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By the Committee on Elder Affairs & Long-Term Care and Representatives Argenziano, Fiorentino, Levine, Reddick, Littlefield, Kosmas and Jacobs

A bill to be entitled An act relating to substance abuse and mental health services; amending s. 394.455, F.S.; redefining the term "mental illness" for purposes of part I of ch. 394, F.S.; amending s. 394.492, F.S.; redefining the term "child or adolescent who is experiencing an acute mental or emotional crisis" for purposes of part III of ch. 394, F.S.; amending s. 394.493, F.S.; revising the income standard that is the basis for a sliding fee scale adopted by the Department of Children and Family Services for mental health services provided to children and adolescents; amending s. 394.65, F.S.; redesignating part IV of ch. 394, F.S., as "The Community Substance Abuse and Mental Health Services Act"; amending s. 394.66, F.S.; providing legislative intent with respect to substance abuse and mental health services; amending s. 394.67, F.S.; revising definitions; creating s. 394.674, F.S.; providing clinical eligibility for substance abuse and mental health services funded by the Department of Children and Family Services; providing fee collection requirements; providing for availability of crisis services, substance abuse services, and mental health services; requiring that the Department of Children and Family Services adopt rules; requiring contracting service providers to establish a sliding fee scale; providing for copayments;

1 amending s. 394.675, F.S.; revising the types 2 of services provided by the department under 3 the substance abuse and mental health service 4 system; creating s. 394.676, F.S.; authorizing 5 the Department of Children and Family Services to establish an indigent psychiatric medication 6 7 program; requiring the department to adopt 8 rules; providing for certain continued 9 treatment of persons discharged from facilities; amending s. 394.74, F.S.; 10 11 conforming provisions relating to contracts for 12 substance abuse and mental health programs to 13 changes made by the act; amending s. 394.75, F.S.; providing for a state master plan for 14 15 financing and delivery of community-based 16 substance abuse and mental health services; providing plan requirements; providing for 17 annual update and submission to the 18 Legislature; requiring district health and 19 20 human services boards, rather than planning 21 councils, to prepare district substance abuse 22 and mental health plans; providing plan requirements; revising the population groups to 23 24 be addressed in the plans to conform to changes made by the act; amending ss. 394.4574, 394.76, 25 26 394.77, 394.78, 394.908, and 397.321, F.S., 27 relating to department responsibilities for 28 mental health residents who reside in certain assisted living facilities, the financing of 29 district programs and services, uniform 30 31 information and reporting systems, procedures

for audits and dispute resolution, distribution of appropriations, and development of a district plan for substance abuse services; conforming provisions to changes made by the act; requiring the department to submit a report to the Legislature which describes the compliance of providers with performance outcome standards; directing the Commission on Mental Health and Substance Abuse to conduct a study and make certain recommendations to the Legislature; repealing s. 394.79, F.S., relating to a state alcohol, drug abuse, and mental health plan; providing an effective date.

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

Section 1. Subsection (18) of section 394.455, Florida Statutes, is amended to read:

394.455 Definitions.--As used in this part, unless the context clearly requires otherwise, the term:

(18) "Mental illness" means an impairment of the mental or emotional processes that exercise conscious control of one's actions or of the ability to perceive or understand reality, which impairment substantially interferes with a person's ability to meet the ordinary demands of living, regardless of etiology. For the purposes of this part, the term does not include retardation or developmental disability as defined in chapter 393, intoxication, or conditions manifested only by antisocial behavior or substance abuse

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Section 2. Subsection (7) of section 394.492, Florida Statutes, is amended to read:

394.492 Definitions.--As used in ss. 394.490-394.497, the term:

(7) "Child or adolescent who is experiencing an acute mental or emotional crisis" means a child or adolescent who experiences <u>a psychotic episode or a h</u>igh level of mental or emotional distress which may be precipitated by a traumatic event or a perceived life problem for which the individual's typical coping strategies are inadequate. The term an acute mental or emotional problem and includes a child or adolescent who meets the criteria for involuntary examination specified in s. 394.463(1).

Section 3. Subsections (2) and (3) of section 394.493, Florida Statutes, are amended to read:

394.493 Target populations for child and adolescent mental health services funded through the department .--

(2) Each mental health provider under contract with the department to provide mental health services to the target population shall collect fees from the parent or legal guardian of the child or adolescent receiving services. The fees shall be based on a sliding fee scale for families whose net family income is at or above 150 between 100 percent and 200 percent of the Federal Poverty Income Guidelines. The department shall adopt, by rule, a sliding fee scale for statewide implementation. A family whose net family income is 200 percent or more above the Federal Poverty Income Guidelines is responsible for paying the cost of services. Fees collected from families shall be retained in the service district and used for expanding child and adolescent mental 31 health treatment services.

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(3) Each child or adolescent who meets the target population criteria of this section shall be served to the extent possible within available resources and consistent with the portion of the district substance alcohol, drug abuse, and mental health plan specified in s. 394.75 which pertains to child and adolescent mental health services.

Section 4. Section 394.65, Florida Statutes, is amended to read:

394.65 Short title.--This part may be cited shall be known as "The Community Substance Alcohol, Drug Abuse, and Mental Health Services Act."

Section 5. Section 394.66, Florida Statutes, is amended to read:

394.66 Legislative intent with respect to substance alcohol, drug abuse, and mental health services. -- It is the intent of the Legislature to:

(1) Recognize that mental illness and substance abuse impairment are diseases that are responsive to medical and psychological interventions and management that integrate treatment, rehabilitative, and support services to achieve quality and cost-efficient outcomes for clients and for community-based treatment systems.

(2) Promote and improve the mental health of the citizens of the state by making substance abuse and mental health treatment and support services available to those persons who are most in need and least able to pay, through a community-based system of care comprehensive, coordinated alcohol, drug abuse, and mental health services.

(3)(2) Involve local citizens in the planning of substance alcohol, drug abuse, and mental health services in 31 their communities.

(4) Ensure that the department and the Agency for

Health Care Administration work cooperatively in planning and
designing comprehensive community-based substance abuse and
mental health programs that focus on the individual needs of
clients.

(5)(3) Ensure that all activities of the Department of Children and Family Services and the Agency for Health Care Administration, and their respective contract providers, involved in the delivery of substance its contractors are directed toward the coordination of planning efforts in alcohol, drug abuse, and mental health treatment and prevention services are coordinated and integrated with other local systems and groups, public and private, such as juvenile justice, criminal justice, child protection, and public health organizations; school districts; and local groups or organizations that focus on services to older adults.

- (6)(4) Provide access to <u>crisis</u> services to all residents of the state with priority of attention being given to individuals exhibiting symptoms of acute or chronic mental illness, alcohol abuse, or <u>substance</u> drug abuse.
- (7) Ensure that services provided to persons with co-occurring mental illness and substance abuse problems be integrated across treatment systems.
- (8) (5) Ensure continuity of care, consistent with minimum standards, for persons who are released from a state treatment facility into the community.
- (9)(6) Provide accountability for service provision through statewide standards for treatment and support services, and statewide standards for management, monitoring, and reporting of information.

1 (10)(7) Include substance alcohol, drug abuse, and 2 mental health services as a component of the integrated 3 service delivery system of the Department of Children and 4 Family Services. 5 (11) (8) Ensure that the districts of the department 6 are the focal point of all substance alcohol, drug abuse, and 7 mental health planning activities, including budget 8 submissions, grant applications, contracts, and other arrangements that can be effected at the district level. 9 10 (12)(9) Organize and finance community substance 11 alcohol, drug abuse, and mental health services in local communities throughout the state through locally administered 12 13 service delivery programs that are based on client outcomes, 14 are programmatically effective, and are financially efficient, 15 and that maximize the involvement of local citizens. 16 Section 6. Section 394.67, Florida Statutes, is 17 amended to read: 18 394.67 Definitions.--As used in this part, the term: 19 (1) "Advisory council" means a district advisory 20 council. 21 (1) "Agency" means the Agency for Health Care 22 Administration. (2)(3) "Applicant" means an individual applicant, or 23 any officer, director, agent, managing employee, or affiliated 24 25 person, or any partner or shareholder having an ownership 26 interest equal to a 5-percent or greater interest in the 27 corporation, partnership, or other business entity. 28 (3)(4) "Client" means any individual receiving

health facility, program, or service, which facility, program,

services in any substance alcohol, drug abuse, or mental

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or service is operated, funded, or regulated by the agency and the department or regulated by the agency.

- (4) "Crisis services" means short-term evaluation, stabilization, and brief intervention services provided to a person who is experiencing an acute mental or emotional crisis, as defined in subsection (22), or an acute substance abuse crisis, as defined in subsection (23), to prevent further deterioration of the person's mental health. Crisis services are provided in settings such as a crisis stabilization unit, an inpatient unit, a short-term residential treatment program, a detoxification facility, or an addictions receiving facility; at the site of the crisis by a mobile crisis response team; or at a hospital on an outpatient basis.
- (5) "Crisis stabilization unit" means a program that provides an alternative to inpatient hospitalization and that provides brief, intensive services 24 hours a day, 7 days a week, for mentally ill individuals who are in an acutely disturbed state.
- (6) "Department" means the Department of Children and Family Services.
- (7) "Director" means any member of the official board of directors reported in the organization's annual corporate report to the Florida Department of State, or, if no such report is made, any member of the operating board of directors. The term excludes members of separate, restricted boards that serve only in an advisory capacity to the operating board.
- (8) "District administrator" means the person appointed by the Secretary of Children and Family Services for

the purpose of administering a department service district as set forth in s. 20.19.

- (9) "District plan" or "plan" means the combined district <u>substance</u> alcohol, drug abuse, and mental health plan approved by the district administrator and governing bodies in accordance with this part.
- (10) "Federal funds" means funds from federal sources for <u>substance</u> alcohol, drug abuse, or mental health facilities and programs, exclusive of federal funds that are deemed eligible by the Federal Government, and are eligible through state regulation, for matching purposes.
- (11) "Governing body" means the chief legislative body of a county, a board of county commissioners, or boards of county commissioners in counties acting jointly, or their counterparts in a charter government.
- means the board within a district or subdistrict of the department which is established in accordance with s. 20.19 and designated in this part for the purpose of assessing the substance abuse and mental health needs of the community and developing a plan to address those needs.
- $\underline{\text{(13)}}$ "Licensed facility" means a facility licensed in accordance with this chapter.
- (14)(13) "Local matching funds" means funds received from governing bodies of local government, including city commissions, county commissions, district school boards, special tax districts, private hospital funds, private gifts, both individual and corporate, and bequests and funds received from community drives or any other sources.

 $\underline{(15)(14)}$ "Managing employee" means the administrator or other similarly titled individual who is responsible for the daily operation of the facility.

- interventions and activities that help to eliminate, reduce, or manage symptoms or distress for persons who have severe emotional distress or a mental illness and to effectively manage the disability that often accompanies a mental illness so that the person can recover from the mental illness, become appropriately self-sufficient for his or her age, and live in a stable family or in the community. The term also includes those preventive interventions and activities that reduce the risk for or delay the onset of mental disorders. The term includes the following types of services:
- (a) Treatment services, such as psychiatric medications and supportive psychotherapies, which are intended to reduce or ameliorate the symptoms of severe distress or mental illness.
- (b) Rehabilitative services, which are intended to reduce or eliminate the disability that is associated with mental illness. Rehabilitative services may include assessment of personal goals and strengths, readiness preparation, specific skill training, and assistance in designing environments that enable individuals to maximize their functioning and community participation.
- (c) Support services, which include services that assist individuals in living successfully in environments of their choice. Such services may include income supports, social supports, housing supports, vocational supports, or accommodations related to the symptoms or disabilities associated with mental illness.

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1 (d) Case management services, which are intended to assist individuals in obtaining the formal and informal resources that they need to successfully cope with the consequences of their illness. Resources may include treatment or rehabilitative or supportive interventions by both formal and informal providers. Case management may include an assessment of client needs; intervention planning with the client, his or her family, and service providers; linking the client to needed services; monitoring service delivery; evaluating the effect of services and supports; and advocating on behalf of the client. 12 13 Mental health services may be delivered in a variety of settings, such as inpatient, residential, partial hospital, 14 day treatment, outpatient, club house, or a drop-in or 15 16 self-help center, as well as in other community settings, such 17 as the client's residence or workplace. The types and intensity of services provided shall be based on the client's 18 19 clinical status and goals, community resources, and preferences. Services such as assertive community treatment involve all four types of services which are delivered by a 21 multidisciplinary treatment team that is responsible for identified individuals who have a serious mental illness. 23 24 (17)(15) "Patient fees" means compensation received by 25 a community substance alcohol, drug abuse-or mental health 26 facility for services rendered to a specific client clients 27 from any source of funds, including city, county, state, 28 federal, and private sources. 29 (18) "Person who is experiencing an acute mental or

emotional crisis" means a child, adolescent, or adult who is

 emotional distress which may be precipitated by a traumatic event or a perceived life problem for which the individual's typical coping strategies are inadequate. The term includes an individual who meets the criteria for involuntary examination specified in s. 394.463(1).

abuse crisis" means a child, adolescent, or adult who is experiencing a medical or emotional crisis because of the use of alcoholic beverages or any psychoactive or mood-altering substance. The term includes an individual who meets the criteria for involuntary admission specified in s. 397.675.

(20)(16) "Premises" means those buildings, beds, and facilities located at the main address of the licensee and all other buildings, beds, and facilities for the provision of acute or residential care which are located in such reasonable proximity to the main address of the licensee as to appear to the public to be under the dominion and control of the licensee.

(21)(17) "Program office" means the Alcohol, Drug Abuse, and Mental Health Program Office of the Department of Children and Family Services.

identified services delivered by a service provider which are based on a uniform schedule of discounts deducted from the service provider's usual and customary charges. These charges must be consistent with the prevailing market rates in the community for comparable services.

(23) "Substance abuse services" means services

designed to prevent or remediate the consequences of substance
abuse, improve an individual's quality of life and

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self-sufficiency, and support long-term recovery. The term includes the following service categories:

- (a) Prevention services, which include information dissemination; education regarding the consequences of substance abuse; alternative drug-free activities; problem identification; referral of persons to appropriate prevention programs; community-based programs that involve members of local communities in prevention activities; and environmental strategies to review, change, and enforce laws that control the availability of controlled and illegal substances.
- (b) Assessment services, which includes the evaluation of individuals and families in order to identify their strengths and determine their required level of care, motivation, and need for treatment and ancillary services.
- (c) Intervention services, which include early identification, short-term counseling and referral, and outreach.
- (d) Rehabilitation services, which include residential, outpatient, day or night, case management, in-home, psychiatric, and medical treatment, and methadone or medication management.
- (e) Ancillary services, which include self-help and other support groups and activities; aftercare provided in a structured, therapeutic environment; supported housing; supported employment; vocational services; and educational services.
- (24)(18) "Residential treatment facility" means a facility providing residential care and treatment to individuals exhibiting symptoms of mental illness who are in need of a 24-hour-per-day, 7-day-a-week structured living 31 environment, respite care, or long-term community placement.

1 (19) "Service district" means a community service 2 district as established by the department under s. 20.19 for 3 the purpose of providing community alcohol, drug abuse, and 4 mental health services. (20) "Service provider" means any agency in which all 5 6 or any portion of the programs or services set forth in s. 7 394.675 are carried out. 8 Section 7. Section 394.674, Florida Statutes, is 9 created to read: 10 394.674 Clinical eligibility for publicly funded 11 substance abuse and mental health services; fee collection 12 requirements.--13 (1) To be eligible to receive substance abuse and mental health services funded by the department, a person must 14 be a member of one of the department's target groups approved 15 16 by the Legislature, pursuant to s. 216.0166. (2) Crisis services, as defined in s. 394.67, must, 17 within the limitations of available state and local matching 18 19 resources, be available to each person who is eligible for 20 services under subsection (1), regardless of the person's ability to pay for such services. A person who is experiencing 21 22 a mental health crisis and who does not meet the criteria for involuntary examination under s. 394.463(1), or a person who 23 is experiencing a substance abuse crisis and who does not meet 24 25 the involuntary admission criteria in s. 397.675, must 26 contribute to the cost of his or her care and treatment 27 pursuant to the sliding fee scale developed under subsection 28 (4), unless charging a fee is contraindicated because of the 29 crisis situation. (3) Mental health services, substance abuse services, 30

limitations of available state and local matching resources, 1 2 be available to each person who is eligible for services under 3 subsection (1). Such person must contribute to the cost of his or her care and treatment pursuant to the sliding fee scale 4 5 developed under subsection (4). 6 (4) The department shall adopt rules to implement the 7 clinical eligibility and fee collection requirements for 8 publicly funded substance abuse and mental health services. 9 The rules must require that each provider under contract with the department develop a sliding fee scale for persons who 10 11 have a net family income at or above 150 percent of the 12 Federal Poverty Income Guidelines, unless otherwise required 13 by state or federal law. The sliding fee scale must use the uniform schedule of discounts by which a provider under 14 contract with the department discounts its established client 15 16 charges for services supported with state, federal, or local 17 funds, using, at a minimum, factors such as family income, financial assets, and family size as declared by the person or 18 19 the person's guardian. The rules must include uniform criteria 20 to be used by all service providers in developing the schedule of discounts for the sliding fee scale. The rules must address 21 22 the most expensive types of treatment, such as residential and inpatient treatment, in order to make it possible for a client 23 24 to responsibly contribute to his or her mental health or substance abuse care without jeopardizing the family's 25 26 financial stability. A person who is not eligible for Medicaid 27 and whose net family income is less than 150 percent of the 28 Federal Poverty Income Guidelines must pay a portion of his or 29 her treatment costs which is comparable to the copayment amount required by the Medicaid program for Medicaid clients 30

who receive financial assistance from the Federal Government because of a disability and are in long-term residential treatment settings contribute to their board and care costs and treatment costs and must be consistent with the provisions in s. 409.212.

(5) A person who meets the eligibility criteria in subsection (1) shall be served in accordance with the appropriate district substance abuse and mental health services plan specified in s. 394.75 and within available resources.

Section 8. Section 394.675, Florida Statutes, is amended to read:

- 394.675 <u>Substance</u> Alcohol, drug abuse, and mental health service system.--
- (1) A <u>community-based</u> system of comprehensive <u>substance</u> alcohol, drug abuse, and mental health services shall be established and shall include as follows:
 - (a) Crisis services.
 - (b) Substance abuse services.
 - (c) Mental health services.
- (a) "Primary care services" are those services which, at a minimum, must be made available in each service district to persons who have acute or chronic mental illnesses, who are acute or chronic drug dependents, and who are acute or chronic alcohol abusers to provide them with immediate care and treatment in crisis situations and to prevent further deterioration or exacerbation of their conditions. These services include, but are not limited to, emergency-stabilization services, detoxification services, inpatient services, residential services, and case management services.

(b) "Rehabilitative services" are those services which are made available to the general population at risk of serious mental health problems or substance abuse problems or which are provided as part of a rehabilitative program. These services are designed to prepare or train persons to function within the limits of their disabilities, to restore previous levels of functioning, or to improve current levels of inadequate functioning. Rehabilitative services include, but are not limited to, outpatient services, day treatment services, and partial hospitalization services.

- (c) "Preventive services" are those services which are made available to the general population for the purpose of preventing or ameliorating the effects of alcohol abuse, drug abuse, or mental illness. These services emphasize the reduction of the occurrence of emotional disorders, mental disorders, and substance abuse through public education, early detection, and timely intervention. Preventive services include consultation, public education, and prevention services which have been determined through the district planning process to be necessary to complete a continuum of services as required by this part and which are included in the district plan.
- (2) Notwithstanding the provisions of this part, funds that which are provided through state and federal sources for specific services or for specific populations shall be used for those purposes.

Section 9. Section 394.676, Florida Statutes, is created to read:

394.676 Indigent psychiatric medication program.-
(1) Within legislative appropriations, the department
may establish the indigent psychiatric medication program to

purchase psychiatric medications for persons as defined in s. 394.492(5) or (6) or pursuant to s. 394.674(1), who do not reside in a state mental health treatment facility or an inpatient unit.

- (2) The department must adopt rules to administer the indigent psychiatric medication program. The rules must prescribe the clinical and financial eligibility of clients who may receive services under the indigent psychiatric medication program, the requirements that community-based mental health providers must meet to participate in the program, and the sanctions to be applied for failure to meet those requirements.
- appropriations, the department must ensure that
 non-Medicaid-eligible indigent individuals discharged from
 mental health treatment facilities continue to receive the
 medications which effectively stabilized their mental illness
 in the treatment facility, or newer medications, without
 substitution by a service provider unless such substitution is
 clinically indicated as determined by the licensed physician
 responsible for such individual's psychiatric care.

Section 10. Section 394.74, Florida Statutes, is amended to read:

- 394.74 Contracts for provision of local <u>substance</u> alcohol, drug abuse, and mental health programs.--
- (1) The department, when funds are available for such purposes, is authorized to contract for the establishment and operation of local <u>substance</u> alcohol, drug abuse, and mental health programs with any hospital, clinic, laboratory, institution, or other appropriate service provider.

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- (2)(a) Contracts for service shall be consistent with the approved district plan and the service priorities established in s. 394.75(4).
- (b) Notwithstanding s. 394.76(3)(a) and (c), the department may use unit cost methods of payment in contracts for purchasing mental health and substance abuse services. The unit cost contracting system must 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.
- (c) The department may reimburse actual expenditures for startup contracts and fixed capital outlay contracts in accordance with contract specifications.
 - (3) Contracts shall include, but are not limited to:
- (a) A provision that, within the limits of available resources, substance primary care alcohol, drug abuse, and mental health crisis services, as defined in s. 394.67(4), shall be available to any individual residing or employed within the service area, regardless of ability to pay for such services, current or past health condition, or any other factor;
- (b) A provision that such services be available with priority of attention being given to individuals who exhibit symptoms of chronic or acute substance alcoholism, drug abuse, or mental illness and who are unable to pay the cost of receiving such services;
- (c) A provision that every reasonable effort to collect appropriate reimbursement for the cost of providing substance alcohol, drug abuse, and mental health services to persons able to pay for services, including first-party

payments and third-party payments, shall be made by facilities providing services pursuant to this act;

- (d) A program description and line-item operating budget by program service component for <u>substance</u> alcohol, drug abuse, and mental health services, provided the entire proposed operating budget for the service provider will be displayed; and
- (e) A requirement that the contractor must conform to department rules and the priorities established thereunder.
- (4) The department shall develop standard contract forms for use between the district administrator and community $\underline{\text{substance}} \ \, \underline{\text{alcohol}}, \, \underline{\text{drug}} \ \, \text{abuse-and mental health service}$ providers.
- municipality city or county, or combination of municipalities cities and counties, from owning, financing, and operating a substance an alcohol, drug abuse, or mental health program by entering into an arrangement with the district to provide, and be reimbursed for, services provided as part of the district plan.

Section 11. Section 394.75, Florida Statutes, is amended to read:

- 394.75 <u>State and district substance</u> alcohol, drug abuse, and mental health plans.--
- (1)(a) Every 3 years, beginning in 2001, the department, in consultation with the Medicaid program in the Agency for Health Care Administration, shall prepare a state master plan for the delivery and financing of a system of publicly funded, community-based substance abuse and mental health services throughout the state.

- (b) The initial plan must include an assessment of the clinical practice guidelines and standards for community-based mental health and substance abuse services delivered by persons or agencies under contract with the Department of Children and Family Services. The assessment must include an inventory of current clinical guidelines and standards used by persons and agencies under contract with the department, and by nationally recognized accreditation organizations, to address the quality of care and must specify additional clinical practice standards and guidelines for new or existing services and programs.
- (c) The plan must propose changes in department policy or statutory revisions to strengthen the quality of mental health and substance abuse treatment and support services.
- (d) The plan must identify strategies for meeting the treatment and support needs of children, adolescents, adults, and older adults who have, or are at risk of having, mental, emotional, or substance abuse problems as defined in chapter 394 or chapter 397.
- (e) The plan must include input from persons who represent local communities; local government entities that contribute funds to the local substance abuse and mental health treatment systems; consumers of publicly funded substance abuse and mental health services, and their families; and stakeholders interested in mental health and substance abuse services. The plan must describe the means by which this local input occurred. The plan shall be updated annually.
- (f) The plan must include statewide policies and planning parameters that will be used by the health and human

services boards in preparing the district substance abuse and mental health plans.

- (g) The district plans shall be one component of the state master plan.
 - (2) The state master plan shall also include:
- (a) A proposal for the development of a data system that will evaluate the effectiveness of programs and services provided to clients of the substance abuse and mental health service system.
- $\underline{\mbox{(b)}}$ A proposal to resolve the funding discrepancies between districts.
- (c) A methodology for the allocation of resources available from federal, state, and local sources and a description of the current level of funding available from each source.
- (d) A description of the statewide priorities for clients and services, and each district's priorities for clients and services.
- (e) Recommendations for methods of enhancing local participation in the planning, organization, and financing of substance abuse and mental health services.
- (f) A description of the current methods of contracting for services, an assessment of the efficiency of these methods in providing accountability for contracted funds, and recommendations for improvements to the system of contracting.
- (g) Recommendations for improving access to services by clients and their families.
- $\underline{\mbox{(h) Guidelines and formats for the development of}}$ district plans.

(i) Recommendations for future directions for the substance abuse and mental health service delivery system.

A schedule, format, and procedure for development and review of the state master plan shall be adopted by the department by June of each year. The plan and annual updates must be submitted to the President of the Senate and the Speaker of the House of Representatives by January 1 of each year, beginning January 1, 2001.

- (3) The district health and human services board shall prepare an integrated district substance abuse and mental health plan. The plan shall be prepared and updated on a schedule established by the Alcohol, Drug Abuse, and Mental Health Program Office. The plan shall reflect the needs and program priorities established by the department and the needs of the district established under ss. 394.674 and 394.675. The plan must list in order of priority the mental health and the substance abuse treatment needs of the district and must rank each program separately. The plan shall include:
- (a) A record of the total amount of money available in the district for mental health and substance abuse services.
- $\underline{\mbox{(b)} \mbox{ A description of each service that will be}} \\ \mbox{purchased with state funds.}$
- (c) A record of the amount of money allocated for each service identified in the plan as being purchased with state funds.
- $\underline{ \mbox{(d)} \mbox{ A record of the total funds allocated to each } } \\ \underline{ \mbox{provider.} }$
- (e) A record of the total funds allocated to each provider by type of service to be purchased with state funds.

(f) Input from community-based persons, organizations, and agencies interested in substance abuse and mental health treatment services; local government entities that contribute funds to the public substance abuse and mental health treatment systems; and consumers of publicly funded substance abuse and mental health services, and their family members. The plan must describe the means by which this local input occurred.

(1)(a) The district planning council shall prepare a combined district alcohol, drug abuse, and mental health plan. The plan shall be prepared on a biennial basis and shall be reviewed annually and shall reflect both the program priorities established by the department and the needs of the district. The plan shall include a program description and line-item budget by program service component for alcohol, drug abuse, and mental health service providers that will receive state funds. The entire proposed operating budget for each service provider shall be displayed. A schedule, format, and procedure for development and review of the plan shall be promulgated by the department.

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22 (b) The plan shall be submitted by the district board planning council to the district administrator and to the governing bodies for review, comment, and approval, as provided in subsection (9).

(4) (4) (2) The district plan shall:

(a) Describe the publicly funded, community-based substance abuse and mental health system of care, and identify statutorily defined populations, their service needs, and the resources available and required to meet their needs.

- (b) Provide the means for meeting the needs of the district's eligible clients, specified in ss. 394.674 and 394.675, for substance abuse and mental health services.
- (c) Provide a process for coordinating the delivery of services within a community-based system of care to eligible clients. Such process must involve service providers, clients, and other stakeholders. The process must also provide a means by which providers will coordinate and cooperate to strengthen linkages, achieve maximum integration of services, foster efficiencies in service delivery and administration, and designate responsibility for outcomes for eligible clients.
- (d)(a) Provide a projection of district program and fiscal needs for the next <u>fiscal year</u> biennium, provide for the orderly and economical development of needed services, and indicate priorities <u>and resources for each population served</u>, <u>performance outcomes</u>, and anticipated expenditures and revenues.
- (e)(b) Include a summary budget request for the total district substance alcohol, drug abuse, and mental health program, which must shall include the funding priorities established by the district planning process.
- $\underline{\text{(f)}(c)}$ Provide a basis for the district legislative budget request.
- $\underline{(g)}$ (d) Include a policy and procedure for allocation of funds.
- $\underline{\text{(h)}}$ (e) Include a procedure for securing local matching funds. Such a procedure shall be developed in consultation with governing bodies and service providers.
- (i)(f) Provide for the integration of <u>substance</u> alcohol, drug abuse, and mental health services with the other departmental programs and with the criminal justice, <u>juvenile</u>

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justice, child protection, school, and health care systems system within the district.

(j)(g) Provide a plan for the coordination of services in such manner as to ensure effectiveness and avoid duplication, fragmentation of services, and unnecessary expenditures.

(k)(h) Provide for continuity of client care between state treatment facilities and community programs to assure that discharge planning results in the rapid application for all benefits for which a client is eligible, including Medicaid coverage for persons leaving state treatment facilities and returning to community-based programs.

(1)(i) Provide for the most appropriate and economical use of all existing public and private agencies and personnel.

 $(m)\frac{(j)}{(j)}$ Provide for the fullest possible and most appropriate participation by existing programs; state hospitals and other hospitals; city, county, and state health and family service agencies; drug abuse and alcoholism programs; probation departments; physicians; psychologists; social workers; marriage and family therapists; mental health counselors; clinical social workers; public health nurses; school systems; and all other public and private agencies and personnel that which are required to, or may agree to, participate in the plan.

 $(n)\frac{(k)}{(k)}$ Include an inventory of all public and private substance alcohol, drug abuse, and mental health resources within the district, including consumer advocacy groups and self-help groups known to registered with the department.

(5) The district plan shall address how substance abuse and mental health primary care services will be provided 31 and how a system of care for target populations continuum of

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services will be provided given the resources available in the
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    service district. The plan must include provisions for
    maximizing client access to the most recently developed
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    psychiatric medications approved by the United States Food and
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    Drug Administration, for developing independent housing units
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    through participation in the Section 811 program operated by
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    the United States Department of Housing and Urban Development,
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    for developing supported employment services through the
    Division of Vocational Rehabilitation of the Department of
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    Labor and Employment Security, for providing treatment
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    services to persons with co-occurring mental illness and
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    substance abuse problems which are integrated across treatment
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    systems, and for providing services to adults who have a
    serious mental illness, as defined in s. 394.67, and who
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    reside in assisted-living facilities.
          (6) (6) (4) The district plan shall provide the means by
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    which the needs of the following population groups specified
    pursuant to s. 394.674 having priority will be addressed in
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    the district. ÷
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          (a) Chronic public inebriates;
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          (b) Marginally functional alcoholics;
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          (c) Chronic opiate abusers;
          (d) Poly-drug abusers;
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          (e) Chronically mentally ill individuals;
          (f) Acutely mentally ill individuals;
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          (g) Severely emotionally disturbed children and
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    adolescents;
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          (h) Elderly persons at high risk of
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    institutionalization; and
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          (i) Individuals returned to the community from a state
   mental health treatment facility.
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 (7)(5) In developing the <u>district</u> plan, optimum use shall be made of any federal, state, and local funds that may be available for <u>substance</u> <u>alcohol</u>, <u>drug</u> abuse, and mental health service planning. <u>However</u>, the <u>department must provide</u> these services within legislative appropriations.

(8)(6) The district health and human services board planning council shall establish a subcommittee to prepare the portion of the district plan relating to children and adolescents. The subcommittee shall include representative membership of any committee organized or established by the district to review placement of children and adolescents in residential treatment programs. The board shall establish a subcommittee to prepare the portion of the district plan which relates to adult mental health and substance abuse. The subcommittee must include representatives from the community who have an interest in mental health and substance abuse treatment for adults.

(9)(7) All departments of state government and all local public agencies shall cooperate with officials to assist them in service planning. Each district administrator shall, upon request and the availability of staff, provide consultative services to the local agency directors and governing bodies.

 $\underline{(10)(8)}$ The district administrator shall ensure that the district plan:

- (a) Conforms to the priorities in the state plan, the requirements of this part, and the standards adopted under this part;
- (b) Ensures that the most effective and economical use will be made of available public and private $\underline{\text{substance}}$

alcohol, drug abuse, and mental health resources in the
service district; and

(c) Has adequate provisions made for review and evaluation of the services provided in the service district.

(11)(9) The district administrator shall require such modifications in the district plan as he or she deems necessary to bring the plan into conformance with the provisions of this part. If the district board planning council and the district administrator cannot agree on the plan, including the projected budget, the issues under dispute shall be submitted directly to the secretary of the department for immediate resolution.

(12)(10) Each governing body that provides local funds has the authority to require necessary modification to only that portion of the district plan which affects <u>substance</u> alcohol, drug abuse, and mental health programs and services within the jurisdiction of that governing body.

(13)(11) The district administrator shall report annually to the district board planning council the status of funding for priorities established in the district plan. Each report must include:

- (a) A description of the district plan priorities that were included in the district legislative budget request.
- (b) A description of the district plan priorities that were included in the departmental budget request prepared under s. 20.19. \div
- (c) A description of the programs and services included in the district plan priorities that were appropriated funds by the Legislature in the legislative session that preceded the report.

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Section 12. Subsection (3) of section 394.4574, Florida Statutes, is amended to read:

394.4574 Department responsibilities for a mental health resident who resides in an assisted living facility that holds a limited mental health license .--

(3) The Secretary of Children and Family Services, in consultation with the Agency for Health Care Administration, shall annually require each district administrator to develop, with community input, detailed plans that demonstrate how the district will ensure the provision of state-funded mental health and substance abuse treatment services to residents of assisted living facilities that hold a limited mental health license. These plans must be consistent with the substance alcohol, drug abuse, and mental health district plan developed pursuant to s. 394.75 and must address case management services; access to consumer-operated drop-in centers; access to services during evenings, weekends, and holidays; supervision of the clinical needs of the residents; and access to emergency psychiatric care.

Section 13. Subsections (3), (4), (8), (9), (10), and (11) of section 394.76, Florida Statutes, are amended to read:

394.76 Financing of district programs and services .-- If the local match funding level is not provided in the General Appropriations Act or the substantive bill implementing the General Appropriations Act, such funding level shall be provided as follows:

- (3) The state share of financial participation shall be determined by the following formula:
- (a) The state share of approved program costs shall be a percentage of the net balance determined by deducting from 31 the total operating cost of services and programs, as

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30 31 specified in s. 394.675(1), those expenditures which are ineligible for state participation as provided in subsection (7) and those ineligible expenditures established by rule of the department pursuant to s. 394.78.

(b) Residential and case management services which are funded as part of a deinstitutionalization project shall not require local matching funds and shall not be used as local matching funds. The state and federal financial participation portions of Medicaid earnings pursuant to Title XIX of the Social Security Act, except for the amount of general revenue equal to the amount appropriated in 1985-1986 plus all other general revenue that is shifted from any other alcohol, drug abuse, and mental health appropriation category after fiscal year 1986-1987 or substance abuse and mental health appropriation category after fiscal year 2000-2001, shall not require local matching funds and shall not be used as local matching funds. Local matching funds are not required for general revenue transferred by the department into substance alcohol, drug abuse, and mental health appropriations categories during a fiscal year to match federal funds earned from Medicaid services provided for mental health clients in excess of the amounts initially appropriated. Funds for children's services which were provided through the Children, Youth, and Families Services budget which did not require local match prior to being transferred to the Substance Alcohol, Drug Abuse, and Mental Health Services budget shall be exempt from local matching requirements. All other contracted community alcohol and mental health services and programs, except as identified in s. 394.457(3), shall require local participation on a 75-to-25 state-to-local ratio.

- (c) The expenditure of 100 percent of all third-party payments and fees shall be considered as eligible for state financial participation if such expenditures are in accordance with subsection (7) and the approved district plan.
- (d) Fees generated by residential and case management services which are funded as part of a deinstitutionalization program and do not require local matching funds shall be used to support program costs approved in the district plan.
- (e) Any earnings pursuant to Title XIX of the Social Security Act in excess of the amount appropriated shall be used to support program costs approved in the district plan.
- (4) Notwithstanding the provisions of subsection (3), the department is authorized to develop and demonstrate alternative financing systems for <u>substance</u> alcohol, drug abuse, and mental health services. Proposals for demonstration projects conducted pursuant to this subsection shall be reviewed by the substantive and appropriations committees of the Senate and the House of Representatives prior to implementation of the projects.
- (8) Expenditures for capital improvements relating to construction of, addition to, purchase of, or renovation of a community <u>substance</u> alcohol, drug abuse, or mental health facility may be made by the state, provided such expenditures or capital improvements are part and parcel of an approved district plan. Nothing shall prohibit the use of such expenditures for the construction of, addition to, renovation of, or purchase of facilities owned by a county, city, or other governmental agency of the state or a nonprofit entity. Such expenditures are subject to the provisions of subsection (6).

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- (9)(a) State funds for community alcohol and mental health services shall be matched by local matching funds as provided in paragraph (3)(b). The governing bodies within a district or subdistrict shall be required to participate in the funding of alcohol and mental health services under the jurisdiction of such governing bodies. The amount of the participation shall be at least that amount which, when added to other available local matching funds, is necessary to match state funds.
- (b) The provisions of paragraph (a) to the contrary notwithstanding, no additional matching funds may be required solely due to the addition in the General Appropriations Act of Substance Alcohol, Drug Abuse, and Mental Health Block Grant Funds for local community mental health centers and alcohol project grants.
- (10) A local governing body is authorized to appropriate moneys, in lump sum or otherwise, from its public funds for the purpose of carrying out the provisions of this part. In addition to the payment of claims upon submission of proper vouchers, such moneys may also, at the option of the governing body, be disbursed in the form of a lump-sum or advance payment for services for expenditure, in turn, by the recipient of the disbursement without prior audit by the auditor of the governing body. Such funds shall be expended only for substance alcohol, drug abuse-or mental health purposes as provided in the approved district plan. Each governing body appropriating and disbursing moneys pursuant to this subsection shall require the expenditure of such moneys by the recipient of the disbursement to be audited annually either in conjunction with an audit of other expenditures or 31 by a separate audit. Such annual audits shall be furnished to

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the governing bodies of each participating county and municipality for their examination.

(11) No additional local matching funds shall be required solely due to the addition in the General Appropriations Act of substance alcohol, drug abuse, and mental health block grant funds for local community mental health centers, drug abuse programs, and alcohol project grants.

Section 14. Subsection (1) of section 394.77, Florida Statutes, is amended to read:

394.77 Uniform management information, accounting, and reporting systems for providers. -- The department shall establish, for the purposes of control of costs:

(1) A uniform management information system and fiscal accounting system for use by providers of community substance alcohol, drug abuse, and mental health services.

Section 15. Subsections (2), (3), (4), and (5) of section 394.78, Florida Statutes, are amended to read:

- 394.78 Operation and administration; personnel standards; procedures for audit and monitoring of service providers; resolution of disputes. --
- (2) The department shall, by rule, establish standards of education and experience for professional and technical personnel employed in substance alcohol, drug abuse, and mental health programs.
- (3) The department shall establish, to the extent possible, a standardized auditing procedure for substance alcohol, drug abuse, and mental health service providers; and audits of service providers shall be conducted pursuant to such procedure and the applicable department rules. Such 31 procedure shall be supplied to all current and prospective

 contractors and subcontractors prior to the signing of any contracts.

- (4) The department shall monitor service providers for compliance with contracts and applicable state and federal regulations. A representative of the district health and human services board planning council shall be represented on the monitoring team.
- (5) In unresolved disputes regarding this part or rules established pursuant to this part, providers and district <u>health and human services boards planning councils</u> shall adhere to formal procedures <u>specified under s.</u> $\underline{20.19(8)(n)}_{as\ provided\ by\ the\ rules\ established\ by\ the\ department}.$

Section 16. Section 394.908, Florida Statutes, is amended to read:

394.908 <u>Substance</u> <u>Alcohol, drug</u> abuse, and mental health funding equity; distribution of appropriations.—In recognition of the historical inequity among service districts of the former Department of Health and Rehabilitative Services in the funding of <u>substance</u> <u>alcohol, drug</u> abuse, and mental health services, and in order to rectify this inequity and provide for equitable funding in the future throughout the state, the following funding process shall be adhered to, beginning with the 1997-1998 fiscal year:

(1) Funding thresholds for <u>substance</u> alcohol, drug abuse, and mental health services in each of the current districts, statewide, shall be established based on the current number of persons in need per district <u>of substance for alcohol and drug</u> abuse, and <u>for mental health services</u>, respectively.

- (2) "Persons in need" means those persons who fit the profile of the respective target populations and require mental health or substance abuse services.
- (3) <u>Seventy-five</u> <u>Beginning July 1, 1997, 75</u> percent of any additional funding beyond the 1996-1997 fiscal year base appropriation for alcohol, drug abuse, and mental health services shall be allocated to districts <u>for substance abuse</u> and mental health services based on:
- (a) Epidemiological estimates of disabilities which apply to the respective target populations.
- (b) A pro rata share distribution that ensures districts below the statewide average funding level per person in each target population of "persons in need" receive funding necessary to achieve equity.
- (4) The remaining 25 percent shall be allocated based on the number of persons in need of <u>substance</u> alcohol, drug abuse, and mental health services per district without regard to current funding levels.
- (5) Target populations for persons in need shall be displayed for each district and distributed concurrently with the approved operating budget. The display by target population shall show: The annual number of persons served based on prior year actual numbers, the annual cost per person served, the number of persons served by service cost center, and the estimated number of the total target population for persons in need.
- (6) The annual cost per person served shall be defined as the total actual funding for each target population divided by the number of persons served in the target population for that year.

1 (7) Commencing on July 1, 1998, all additional funding pursuant to this section shall be performance-based. 3 Section 17. Subsection (2) of section 397.321, Florida Statutes, is amended to read: 4 5 397.321 Duties of the department.--The department 6 shall: 7 (2) Ensure that a plan for substance abuse services is 8 developed at the district level in accordance with the 9 provisions of part IV of chapter 394, and the state plan 10 pursuant to s. 394.79. 11 Section 18. By November 1 of each year, the Department 12 of Children and Family Services shall submit a report to the 13 President of the Senate and the Speaker of the House of 14 Representatives which describes the compliance of providers 15 that provide substance abuse treatment programs and mental 16 health services under contract with the Department of Children and Family Services. The report must describe the status of 17 compliance with the annual performance outcome standards 18 19 established by the Legislature and must address the providers 20 that meet or exceed performance standards, the providers that did not achieve performance standards for which corrective 21 action measures were developed, and the providers whose 22 23 contracts were terminated due to failure to meet the 24 requirements of the corrective plan. 25 Section 19. The Commission on Mental Health and 26 Substance Abuse is directed to study and make recommendations 27 regarding who should receive publicly funded mental health and 28 substance abuse services. The commission shall submit its recommendations to the President of the Senate, the Speaker of 29 the House of Representatives, and the majority and minority 30 leaders of each chamber no later than December 1, 2000.

Section 20. Section 394.79, Florida Statutes, is repealed. Section 21. This act shall take effect July 1, 2000. HOUSE SUMMARY Revises definitions and provisions relating to types of Revises definitions and provisions relating to types of services, eligibility, and fees for substance abuse and mental health services provided under the Department of Children and Family Services. Authorizes the department to establish an indigent psychiatric medication program. Requires the department to develop a state master plan for implementing a publicly funded community-based system of care for mental health and substance abuse services. Requires the district health and human services boards rather than planning councils to prepare the district rather than planning councils to prepare the district substance abuse and mental health plans. Requires the department to submit an annual report to the Legislature describing the compliance of substance abuse and mental health services providers with performance outcome standards. Directs the Commission on Mental Health and Substance Abuse to conduct a study and make recommendations to the Legislature as to who should receive publicly funded mental health and substance abuse services. See bill for details.