

Amendment No. 2 (for drafter's use only)

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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4		.	

ORIGINAL STAMP BELOW

11 The Committee on Health & Human Services Appropriations  
12 offered the following:

14 **Amendment (with title amendment)**

15 On page 10, line 5 to page 20, line 15  
16 remove from the bill: all said lines

17  
18 and insert in lieu thereof:

19 Section 7. Behavioral Health Service Delivery  
20 Strategies.--

21 (1) LEGISLATIVE FINDINGS AND INTENT.--The Legislature  
22 finds that a management structure that places the  
23 responsibility for mental health and substance-abuse-treatment  
24 services within a single entity and that contains a flexible  
25 funding arrangement will allow for customized services to meet  
26 individual client needs and will provide incentives for  
27 provider agencies to serve persons in the target population  
28 who have the most complex treatment and support needs. The  
29 Legislature recognizes that in order for the state's publicly  
30 funded mental health and substance-abuse-treatment systems to  
31 evolve into a single well-integrated behavioral health system,

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1 a transition period is needed and demonstration sites must be  
2 established where new ideas and technologies can be tested and  
3 critically reviewed.

4 (2) DEFINITIONS.--As used in this section, the term:

5 (a) "Behavioral health services" means mental health  
6 services and substance-abuse-treatment services that are  
7 provided with state and federal funds.

8 (b) "Managing entity" means an entity that manages the  
9 delivery of behavioral health services.

10 (3) SERVICE DELIVERY STRATEGIES.--The Department of  
11 Children and Family Services and the Agency for Health Care  
12 Administration shall develop service delivery strategies that  
13 will improve the coordination, integration, and management of  
14 the delivery of mental health and substance-abuse-treatment  
15 services to persons with emotional, mental, or addictive  
16 disorders. It is the intent of the Legislature that a  
17 well-managed service delivery system will increase access for  
18 those in need of care, improve the coordination and continuity  
19 of care for vulnerable and high-risk populations, redirect  
20 service dollars from restrictive care settings and out-of-date  
21 service models to community-based psychiatric rehabilitation  
22 services, and reward cost-effective and appropriate care  
23 patterns. The Legislature recognizes that the Medicaid, mental  
24 health, and substance-abuse-treatment programs are three  
25 separate systems and that each has unique characteristics,  
26 including unique requirements for eligibility. To move toward  
27 a well-integrated system of behavioral health care services  
28 will require careful planning and implementation. It is the  
29 intent of the Legislature that the service delivery strategies  
30 will be the first phase of transferring the provision and  
31 management of mental health and substance-abuse-treatment

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1 services provided by the Department of Children and Family  
2 Services and the Medicaid program from traditional  
3 fee-for-service and unit-cost contracting methods to  
4 risk-sharing arrangements. As used in this section, the term  
5 "behavioral health care services" means mental health services  
6 and substance-abuse-treatment services that are provided with  
7 state and federal funds.

8 (4) CONTRACT FOR SERVICES.--

9 (a) The Department of Children and Family Services and  
10 the Agency for Health Care Administration may contract for the  
11 provision or management of behavioral health services with a  
12 managing entity in at least two geographic areas. Both the  
13 Department of Children and Family Services and the Agency for  
14 Health Care Administration must contract with the same  
15 managing entity in any distinct geographic area where the  
16 strategy operates. This managing entity shall be accountable  
17 for the delivery of behavioral health services specified by  
18 the department and the agency for children, adolescents, and  
19 adults. The geographic area must be of sufficient size in  
20 population and have enough public funds for behavioral health  
21 services to allow for flexibility and maximum efficiency. At  
22 least one demonstration model must be in the G. Pierce Wood  
23 Memorial Hospital catchment area.

24 (b) Under one of the service delivery strategies, the  
25 Department of Children and Family Services may contract with a  
26 prepaid mental health plan that operates under section  
27 409.912, Florida Statutes, to be the managing entity. Under  
28 this strategy, the Department of Children and Family Services  
29 is not required to competitively procure those services and,  
30 notwithstanding other provisions of law, may employ  
31 prospective payment methodologies that the department finds

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1 are necessary to improve client care or institute more  
2 efficient practices. The Department of Children and Family  
3 Services may employ in its contract any provision of the  
4 current prepaid behavioral health care plan authorized under  
5 s. 409.912(3)(a) and (b), Florida Statutes, or any other  
6 provision necessary to improve quality, access, continuity,  
7 and price. Any contracts under this strategy in Area 6 of the  
8 Agency for Health Care Administration or in the prototype  
9 region under section 20.19(7), Florida Statutes, of the  
10 Department of Children and Family Services may be entered with  
11 the existing substance-abuse-treatment provider network if an  
12 administrative services organization is part of its network.  
13 In Area 6 of the Agency for Health Care Administration or in  
14 the prototype region of the Department of Children and Family  
15 Services, the Department of Children and Family Services and  
16 the Agency for Health Care Administration may employ  
17 alternative service delivery and financing methodologies,  
18 which may include prospective payment for certain population  
19 groups. The population groups that are to be provided these  
20 substance-abuse services would include at a minimum:  
21 individuals and families receiving family safety services;  
22 Medicaid-eligible children, adolescents, and adults who are  
23 substance-abuse-impaired; or current recipients and persons at  
24 risk of needing cash assistance under Florida's welfare reform  
25 initiatives.

26 (c) Under the second service delivery strategy, the  
27 Department of Children and Family Services and the Agency for  
28 Health Care Administration shall competitively procure a  
29 contract for the management of behavioral health services with  
30 a managing entity. The Department of Children and Family  
31 Services and the Agency for Health Care Administration may

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1 purchase from the managing entity the management services  
2 necessary to improve continuity of care and access to care,  
3 contain costs, and improve quality of care. The managing  
4 entity shall manage and coordinate all publicly funded  
5 diagnostic or assessment services, acute care services,  
6 rehabilitative services, support services, and continuing care  
7 services for persons who meet the financial criteria specified  
8 in part IV of chapter 394, Florida Statutes, for publicly  
9 funded mental health and substance-abuse-treatment services or  
10 for persons who are Medicaid eligible. The managing entity  
11 shall be solely accountable for a geographic area and shall  
12 coordinate the emergency care system. The managing entity may  
13 be a network of existing providers with an  
14 administrative-services organization that can function  
15 independently, may be an administrative-services organization  
16 that is independent of local provider agencies, or may be an  
17 entity of state or local government.

18 (d) Under both strategies, the Department of Children  
19 and Family Services and the Agency for Health Care  
20 Administration may:

21 1. Establish benefit packages based on the level of  
22 severity of illness and level of client functioning;

23 2. Align and integrate procedure codes, standards, or  
24 other requirements if it is jointly determined that these  
25 actions will simplify or improve client services and  
26 efficiencies in service delivery;

27 3. Use prepaid per capita and prepaid aggregate  
28 fixed-sum payment methodologies; and

29 4. Modify their current procedure codes to increase  
30 clinical flexibility, encourage the use of the most-effective  
31 interventions, and support rehabilitative activities.

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1           (e) The cost of the managing entity contract shall be  
2 funded through a combination of funds from the Department of  
3 Children and Family Services and the Agency for Health Care  
4 Administration. To operate the managing entity, the Department  
5 of Children and Family Services and the Agency for Health Care  
6 Administration may not expend more than 10 percent of the  
7 annual appropriations for mental health and  
8 substance-abuse-treatment services prorated to the geographic  
9 areas and must include all behavioral health Medicaid funds,  
10 including psychiatric inpatient funds. This restriction does  
11 not apply to a prepaid behavioral health plan that is  
12 authorized under section 409.912(3)(a) and (b), Florida  
13 Statutes.

14           (f) Contracting and payment mechanisms for services  
15 should promote flexibility and responsiveness and should allow  
16 different categorical funds to be combined. The service array  
17 should be determined by using needs assessment and  
18 best-practice models.

19           (5) STATEWIDE ACTIONS.--If Medicaid appropriations for  
20 Community Mental Health Services or Mental Health Targeted  
21 Case Management are reduced in Fiscal Year 2001-02, the agency  
22 and the department shall jointly develop and implement  
23 strategies that reduce service costs in a manner that  
24 mitigates the impact on persons in need of those services. The  
25 agency and department may employ any methodologies on a  
26 regional or statewide basis necessary to achieve the  
27 reduction, including but not limited to use of case rates,  
28 utilization management, expanded use of care management, use  
29 of waivers from the Health Care Financing Administration to  
30 maximize federal matching of current local and state funding,  
31 modification or creation of additional procedure codes, and

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- 1 certification of match or other management techniques.  
2 (6) GOALS.--The goal of the service delivery  
3 strategies is to provide a design for an effective  
4 coordination, integration, and management approach for  
5 delivering effective behavioral health services to persons who  
6 are experiencing a mental health or substance abuse crisis,  
7 who have a disabling mental illness or substance abuse  
8 disorder and will require extended services in order to  
9 recover from their illness, or who need brief treatment or  
10 supportive interventions to avoid a crisis or disability.  
11 Other goals of the models include the following:  
12 (a) Improve accountability for a local system of  
13 behavioral health care services to meet performance outcomes  
14 and standards.  
15 (b) Assure continuity of care for all children,  
16 adolescents, and adults who enter the publicly funded  
17 behavioral health service system.  
18 (c) Provide early diagnosis and treatment  
19 interventions to enhance recovery and prevent hospitalization.  
20 (d) Improve assessment of local needs for behavioral  
21 health services.  
22 (e) Improve the overall quality of behavioral health  
23 services through the use of best-practice models.  
24 (f) Demonstrate improved service integration between  
25 behavioral health programs and other programs, such as  
26 vocational rehabilitation, education, child welfare, primary  
27 health care, emergency services, and criminal justice.  
28 (g) Provide for additional testing of creative and  
29 flexible strategies for financing behavioral health services  
30 to enhance individualized treatment and support services.  
31 (h) Control the costs of services without sacrificing

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1 quality of care.

2 (i) Coordinate the admissions and discharges from  
3 state mental health hospitals and residential treatment  
4 centers.

5 (j) Improve the integration, accessibility, and  
6 dissemination of behavioral health data for planning and  
7 monitoring purposes.

8 (k) Promote specialized behavioral health services to  
9 residents of assisted living facilities.

10 (l) Reduce the admissions and the length of stay for  
11 dependent children in residential treatment centers.

12 (m) Provide services to abused and neglected children  
13 and their families as indicated in court-ordered case plans.

14 (7) ESSENTIAL ELEMENTS.--

15 (a) The managing entity must demonstrate the ability  
16 of its network of providers to comply with the pertinent  
17 provisions of chapters 394 and 397, Florida Statutes, and to  
18 assure the provision of comprehensive behavioral health  
19 services. The network of providers shall include, but is not  
20 limited to, mental health centers, substance-abuse-treatment  
21 providers, hospitals, licensed psychiatrists, licensed  
22 psychiatric nurses, and mental health professionals licensed  
23 under chapter 490 or chapter 491, Florida Statutes. A  
24 behavioral health client served by the network under the  
25 service delivery strategies may reside in his or her own home  
26 or in settings including, but not limited to, assisted living  
27 facilities, skilled nursing facilities, foster homes, or group  
28 homes.

29 (b) The target population to be served in the service  
30 delivery strategies must include children, adolescents, and  
31 adults who fall into the following categories:



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- 1           1. Adults in mental health crisis;
- 2           2. Older adults in crisis;
- 3           3. Adults with serious and persistent mental illness;
- 4           4. Adults with substance-abuse problems;
- 5           5. Adults with forensic involvement;
- 6           6. Older adults with severe and persistent mental
- 7 illness;
- 8           7. Older adults with substance-abuse problems;
- 9           8. Children and adolescents with serious emotional
- 10 disturbances as defined in section 394.492(6), Florida
- 11 Statutes;
- 12           9. Children with substance-abuse problems as defined
- 13 in section 397.93(2), Florida Statutes;
- 14           10. Children and adolescents in state custody pursuant
- 15 to chapter 39, Florida Statutes; and
- 16           11. Children and adolescents in residential commitment
- 17 programs of the Department of Juvenile Justice pursuant to
- 18 chapter 985, Florida Statutes.
- 19           (c) The service delivery strategies must include a
- 20 continuing care system for persons whose clinical and
- 21 functional status indicates the need for these services. These
- 22 persons will be eligible for a range of treatment,
- 23 rehabilitative, and support services until they no longer need
- 24 the services to maintain or improve their level of
- 25 functioning. Given the long-term nature of some mental and
- 26 addictive disorders, continuing care services should be
- 27 sensitive to the variable needs of individuals across time and
- 28 shall be designed to help assure easy access for persons with
- 29 these long-term problems. The Department of Children and
- 30 Family Services shall develop criteria for the continuing care
- 31 program for behavioral health services.

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1           (d) A local body or group must be identified by the  
2 district administrator of the Department of Children and  
3 Family Services to serve in an advisory capacity to the  
4 behavioral health service delivery strategy and must include  
5 representatives of the local school system, the judicial  
6 system, county government, public and private Baker Act  
7 receiving facilities, and law enforcement agencies; a consumer  
8 of the public behavioral health system; and a family member of  
9 a consumer of the publicly funded system. This advisory body  
10 may be the community alliance established under section  
11 20.19(6), Florida Statutes, or any other suitable established  
12 local group.

13           (e) The managing entity shall ensure that written  
14 cooperative agreements are developed among the judicial  
15 system, the criminal justice system, and the local behavioral  
16 health providers in the geographic area which define  
17 strategies and alternatives for diverting, from the criminal  
18 justice system to the civil system as provided under part I of  
19 chapter 394, Florida Statutes, or chapter 397, Florida  
20 Statutes, persons with behavioral health problems who are  
21 arrested for a misdemeanor. These agreements must also address  
22 the provision of appropriate services to persons with  
23 behavioral health problems who leave the criminal justice  
24 system.

25           (f) Managing entities must submit data to the  
26 Department of Children and Family Services and the Agency for  
27 Health Care Administration on the use of services and the  
28 outcomes for all enrolled clients. Managing entities must meet  
29 performance standards developed by the Agency for Health Care  
30 Administration and the Department of Children and Family  
31 Services related to:

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1           1. The rate at which individuals in the community  
2 receive services, including persons who receive followup care  
3 after emergencies.

4           2. Clinical improvement of individuals served,  
5 clinically and functionally.

6           3. Reduction of jail admissions.

7           4. Consumer and family satisfaction.

8           5. Satisfaction of key community constituents such as  
9 law enforcement agencies, juvenile justice agencies, the  
10 courts, the schools, local government entities, and others as  
11 appropriate for the locality.

12           (g) The Agency for Health Care Administration may  
13 establish a certified match program, which must be voluntary.  
14 Under a certified match program, reimbursement is limited to  
15 the federal Medicaid share to Medicaid-enrolled strategy  
16 participants. The agency shall take no action to implement a  
17 certified match program without ensuring that the consultation  
18 provisions of chapter 216, Florida Statutes, have been met.  
19 The agency may seek federal waivers that are necessary to  
20 implement the behavioral health service delivery strategies.

21           (h)1. The Department of Children and Family Services,  
22 in consultation with the Agency for Health Care  
23 Administration, shall prepare an amendment by October 31,  
24 2001, to the 2001 master state plan required under section  
25 394.75(1), Florida Statutes, which describes each service  
26 delivery strategy, including at least the following details:

27           a. Operational design;

28           b. Counties or service districts included in each  
29 strategy;

30           c. Expected outcomes; and

31           d. Timeframes.

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1           2. The amendment shall specifically address the  
2 application of each service delivery strategy to  
3 substance-abuse services, including:

4           a. The development of substance-abuse-service  
5 protocols;

6           b. Credentialing requirements for substance-abuse  
7 services; and

8           c. The development of new service models for  
9 individuals with co-occurring mental health and  
10 substance-abuse disorders.

11           3. The amendment must specifically address the  
12 application of each service delivery strategy to the child  
13 welfare system, including:

14           a. The development of service models that support  
15 working with both children and their families in a  
16 community-based care system and that are specific to the child  
17 welfare system.

18           b. A process for providing services to abused and  
19 neglected children and their families as indicated in  
20 court-ordered case plans.

21           (8) MONITORING AND EVALUATION.--The Department of  
22 Children and Family Services and the Agency for Health Care  
23 Administration shall provide routine monitoring and oversight  
24 of and technical assistance to the managing entities. The  
25 Louis de la Parte Florida Mental Health Institute shall  
26 conduct an ongoing formative evaluation of each strategy to  
27 identify the most effective methods and techniques used to  
28 manage, integrate, and deliver behavioral health services. The  
29 entity conducting the evaluation shall report to the  
30 Department of Children and Family Services, the Agency for  
31 Health Care Administration, the Executive Office of the

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1 Governor, and the Legislature every 12 months regarding the  
2 status of the implementation of the service delivery  
3 strategies. The report must include a summary of activities  
4 that have occurred during the past 12 months of implementation  
5 and any problems or obstacles that prevented, or may prevent  
6 in the future, the managing entity from achieving performance  
7 goals and measures. The first status report is due January 1,  
8 2002. After the service delivery strategies have been  
9 operational for 1 year, the status report must include an  
10 analysis of administrative costs and the status of the  
11 achievement of performance outcomes. Upon receiving the annual  
12 report from the evaluator, the Department of Children and  
13 Family Services and the Agency for Health Care Administration  
14 shall jointly make any recommendations to the Executive Office  
15 of the Governor regarding changes in the service delivery  
16 strategies or in the implementation of the strategies,  
17 including timeframes. The Executive Office of the Governor  
18 shall consult with the appropriate legislative committees  
19 prior to making changes in the design of the strategies or  
20 prior to implementing the strategies in other geographic  
21 areas. If the Executive Office of the Governor makes no  
22 recommendation to implement the service delivery strategies in  
23 other areas of the state after the strategies have operated  
24 for 3 years, the strategies will cease. The Executive Office  
25 of the Governor shall then submit a final report to the  
26 Legislature which details the reasons for terminating the  
27 strategies.

28  
29  
30 ===== T I T L E    A M E N D M E N T =====

31 And the title is amended as follows:

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1           On page 2, line 14 to page 3, line 8  
2 remove from the title of the bill: all said lines  
3  
4 and insert in lieu thereof:  
5           providing legislative findings with respect to  
6           providing mental health and  
7           substance-abuse-treatment services; permitting  
8           the Department of Children and Family Services  
9           and the Agency for Health Care Administration  
10          to contract for the establishment of two  
11          behavioral health service delivery strategies  
12          to test methods and techniques for  
13          coordinating, integrating, and managing the  
14          delivery of mental health services and  
15          substance-abuse-treatment services for persons  
16          with emotional, mental, or addictive disorders;  
17          requiring a managing entity for each service  
18          delivery strategy; requiring that costs be  
19          shared by the Department of Children and Family  
20          Services and the Agency for Health Care  
21          Administration; specifying the goals of the  
22          service delivery strategies; specifying the  
23          target population of persons to be enrolled  
24          under each strategy; requiring a continuing  
25          care system; requiring an advisory body for  
26          each demonstration model; requiring certain  
27          cooperative agreements; providing reporting  
28          requirements; requiring an independent entity  
29          to evaluate the service delivery strategies;  
30          requiring annual  
31