HOUSE AMENDMENT

Bill No. HB 2087

Amendment No. 1 (for drafter's use only) CHAMBER ACTION Senate House 1 2 3 4 5 ORIGINAL STAMP BELOW 6 7 8 9 10 11 The Committee on Health & Human Services Appropriations offered the following: 12 13 14 Amendment Remove from the bill: Everything after the enacting clause 15 16 17 and insert in lieu thereof: 18 19 Section 1. Paragraph (b) of subsection (3) of section 409.912 is amended to read: 20 21 409.912 Cost-effective purchasing of health care.--The 22 agency shall purchase goods and services for Medicaid 23 recipients in the most cost-effective manner consistent with 24 the delivery of quality medical care. The agency shall 25 maximize the use of prepaid per capita and prepaid aggregate 26 fixed-sum basis services when appropriate and other alternative service delivery and reimbursement methodologies, 27 28 including competitive bidding pursuant to s. 287.057, designed 29 to facilitate the cost-effective purchase of a case-managed 30 continuum of care. The agency shall also require providers to 31 minimize the exposure of recipients to the need for acute 1 File original & 9 copies hap0011 04/20/99 09:00 pm 02087-hhs -603401

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inpatient, custodial, and other institutional care and the 1 2 inappropriate or unnecessary use of high-cost services. 3 (3) The agency may contract with: 4 (b) An entity that is providing comprehensive 5 inpatient and outpatient behavioral mental health care 6 services plan licensed under chapter 624, chapter 636, or 7 chapter 641. Unless otherwise authorized by law, the agency shall limit such contract to services provided to certain 8 9 Medicaid recipients in Hillsborough, Highlands, Hardee, 10 Manatee, and Polk, Escambia, Santa Rosa, Okaloosa, Walton, Baker, Nassau, Duval, Clay, St. Johns, and Dade Counties, 11 12 through a capitated, prepaid arrangement pursuant to the federal waiver provided for by s. 409.905(5). Such an entity 13 must become licensed under chapter 624, chapter 636, or 14 15 chapter 641 by December 31, 1998, and is exempt from the provisions of part I of chapter 641 until then. However, if 16 17 the entity assumes risk, the Department of Insurance shall 18 develop appropriate regulatory requirements by rule under the insurance code before the entity becomes operational. 19 1. A county in which the agency seeks to implement its 20 21 authority to award contracts as provided in this subparagraph that has a Medicaid population in excess of 300,000, the 22 agency shall award one contract for every 100,000 Medicaid 23 24 recipients. 25 2. The agency shall set as part of the competitive procurement an allowable medical/loss ratio to limit 26 27 administrative costs and shall use industry standards, which shall be adjusted based upon size of the plan. 28 29 3. In developing the behavioral health care prepaid 30 plan procurement document the agency shall consult and coordinate with Department of Children and Family Services and 31 2 04/20/99 09:00 pm File original & 9 copies

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the Department of Juvenile Justice. The Department of Children 1 2 and Family Services shall approve the sections of the 3 behavioral health care prepaid plan procurement document that 4 relates to children in the care and custody of Department of Children and Family Services and their families. The 5 Department of Juvenile Justice shall approve the sections of 6 7 the behavioral health care prepaid plan procurement document that relates to children in the care and custody of Department 8 9 of Juvenile Justice and their families. 10 4. A county that has a provider service network as authorized in section 409.912, which provides behavioral 11 12 health care services and is an operation as of October 1, 13 1999, the agency shall not include those recipients served by the provider service network in the behavioral health prepaid 14 15 plan, pursuant to this subsection. As used in this paragraph: 16 5. 17 "Behavioral health care" includes mental health and a. 18 substance abuse services. b "District" means any district of the Department of 19 Children and Family Services. 20 "Therapeutic or Supportive Foster Care Homes" means 21 с. 22 any foster care program operated by a Medicaid Community Mental Health provider which is a licensed residential child 23 24 caring or child placing agency as defined in section 409.175. 25 "Specialized Therapeutic Foster Care" means any d. foster care program provided under the Medicaid Community 26 27 Mental Health Program service entitled specialized therapeutic 28 foster care. 29 6. Children residing in a Department of Juvenile Justice residential program approved as a Medicaid Behavioral 30 Health Overlay Services provider shall not be included in 31 3 04/20/99 File original & 9 copies

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behavioral health care prepaid plan pursuant to this 1 2 subparagraph. 3 7. When implementing the Behavioral Health Care 4 prepaid program in Baker, Nassau, Duval, Clay, St. Johns, and 5 Dade Counties, the agency shall not include the following: 6 a. dependent children placed by the Department of 7 Children and Family Services or children placed by a licensed child placing agency into a licensed residential group care 8 facility which is operated by a Medicaid Community Mental 9 10 Health provider. 11 b. dependent children of the department receiving 12 therapeutic or supportive foster home care. 13 c. services to children in the care or custody of the 14 department while they are in emergency shelter. 15 d. children served under the Community Mental Health program specialized therapeutic foster care. 16 17 8. When implementing the Behavioral Health Care 18 prepaid program in Baker, Nassau, Duval, Clay, St. Johns, and Dade counties, the agency shall require that any existing 19 licensed child caring or child placing agency that is also a 20 21 Medicaid Community Mental Health Program provider will be part 22 of the provider network. 9. The agency and the department shall approve 23 24 behavioral health care criteria and protocols for services 25 provided to children referred from the child protection team for follow-up services. 26 27 10. In all the behavioral health care prepaid plans, substance abuse services shall be reimbursed fee for service 28 from State Medicaid funds until such time as the agency 29 30 determines that adequate funds are available for prepaid 31 methods. The agency shall insure that any contractors for 4 04/20/99 File original & 9 copies

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pre-paid behavioral health services shall propose practical 1 2 methods of integrating mental health and substance abuse 3 services, including opportunities for community-based 4 substance abuse agencies to become partners in the provider networks established at a district or area level, and to 5 participate in the development of protocols for substance б 7 abuse services. 8 11. In developing the behavioral health care prepaid plan procurement document, the agency must ensure that 9 10 conversion to a prepaid system of delivery shall not result in the displacement of indigent care patients from facilities 11 12 receiving state funding to provide indigent behavioral health 13 care to facilities licensed under chapter 395 which do not receive state subsidies unless the unsubsidized facilities are 14 15 reimbursed for the costs of all treatment, including medical treatment which is a precondition to admission into a 16 17 subsidized facility. Traditional inpatient mental health 18 providers licensed pursuant to chapter 395 must be included in any provider network for prepaid behavioral health services. 19 The agency shall notify the Legislature of the 20 12. status and plans to expand the behavioral managed care 21 projects to those counties designated in this paragraph by 22 October 1, 2000. With respect to any county or district in 23 24 which expansion of behavioral managed care projects cannot be 25 accomplished within the 3-year time frame, the plan must clearly state the reasons the time frame cannot be met and the 26 27 efforts that should be made to address the obstacles, which may include alternatives to behavioral managed care. The plan 28 29 must also address the status of services to children and their families in the care and custody of the department and 30 Juvenile Justice. The plan must address how the services for 31 5

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those children and families will be integrated into the 1 2 comprehensive behavioral health care program or how services 3 will be provided using alternative methods over the 3-year 4 phase in. 5 13. For counties not specifically designated in this 6 paragraph, a local planning process shall be completed prior 7 to the agency expanding behavioral managed care projects to 8 other areas. The planning process shall be completed with local community participation including, but not limited to, 9 10 input from community-based mental health, substance abuse, 11 child welfare, and delinquency providers currently under 12 contract with the Department of Children and Family Services, 13 Department of Juvenile Justice or the agency. Facilities licensed under chapter 395 will be included in the local 14 15 planning process. 16 Section 2. This act shall take effect October 1, 1999. 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 6

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