

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, 1998 Supplement, 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 the Department of Children and Family Services  
27 and the Department of Juvenile Justice. The Department of  
28 Children 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 this section, which provides behavioral health  
7 care services and is in operation as of October 1, 1999, the  
8 agency shall not include those recipients served by the  
9 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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