

STORAGE NAME: h2111z.hcs
DATE: June 3, 1999

****FINAL ACTION****
****SEE FINAL ACTION STATUS SECTION****

**HOUSE OF REPRESENTATIVES
AS REVISED BY THE COMMITTEE ON
HEALTH CARE SERVICES
FINAL ANALYSIS**

BILL #: HB 2111 (PCB HCS 99-02) (passed as section 4 of HB 2003 by Children and Family Services and Murman)

RELATING TO: Health Care

SPONSOR(S): Committee on Health Care Services and Representative Peaden

COMPANION BILL(S): CS/SB 2388 (compare)

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) HEALTH CARE SERVICES YEAS 16 NAYS 1
- (2) GOVERNMENTAL OPERATIONS YEAS 5 NAYS 0
- (3) TRANSPORTATION & ECONOMIC DEVELOPMENT APPROPRIATIONS
- (4)
- (5)

I. FINAL ACTION STATUS:

06/18/99 Approved by Governor; Chapter No. 99-396

II. SUMMARY:

HB 2111, as adopted as section 4 of HB 2003, creates the 23-member Commission on Mental Health and Substance Abuse and specifies the duties of the Commission and the membership that is appointed by the President of the Senate, Speaker of the House of Representatives, and the Governor. The Legislature intends for this Commission to conduct a systematic review of the overall management of the state's mental health and substance abuse system for updating chapter 394, part IV, F.S. An interim report to the Governor and the Legislature is due no later than March 1, 2000, and the final report with statutory modifications is due to the Governor and the Legislature no later than December 1, 2000. Authorization for the Commission on Mental Health and Substance Abuse expires effective May 15, 2001.

The effective date is July 1, 1999.

III. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

The Alcohol, Drug Abuse, and Mental Health Service System

The Department of Children and Family Services (CFS) was created to work in partnership with local communities to help people be self-sufficient and live in stable families and communities, and to deliver, or provide for the delivery of, all family services. Chapters 394 and 397, F.S., authorize CFS to provide mental health services and substance abuse assessment and treatment services to adults and children. These services are administered by the Alcohol, Drug Abuse, and Mental Health (ADM) Program Office and 15 district ADM offices within the department.

The ADM program provides services to reduce the occurrence, severity, and disabling effects of mental health and substance abuse problems. The program serves over 300,000 individuals and is structured into two components according to the client groups that receive services. The mental health component serves: children with mental health problems; children incompetent to proceed with juvenile justice hearings; adults with a mental illness who live in the community; and adults with a mental illness who live in state institutions. The substance abuse component serves children with, or at serious risk of substance abuse problems, and adults with substance abuse problems.

The department's mental health and substance abuse programs provide a statewide system of community-based and institutional services. Most community-based services are provided by private non-profit mental health centers and substance abuse agencies that contract with the department's 15 service districts.

For Fiscal Year (FY) 1998-99, CFS has allocated \$669 million for programs that serve its mental health and substance abuse client groups. In previous years, sources for funding included general revenue, state trust funds, and federal block grants.

Florida's public mental health and substance abuse programs coexist with a separately administered and funded Medicaid Program. As a result, two state agencies administer funds for services. CFS manages ADM, and the Agency for Health Care Administration (AHCA) manages the Medicaid Program. In 1997-98, the two agencies spent over \$984 million on mental health and substance abuse services; federal funds covered 39% of the cost. Medicaid has grown as a funding mechanism for community-based mental health and substance abuse programs, from 24% of total appropriations in FY 1992-93, to 28% of total appropriations in FY 1997-98.

CFS's mental health and substance abuse programs have a low number of staff relative to budget size because third parties deliver most community-based services. The Legislature appropriates funds for district staff to plan and evaluate programs and to manage contracts with service providers.

Part IV, ch. 394, F.S., is known as "The Community Alcohol, Drug Abuse, and Mental Health Services Act,". It states that the intent of the Legislature with respect to alcohol, drug abuse, and mental health services includes promoting and improving the mental health of the citizens of the state through a system of comprehensive, coordinated alcohol, drug abuse and mental health services. Section 394.675, F.S., provides that this system is to include primary care services, rehabilitative services, and preventive services. This section also addresses the planning for and funding of these services, including local match requirements.

B. EFFECT OF PROPOSED CHANGES:

A Commission on Mental Health and Substance Abuse will be created within the Department of Children and Family Services. The commission will be composed of 23 members who will conduct a review and evaluation of existing publicly supported mental health and substance abuse systems and services. The commission will also appoint an advisory committee to represent all state agencies involved in administering mental health and substance abuse services.

The 23 members include: one member of the Senate appointed by the Senate President; one member of the House of Representatives appointed by the Speaker of the House of

Representatives; the Secretary of Children and Family Services or his or her designee; the Secretary of Health or his or her designee; the Director of the Agency for Health Care Administration or his or her designee. The commission also includes the following members appointed by the Governor: a consumer of publicly funded mental health or substance abuse services; one representative of county government; one representative of the Florida Mental Health Institute; one corporate employer of a corporation which provides mental health and substance abuse benefits to employees but is not in the business of providing mental health or substance abuse services; one representative of an acute care hospital with psychiatric beds or a mental health program; one representative of a community mental health provider; one representative of a community substance abuse provider; a licensed psychiatrist working within the mental health or substance abuse delivery system; a licensed psychologist working within the mental health or substance abuse delivery system; two other licensed mental health or substance abuse professionals; an emergency room physician; one representative of an insurer offering behavioral and physical health insurance benefits; one representative of a specialty hospital licensed pursuant to ch. 395, F.S., providing mental health care and addictive services; one representative from law enforcement; one representative from the judicial system; and one representative of a child welfare agency involved in the delivery of behavioral health services.

Duties of the commission include: conducting a review and evaluation of the management and functioning of the existing publicly supported mental health and substance abuse systems and services in the Department of Children and Family Services, the Agency for Health Care Administration, and all other departments which administer mental health and substance abuse services; addressing the unique mental health and substance abuse needs of older persons; addressing access to, and financing of, and scope or responsibility in the delivery of emergency behavioral health care services; addressing the quality and effectiveness of current mental health and substance abuse services delivery systems, and professional staffing and clinical structure of services, roles, and responsibilities of public and private providers; addressing priority population groups for publicly funded mental health and substance abuse services, a description of the comprehensive mental health and substance abuse needs assessment and planning activities, and local government responsibilities for funding mental health and substance abuse services; and formulating recommendations to the Governor and Legislature regarding the mission and objectives of state-supported mental health and substance abuse services and the planning, management, staffing, financing, contracting, coordination, and accountability mechanisms which will best foster the recommended mission and objective.

An interim report to the Governor and the Legislature is due no later than March 1, 2000, and the final report with statutory modifications is due to the Governor and the Legislature no later than December 1, 2000. Authorization of the Commission on Mental Health and Substance Abuse will expire May 15, 2001.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

No.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

A Commission on Mental Health and Substance Abuse will be created within the Department of Children and Family Services, and the members' duties will include conducting a review and evaluation of existing publicly supported mental health and substance abuse services.

(3) any entitlement to a government service or benefit?

No.

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

No.

b. Does the bill require or authorize an increase in any fees?

No.

c. Does the bill reduce total taxes, both rates and revenues?

No.

d. Does the bill reduce total fees, both rates and revenues?

No.

e. Does the bill authorize any fee or tax increase by any local government?

No.

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No.

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

No.

4. Individual Freedom:

- a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

No.

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No.

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

- (1) Who evaluates the family's need?

N/A

- (2) Who makes the decisions?

N/A

- (3) Are private alternatives permitted?

N/A

- (4) Are families required to participate in a program?

N/A

- (5) Are families penalized for not participating in a program?

N/A

- b. Does the bill directly affect the legal rights and obligations between family members?

No.

- c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

- (1) parents and guardians?

N/A

- (2) service providers?

N/A

(3) government employees/agencies?

N/A

D. STATUTE(S) AFFECTED:

Creates an unnumbered section.

E. SECTION-BY-SECTION ANALYSIS:

See EFFECT OF PROPOSED CHANGES above.

IV. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

Unknown.

2. Recurring Effects:

Unknown.

3. Long Run Effects Other Than Normal Growth:

None.

4. Total Revenues and Expenditures:

Unknown.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

None.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

None.

2. Direct Private Sector Benefits:

None.

3. Effects on Competition, Private Enterprise and Employment Markets:

None.

D. FISCAL COMMENTS:

None.

V. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds, or to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that counties or municipalities have to raise revenues in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

VI. COMMENTS:

None.

VII. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

HB 2111 (PCB HCS 99-02) created the Commission on Mental Health and Substance Abuse within the Executive Office of the Governor to be composed of 22 members. The duties of the committee included conducting a review and evaluation of the existing publicly supported mental health and substance abuse systems and services and formulating recommendations to the Governor and the Legislature. The commission was to appoint an advisory committee to represent all state agencies involved in administering mental health and substance abuse services. Staff support was provided. The commission was to conduct its first meeting no later than September, 1999, and submit an interim report to the Governor, Speaker of the House of Representatives, and President of the Senate no later than March 1, 2000, and a final report no later than December 1, 2000.

In addition, the bill authorized the Department of Children and Family Services to continue using unit-costing methods of payment in contracts for purchasing mental health and substance abuse services through June 30, 2001. The unit-cost contracting system was to account for those patient fees that are paid on behalf of a specific client and those that are earned and used by the provider for those services funded in whole or in part by the department. The department was permitted to reimburse actual expenditures for start-up contracts and fixed capital outlay contracts in accordance with contract specifications. The bill authorized the department to adopt administrative rules pursuant to ch. 120, F.S., to implement this section.

The fiscal impact of the HB 2111 included an appropriation of \$75,000 from the General Revenue Fund and \$75,000 from the administrative funds available under Title XIX (Medicaid) for each of fiscal years 1999-2000 and 2000-2001 to fund the Commission on Mental Health and Substance Abuse.

At its meeting on April 21, 1999, the Committee on Governmental Operations adopted two amendments to HB 2111. The first amendment removed from the bill unnecessary rulemaking language, and the second amendment clarified that the duties of the commission includes establishing the scope of emergency behavioral health care services. HB 2111 died in the Committee on Transportation and Economic Development Appropriations, but similar language was passed by the House and Senate in an amendment to HB 2003. Section 4 of HB 2003 contains language creating

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the Commission on Mental Health and Substance Abuse, but it does not contain the language authorizing the Department of Children and Family Services to continue using unit-costing methods of payment for purchasing mental health and substance abuse services through June 30, 2001, nor does it provide the appropriation of \$150,000, both of which were included in HB 2111.

VIII. SIGNATURES:

COMMITTEE ON HEALTH CARE SERVICES:

Prepared by:

Staff Director:

Amy K. Guinan

Phil E. Williams

AS REVISED BY THE COMMITTEE ON GOVERNMENTAL OPERATIONS:

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Staff Director:

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FINAL ANALYSIS PREPARED BY THE COMMITTEE ON HEALTH CARE SERVICES:

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