, now has about 560 beds for civillycommitted patients and 285 beds for those sent through the criminal courts.

The plan is also intended to better emphasize preventive care and make sure those with mental-health issues don't wind up in jail.

"We intend to transform this system ... based on principles that we know that work," Inslee said.

Inslee's budget proposal also would fund \$732 million in pay raises for state workers. It would freeze tuition at state colleges and spend \$116 million to expand the state Need Grant for college students. It also would spend \$20 million to help reduce homelessness.

The proposal would add 25 records staffers for the state Department of Corrections, to help make sure offenders are being held or supervised for the correct amount of time. That comes in response to the state's <u>mistaken early release</u> of prisoners and an <u>incorrect court form</u> that skewed the community supervision time for some sex offenders.

Inslee's plan came a day after he released his K-12 education-funding plan, intended to satisfy the state Supreme Court's McCleary education-funding order. The budget directs \$2.75 billion in new spending to address McCleary, with additional money going more broadly to K-12 education.

The budget — and the education funding it contains — is expected to dominate the legislative session that begins next month. The governor's proposals kick off what's expected to be months of discussions in Olympia over taxes, spending and government programs.

House Democrats and Senate Republicans will release their own budget proposals before negotiations start in earnest.

Republicans in 2015 fought hard against the governor's tax proposals, which, at the time, included a capital-gains tax and a carbon cap-and-trade plan. More recently, some in the <u>GOP have argued that complying with the McCleary decision might not cost as much as the estimates</u>.

Joseph O'Sullivan: 360-236-8268 or josullivan@seattletimes.com. On Twitter @OlympiaJoe