

By Senator Mitchell

4-770B-01

1 A bill to be entitled
2 An act relating to behavioral health services;
3 providing legislative findings with respect to
4 providing mental health and
5 substance-abuse-treatment services; requiring
6 the Department of Children and Family Services
7 and the Agency for Health Care Administration
8 to contract for the establishment of two
9 behavioral health service delivery strategies
10 to test methods and techniques for
11 coordinating, integrating, and managing the
12 delivery of mental health services and
13 substance-abuse-treatment services for persons
14 with emotional, mental, or addictive disorders;
15 requiring a managing entity for each service
16 delivery strategy; requiring that costs be
17 shared by the Department of Children and Family
18 Services and the Agency for Health Care
19 Administration; specifying the goals of the
20 service delivery strategies; specifying the
21 target population of persons to be enrolled
22 under each strategy; requiring a continuing
23 care system; requiring an advisory body for
24 each demonstration model; requiring certain
25 cooperative agreements; providing reporting
26 requirements; requiring an independent entity
27 to evaluate the service delivery strategies;
28 requiring annual reports; creating a statewide
29 Behavioral Health Policy Integration Council;
30 requiring the council to coordinate mental
31 health and substance-abuse-treatment policy;

1 providing for the membership of the council;
2 requiring the council to report to the Governor
3 and the Legislature each year; providing for
4 the council to be abolished; providing an
5 effective date.
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7 Be It Enacted by the Legislature of the State of Florida:
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9 Section 1. Behavioral Health Service Delivery
10 Strategies.--

11 (1) LEGISLATIVE FINDINGS.--The Legislature finds that
12 a management structure that establishes the responsibility for
13 mental health and substance-abuse-treatment services with a
14 single entity and that contains a flexible funding arrangement
15 is more likely to allow for customized services to meet
16 individual client needs and to provide incentives for provider
17 agencies to serve persons in the target population who have
18 the most complex treatment and support needs. The Legislature
19 recognizes that in order for the state's publicly funded
20 mental health and substance-abuse-treatment systems to evolve
21 into a single well-integrated behavioral health system, a
22 transition period is needed and demonstration sites must be
23 developed where new ideas and technologies may be experienced
24 and critically reviewed.

25 (2) SERVICE DELIVERY STRATEGIES.--The Department of
26 Children and Family Services and the Agency for Health Care
27 Administration shall develop service delivery strategies that
28 will improve the coordination, integration, and management of
29 the delivery of mental health and substance-abuse-treatment
30 services to persons with emotional, mental, or addictive
31 disorders. It is the intent of the Legislature that a

1 well-managed service delivery system will increase access for
2 those in need of care, improve the coordination and continuity
3 of care for vulnerable and high-risk populations, redirect
4 service dollars from restrictive care settings and out-of-date
5 service models to community-based psychiatric rehabilitation
6 services, and reward cost-effective and appropriate care
7 patterns. The Legislature recognizes that the Medicaid, mental
8 health, and substance-abuse-treatment programs are three
9 separate systems and that each has unique characteristics,
10 including unique requirements for eligibility. To move toward
11 a well-integrated system of behavioral health care services
12 will require careful planning and implementation. It is the
13 intent of the Legislature that the service delivery strategies
14 will be the first phase of transferring the provision and
15 management of mental health and substance-abuse-treatment
16 services provided by the Department of Children and Family
17 Services and the Medicaid program from traditional
18 fee-for-service and unit-cost contracting methods to
19 risk-sharing arrangements. As used in this section, the term
20 "behavioral health care services" means mental health services
21 and substance-abuse-treatment services that are provided with
22 state and federal funds.

23 (3) ORGANIZATION AND FUNCTIONS.--

24 (a) The Department of Children and Family Services and
25 the Agency for Health Care Administration shall contract for
26 the provision and management of behavioral health services
27 with a managing entity in at least two geographic areas. The
28 Department of Children and Family Services and the Agency for
29 Health Care Administration must contract with the same
30 managing entity in each distinct geographic area. This
31 managing entity shall be accountable for the delivery of all

1 behavioral health services for children, adolescents, and
2 adults which are funded under the Medicaid program and under
3 the Department of Children and Family Services. The geographic
4 area must be of sufficient size in population and sufficient
5 in the amount of available public funds for behavioral health
6 services to allow for flexibility and maximum efficiency. At
7 least one demonstration model must complement the closure of
8 the G. Pierce Wood Memorial Hospital.

9 (b) Under one service delivery strategy, the
10 Department of Children and Family Services may contract with a
11 prepaid mental health plan that operates pursuant to section
12 409.912, Florida Statutes. Under that strategy, the Department
13 of Children and Family Services is not required to
14 competitively procure those services and, notwithstanding
15 other provisions of law, may employ prospective payment
16 methodologies that the department finds are necessary to
17 improve client care or institute more efficient practices. The
18 Department of Children and Family Services may employ in its
19 contract any provision of the current Medicaid contract with
20 the prepaid plan or any other provision necessary to improve
21 quality, access, continuity, and price.

22 (c) Under one service delivery strategy, the
23 Department of Children and Family Services and the Agency for
24 Health Care Administration shall competitively procure a
25 contract for the management of behavioral health services with
26 a managing entity. The Department of Children and Family
27 Services and the Agency for Health Care Administration may
28 purchase from the managing entity the management services
29 necessary to improve continuity of care and access to care,
30 contain costs, and improve quality of care. The Department of
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1 Children and Family Services and the Agency for Health Care
2 Administration may:

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

5 2. Align and integrate procedure codes, standards, or
6 other requirements if it is jointly determined that these
7 actions will simplify or improve client services and
8 efficiencies in service delivery;

9 3. Use prepaid per capita and prepaid aggregate
10 fixed-sum payment methodologies; and

11 4. Modify their current procedure codes to increase
12 clinical flexibility, encourage the use of the most effective
13 interventions, and support rehabilitative activities.

14 (d) Under both strategies, the managing entity shall
15 manage and coordinate all publicly funded diagnostic or
16 assessment services, acute care services, rehabilitative
17 services, support services, and continuing care services for
18 persons who meet the financial criteria specified in part IV
19 of chapter 394, Florida Statutes, for publicly funded mental
20 health and substance-abuse-treatment services. The managing
21 entity shall be solely accountable for a geographic area and
22 shall coordinate the emergency care system. The managing
23 entity may be a network of existing providers with an
24 administrative-services organization that can function
25 independently, may be an administrative-services organization
26 that is independent of local provider agencies, or may be an
27 entity of state or local government.

28 (e) The cost of the contract shall be shared through a
29 combination of funds from the Department of Children and
30 Family Services and the Agency for Health Care Administration.
31 To operate the managing entity, the Department of Children and

1 Family Services and the Agency for Health Care Administration
2 may not expend more than 10 percent of the annual
3 appropriations for mental health and substance-abuse-treatment
4 services prorated to the geographic areas and must include all
5 behavioral health Medicaid funds, including psychiatric
6 inpatient funds.

7 (f) Contracting and payment mechanisms for services
8 should promote flexibility and responsiveness and should allow
9 different categorical funds to be combined. The service array
10 should be determined by using needs assessment and
11 best-practice models.

12 (4) GOALS.--The goal of the service delivery
13 strategies is to provide a design for an effective
14 coordination, integration, and management approach for
15 delivering effective behavioral health services to persons who
16 are experiencing a mental health or substance abuse crisis,
17 who have a disabling mental illness or substance abuse
18 disorder and will require extended services in order to
19 recover from their illness, or who need brief treatment or
20 supportive interventions to avoid a crisis or disability.

21 Other goals of the models include the following:

22 (a) Improve accountability for a local system of
23 behavioral health care services to meet performance outcomes
24 and standards.

25 (b) Assure continuity of care for all children,
26 adolescents, and adults who enter the publicly funded
27 behavioral health service system.

28 (c) Provide early diagnosis and treatment
29 interventions to enhance recovery and prevent hospitalization.

30 (d) Improve assessment of local needs for behavioral
31 health services.

1 (e) Improve the overall quality of behavioral health
2 care through the use of best-practice models.

3 (f) Demonstrate improved service integration between
4 behavioral health programs and other programs, such as
5 vocational rehabilitation, education, child welfare, primary
6 health care, emergency services, and criminal justice.

7 (g) Provide for additional testing of creative and
8 flexible strategies for financing behavioral health services
9 to enhance individualized treatment and support services.

10 (h) Control the costs of services without sacrificing
11 quality of care.

12 (i) Coordinate the admissions and discharges from
13 state mental health hospitals and residential treatment
14 centers.

15 (j) Improve the integration, accessibility, and
16 dissemination of behavioral health data for planning and
17 monitoring purposes.

18 (5) ESSENTIAL ELEMENTS.--

19 (a) The managing entity must demonstrate the ability
20 of its network of providers to comply with the pertinent
21 provisions of chapters 394 and 397, Florida Statutes, and to
22 assure the provision of comprehensive behavioral health
23 services.

24 (b) The target population to be enrolled in the
25 service delivery strategies must include children,
26 adolescents, and adults who fall into the following
27 categories:

- 28 1. Adults in mental health crisis;
- 29 2. Older adults in crisis;
- 30 3. Adults with serious and persistent mental illness;
- 31 4. Adults with substance-abuse problems;

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

1 system, county government, and law enforcement agencies; a
2 consumer of the public behavioral health care system; and a
3 family member of a consumer of the publicly funded system.
4 This advisory body may be the community alliance established
5 under section 20.19(6), Florida Statutes, or any other
6 suitable established local group.

7 (e) The managing entity shall ensure that written
8 cooperative agreements are developed among the judicial
9 system, the criminal justice system, and the local mental
10 health providers in the geographic area which define
11 strategies and alternatives for diverting, from the criminal
12 justice system to the civil system as provided under the Baker
13 Act, persons with mental illness who are arrested for a
14 misdemeanor. These agreements must also address the provision
15 of appropriate services to persons with behavioral health
16 problems who leave the criminal justice system.

17 (f) Managing entities must submit data to the
18 Department of Children and Family Services and the Agency for
19 Health Care Administration on the use of services and the
20 outcomes for all enrolled clients. Managing entities must meet
21 performance expectations related to:

22 1. The rate at which individuals in the community
23 receive services, including persons who receive follow-up care
24 after emergencies.

25 2. Clinical improvement of individuals served,
26 clinically and functionally.

27 3. Reduction of jail admissions.

28 4. Consumer and family satisfaction.

29 5. Satisfaction of key community constituents such as
30 law enforcement agencies, juvenile justice agencies, the
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1 courts, the schools, local government entities, and others as
2 appropriate for the locality.

3 (g) The Agency for Health Care Administration may seek
4 federal waivers that are necessary to implement the behavioral
5 health service delivery strategies.

6 (h) The Department of Children and Family Services, in
7 consultation with the Agency for Health Care Administration,
8 shall prepare an amendment by October 31, 2001, to the 2001
9 master state plan required under section 394.75(1), Florida
10 Statutes, which describes each service delivery strategy,
11 including at least the following details:

12 1. Operational design;

13 2. Counties or service districts included in each
14 strategy;

15 3. Expected outcomes; and

16 4. Timeframes.

17 (6) MONITORING AND EVALUATION.--The Department of
18 Children and Family Services and the Agency for Health Care
19 Administration shall provide routine monitoring and oversight
20 of and technical assistance to the service delivery
21 strategies. The Department of Children and Family Services
22 shall contract with an independent entity to conduct a
23 formative evaluation of each strategy to identify the most
24 effective methods and techniques used to manage, integrate,
25 and deliver publicly funded behavioral health services. The
26 entity conducting the evaluation shall report to the
27 Department of Children and Family Services, the Agency for
28 Health Care Administration, the Executive Office of the
29 Governor, and the Legislature every 12 months regarding the
30 status of the implementation of the service delivery
31 strategies. The report must include a summary of activities

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

25 Section 2. Behavioral Health Policy Integration
26 Council.--

27 (1) There is created, in conjunction with the Office
28 of Drug Control, a statewide Behavioral Health Policy
29 Integration Council for the purpose of coordinating mental
30 health and substance-abuse-treatment policy. For
31 organizational and staffing purposes, the Behavioral Health

1 Policy Integration Council is assigned to the Louis de la
2 Parte Florida Mental Health Institute. The purpose of the
3 council is to:

4 (a) Produce a statewide strategy for coordinating and
5 integrating mental health and substance-abuse-treatment
6 services across the public and private sector, the criminal
7 justice system, emergency services and the primary health care
8 system, the educational system, the judicial system, the
9 child-protection system, the vocational and employment
10 services system, the business community, law enforcement
11 agencies, county-based human services programs, and other
12 state and community services systems as considered necessary
13 by the council to fulfill its responsibilities.

14 (b) Assemble information from multiple sources to
15 assess the progress of the statewide strategy, facilitate data
16 integration and dissemination, and improve needs-assessment
17 methodologies.

18 (c) Coordinate and improve performance-monitoring
19 systems.

20 (d) Identify barriers to the effective and efficient
21 integration of mental health and substance-abuse-treatment
22 services across various systems.

23 (e) Coordinate and provide a wide range of public
24 education and preventative activities.

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26 The activities of the council shall be coordinated with and
27 may not duplicate the activities of the Office of Drug
28 Control.

29 (2)(a) The following state officials or their
30 designees shall be appointed to the council:

31 1. The Attorney General.

- 1 2. The Executive Director of the Department of Law
2 Enforcement.
3 3. The Secretary of Children and Family Services.
4 4. The Secretary of Health.
5 5. The Secretary of Corrections.
6 6. The Secretary of Juvenile Justice.
7 7. The Secretary of Elderly Affairs.
8 8. The Secretary of Health Care Administration.
9 9. The Commissioner of Education.
10 10. The Secretary of Community Affairs.
11 11. The Director of the Office of Drug Control.
12 12. The Dean of the Louis de la Parte Florida Mental
13 Health Institute.

14 (b) The Governor shall appoint the following members
15 of the public to serve on the council:

16 1. Eight members to represent the following
17 stakeholders:

18 a. Primary consumers of mental health and substance
19 abuse services;

20 b. Family members of consumers;

21 c. The Florida Chamber of Commerce;

22 d. The Florida Association of Counties; and

23 2. A professional having expertise or general
24 knowledge concerning issues that relate to mental health
25 programs and services; and

26 3. A professional having expertise or general
27 knowledge concerning issues that relate to
28 substance-abuse-treatment programs and services.

29 (c) The President of the Senate shall appoint a member
30 of the Senate to the council and the Speaker of the House of
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1 Representatives shall appoint a member of the House of
2 Representatives to the council.

3 (d) The Chief Justice of the Supreme Court shall
4 appoint a member of the judiciary to the council.

5 (3) Beginning January 1, 2002, and each year
6 thereafter, the Behavioral Health Policy Integration Council
7 shall report to the Governor, the President of the Senate, and
8 the Speaker of the House of Representatives regarding the
9 council's progress toward achieving its purposes as specified
10 in subsection (1). The first report must include the council's
11 proposed statutory language for implementing the strategies
12 and improvements to the publicly funded behavioral health
13 system.

14 (4) The Behavioral Health Policy Integration Council
15 is abolished on July 1, 2005.

16 Section 3. This act shall take effect upon becoming a
17 law.

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20 SENATE SUMMARY

21 Creates the Behavioral Health Care Demonstration Models
22 to operate for 3 years. Requires that the Department of
23 Children and Family Services and the Agency for Health
24 Care Administration contract under two demonstration
25 models to test techniques and strategies for
26 coordinating, integrating, and managing mental health
27 services and substance-abuse-treatment services. Provides
28 requirements for the demonstration models. Requires a
29 managing entity and an advisory body for each
30 demonstration model. Creates a statewide Behavioral
31 Health Policy Integration Council to coordinate mental
health and substance-abuse-treatment policy. Requires the
council to report to the Governor and the Legislature
each year. (See bill for details.)