

1 A bill to be entitled
2 An act relating to Medicaid managed health
3 care; amending s. 409.912, F.S.; authorizing
4 the Agency for Health Care Administration to
5 contract with entities providing behavioral
6 health care services to certain Medicaid
7 recipients in certain counties under certain
8 circumstances; providing requirements;
9 providing limitations; providing definitions;
10 providing an effective date.

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12 Be It Enacted by the Legislature of the State of Florida:

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14 Section 1. Paragraph (b) of subsection (3) of section
15 409.912 is amended to read:

16 409.912 Cost-effective purchasing of health care.--The
17 agency shall purchase goods and services for Medicaid
18 recipients in the most cost-effective manner consistent with
19 the delivery of quality medical care. The agency shall
20 maximize the use of prepaid per capita and prepaid aggregate
21 fixed-sum basis services when appropriate and other
22 alternative service delivery and reimbursement methodologies,
23 including competitive bidding pursuant to s. 287.057, designed
24 to facilitate the cost-effective purchase of a case-managed
25 continuum of care. The agency shall also require providers to
26 minimize the exposure of recipients to the need for acute
27 inpatient, custodial, and other institutional care and the
28 inappropriate or unnecessary use of high-cost services.

29 (3) The agency may contract with:

30 (b) An entity that is providing comprehensive
31 ~~inpatient and outpatient~~ behavioral ~~mental~~ health care

1 services plan licensed under chapter 624, chapter 636, or
 2 chapter 641. Unless otherwise authorized by law, the agency
 3 shall limit such contract to services provided to certain
 4 Medicaid recipients in Hillsborough, Highlands, Hardee,
 5 Manatee, and Polk, Escambia, Santa Rosa, Okaloosa, Walton,
 6 Baker, Nassau, Duval, Clay, St. Johns, and Dade Counties,
 7 through a capitated, prepaid arrangement pursuant to the
 8 federal waiver provided for by s. 409.905(5). ~~Such an entity~~
 9 ~~must become licensed under chapter 624, chapter 636, or~~
 10 ~~chapter 641 by December 31, 1998, and is exempt from the~~
 11 ~~provisions of part I of chapter 641 until then. However, if~~
 12 ~~the entity assumes risk, the Department of Insurance shall~~
 13 ~~develop appropriate regulatory requirements by rule under the~~
 14 ~~insurance code before the entity becomes operational.~~

15 1. A county in which the agency seeks to implement its
 16 authority to award contracts as provided in this subparagraph
 17 that has a Medicaid population in excess of 300,000, the
 18 agency shall award one contract for every 100,000 Medicaid
 19 recipients.

20 2. The agency shall set as part of the competitive
 21 procurement an allowable medical/loss ratio to limit
 22 administrative costs and shall use industry standards, which
 23 shall be adjusted based upon size of the plan.

24 3. In developing the behavioral health care prepaid
 25 plan procurement document the agency shall consult and
 26 coordinate with Department of Children and Family Services and
 27 the Department of Juvenile Justice. The Department of Children
 28 and Family Services shall approve the sections of the
 29 behavioral health care prepaid plan procurement document that
 30 relates to children in the care and custody of Department of
 31 Children and Family Services and their families. The

1 Department of Juvenile Justice shall approve the sections of
2 the behavioral health care prepaid plan procurement document
3 that relates to children in the care and custody of Department
4 of Juvenile Justice and their families.

5 4. A county that has a provider service network as
6 authorized in section 409.912, which provides behavioral
7 health care services and is an operation as of October 1,
8 1999, the agency shall not include those recipients served by
9 the provider service network in the behavioral health prepaid
10 plan, pursuant to this subsection.

11 5. As used in this paragraph:

12 a. "Behavioral health care" includes mental health and
13 substance abuse services.

14 b. "District" means any district of the Department of
15 Children and Family Services.

16 c. "Therapeutic or Supportive Foster Care Homes" means
17 any foster care program operated by a Medicaid Community
18 Mental Health provider which is a licensed residential child
19 caring or child placing agency as defined in section 409.175.

20 d. "Specialized Therapeutic Foster Care" means any
21 foster care program provided under the Medicaid Community
22 Mental Health Program service entitled specialized therapeutic
23 foster care.

24 6. Children residing in a Department of Juvenile
25 Justice residential program approved as a Medicaid Behavioral
26 Health Overlay Services provider shall not be included in
27 behavioral health care prepaid plan pursuant to this
28 subparagraph.

29 7. When implementing the Behavioral Health Care
30 prepaid program in Baker, Nassau, Duval, Clay, St. Johns, and
31 Dade Counties, the agency shall not include the following:

1 a. dependent children placed by the Department of
2 Children and Family Services or children placed by a licensed
3 child placing agency into a licensed residential group care
4 facility which is operated by a Medicaid Community Mental
5 Health provider.

6 b. dependent children of the department receiving
7 therapeutic or supportive foster home care.

8 c. services to children in the care or custody of the
9 department while they are in emergency shelter.

10 d. children served under the Community Mental Health
11 program specialized therapeutic foster care.

12 8. When implementing the Behavioral Health Care
13 prepaid program in Baker, Nassau, Duval, Clay, St. Johns, and
14 Dade counties, the agency shall require that any existing
15 licensed child caring or child placing agency that is also a
16 Medicaid Community Mental Health Program provider will be part
17 of the provider network.

18 9. The agency and the department shall approve
19 behavioral health care criteria and protocols for services
20 provided to children referred from the child protection team
21 for follow-up services.

22 10. In all the behavioral health care prepaid plans,
23 substance abuse services shall be reimbursed fee for service
24 from State Medicaid funds until such time as the agency
25 determines that adequate funds are available for prepaid
26 methods. The agency shall insure that any contractors for
27 pre-paid behavioral health services shall propose practical
28 methods of integrating mental health and substance abuse
29 services, including opportunities for community-based
30 substance abuse agencies to become partners in the provider
31 networks established at a district or area level, and to

1 participate in the development of protocols for substance
2 abuse services.

3 11. In developing the behavioral health care prepaid
4 plan procurement document, the agency must ensure that
5 conversion to a prepaid system of delivery shall not result in
6 the displacement of indigent care patients from facilities
7 receiving state funding to provide indigent behavioral health
8 care to facilities licensed under chapter 395 which do not
9 receive state subsidies unless the unsubsidized facilities are
10 reimbursed for the costs of all treatment, including medical
11 treatment which is a precondition to admission into a
12 subsidized facility. Traditional inpatient mental health
13 providers licensed pursuant to chapter 395 must be included in
14 any provider network for prepaid behavioral health services.

15 12. The agency shall notify the Legislature of the
16 status and plans to expand the behavioral managed care
17 projects to those counties designated in this paragraph by
18 October 1, 2000. With respect to any county or district in
19 which expansion of behavioral managed care projects cannot be
20 accomplished within the 3-year time frame, the plan must
21 clearly state the reasons the time frame cannot be met and the
22 efforts that should be made to address the obstacles, which
23 may include alternatives to behavioral managed care. The plan
24 must also address the status of services to children and their
25 families in the care and custody of the department and
26 Juvenile Justice. The plan must address how the services for
27 those children and families will be integrated into the
28 comprehensive behavioral health care program or how services
29 will be provided using alternative methods over the 3-year
30 phase in.

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1 13. For counties not specifically designated in this
2 paragraph, a local planning process shall be completed prior
3 to the agency expanding behavioral managed care projects to
4 other areas. The planning process shall be completed with
5 local community participation including, but not limited to,
6 input from community-based mental health, substance abuse,
7 child welfare, and delinquency providers currently under
8 contract with the Department of Children and Family Services,
9 Department of Juvenile Justice or the agency. Facilities
10 licensed under chapter 395 will be included in the local
11 planning process.

12 Section 2. This act shall take effect October 1, 1999.
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