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2 An act relating to Medicaid managed behavioral
3 health care; amending s. 409.912, F.S.;
4 authorizing the Agency for Health Care
5 Administration to contract for prepaid
6 behavioral health care services for Medicaid
7 recipients in specified counties; providing
8 requirements for the agency in developing
9 procurement procedures; authorizing the agency
10 to contract for the provision of certain
11 services in Alachua County and authorizing it
12 to make certain determinations regarding
13 Sarasota County; prohibiting the inclusion of
14 certain children in such services; requiring
15 the agency to require certain providers to
16 prevent the displacement of certain indigent
17 care patients; providing for certain
18 traditional mental health providers to be
19 offered a contract to participate in such
20 prepaid services plans; defining the term
21 "comprehensive behavioral health care
22 services"; providing deadlines for entering
23 such contracts; deleting provisions requiring
24 the Department of Insurance to develop certain
25 requirements for entities that provide mental
26 health care services; authorizing the Agency
27 for Health Care Administration to contract for
28 mental health and substance abuse treatment
29 services for Medicaid recipients through an
30 administrative services organization agreement;
31 providing requirements for procurement and

1 availability of such services; providing an
2 effective date.

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

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6 Section 1. Paragraph (b) of subsection (3) of section
7 409.912, Florida Statutes, is amended, and paragraph (e) is
8 added to that subsection, to read:

9 409.912 Cost-effective purchasing of health care.--The
10 agency shall purchase goods and services for Medicaid
11 recipients in the most cost-effective manner consistent with
12 the delivery of quality medical care. The agency shall
13 maximize the use of prepaid per capita and prepaid aggregate
14 fixed-sum basis services when appropriate and other
15 alternative service delivery and reimbursement methodologies,
16 including competitive bidding pursuant to s. 287.057, designed
17 to facilitate the cost-effective purchase of a case-managed
18 continuum of care. The agency shall also require providers to
19 minimize the exposure of recipients to the need for acute
20 inpatient, custodial, and other institutional care and the
21 inappropriate or unnecessary use of high-cost services.

22 (3) The agency may contract with:

23 (b) An entity that is providing comprehensive
24 behavioral ~~inpatient and outpatient mental~~ health care
25 services to certain Medicaid recipients ~~in Hillsborough,~~
26 ~~Highlands, Hardee, Manatee, and Polk Counties,~~ through a
27 capitated, prepaid arrangement pursuant to the federal waiver
28 provided for by s. 409.905(5). Such an entity must ~~be~~ become
29 licensed under chapter 624, chapter 636, or chapter 641 and
30 must possess the clinical systems and operational competence
31 to manage risk and provide comprehensive behavioral health

1 care to Medicaid recipients. As used in this paragraph, the
2 term "comprehensive behavioral health care services" means
3 covered mental health and substance abuse treatment services
4 that are available to Medicaid recipients. The Secretary of
5 the Department of Children and Families shall approve
6 provisions of procurements related to children in the
7 department's care or custody prior to enrolling such children
8 in a prepaid behavioral health plan. Any contract awarded
9 under this paragraph must be competitively procured. In
10 developing the behavioral health care prepaid plan procurement
11 document, the agency shall ensure that the procurement
12 document requires the contractor to develop and implement a
13 plan to ensure compliance with s. 394.4574 related to services
14 provided to residents of licensed assisted living facilities
15 that hold a limited mental health license. The agency must
16 ensure that Medicaid recipients have available the choice of
17 at least two managed care plans for their behavioral health
18 care services. The agency may reimburse for
19 substance-abuse-treatment services on a fee-for-service basis
20 until the agency finds that adequate funds are available for
21 capitated, prepaid arrangements.

22 1. By January 1, 2001, the agency shall modify the
23 contracts with the entities providing comprehensive inpatient
24 and outpatient mental health care services to Medicaid
25 recipients in Hillsborough, Highlands, Hardee, Manatee, and
26 Polk Counties, to include substance-abuse-treatment services.

27 2. By December 31, 2001, the agency shall contract
28 with entities providing comprehensive behavioral health care
29 services to Medicaid recipients through capitated, prepaid
30 arrangements in Charlotte, Collier, DeSoto, Escambia, Glades,
31 Hendry, Lee, Okaloosa, Pasco, Pinellas, Santa Rosa, Sarasota,

1 and Walton Counties. The agency may contract with entities
2 providing comprehensive behavioral health care services to
3 Medicaid recipients through capitated, prepaid arrangements in
4 Alachua County. The agency may determine if Sarasota County
5 shall be included as a separate catchment area or included in
6 any other agency geographic area.

7 3. Children residing in a Department of Juvenile
8 Justice residential program approved as a Medicaid behavioral
9 health overlay services provider shall not be included in a
10 behavioral health care prepaid health plan pursuant to this
11 paragraph.

12 4. In converting to a prepaid system of delivery, the
13 agency shall in its procurement document require an entity
14 providing comprehensive behavioral health care services to
15 prevent the displacement of indigent care patients by
16 enrollees in the Medicaid prepaid health plan providing
17 behavioral health care services from facilities receiving
18 state funding to provide indigent behavioral health care, to
19 facilities licensed under chapter 395 which do not receive
20 state funding for indigent behavioral health care, or
21 reimburse the unsubsidized facility for the cost of behavioral
22 health care provided to the displaced indigent care patient.

23 5. Traditional community mental health providers under
24 contract with the Department of Children and Families pursuant
25 to Part IV of chapter 394 and inpatient mental health
26 providers licensed pursuant to chapter 395, must be offered an
27 opportunity to accept or decline a contract to participate in
28 any provider network for prepaid behavioral health services.
29 ~~by December 31, 1998, and is exempt from the provisions of~~
30 ~~part I of chapter 641 until then. However, if the entity~~
31 ~~assumes risk, the Department of Insurance shall develop~~

1 ~~appropriate regulatory requirements by rule under the~~
2 ~~insurance code before the entity becomes operational.~~

3 (e) An entity that provides comprehensive behavioral
4 health care services to certain Medicaid recipients through an
5 administrative services organization agreement. Such an entity
6 must possess the clinical systems and operational competence
7 to provide comprehensive health care to Medicaid recipients.
8 As used in this paragraph, the term "comprehensive behavioral
9 health care services" means covered mental health and
10 substance abuse treatment services that are available to
11 Medicaid recipients. Any contract awarded under this paragraph
12 must be competitively procured. The agency must ensure that
13 Medicaid recipients have available the choice of at least two
14 managed care plans for their behavioral health care services.

15 Section 2. This act shall take effect July 1, 2000.

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