

# SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/CS/SB 1346

SPONSOR: Appropriations Subcommittee on Health and Human Services, Committee on Children and Families and Senator Saunders

SUBJECT: Behavioral Healthcare Services

DATE: April 18, 2001                      REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Barnes	Whiddon	CF	Favorable/CS
2.	Liem	Wilson	HC	Favorable
3.	Peters	Belcher	AHS	Favorable/CS
4.			AP	Withdrawn: Fav/CS
5.				
6.				

## I. Summary:

The Committee Substitute for Committee Substitute for Senate Bill 1346 provides legislative intent that mental health and substance services promote best practices and the highest quality of care through achievement of national accreditation. The Legislature intends for state agencies responsible for the licensure and monitoring of these contracted service providers to perform in the most cost-efficient and effective manner with limited duplication and disruption to the service organizations.

The bill requires that accreditation be accepted by the Department of Children and Family Services (department) and the Agency for Health Care Administration (agency) to replace licensure onsite review requirements and be accepted as a substitute for the department's administrative and program monitoring requirements. The department and the agency may adopt rules for additional monitoring and licensing standards when the accreditation standards and processes do not cover a specific and distinct requirement. The rules may also address onsite monitoring for non-residential and residential facilities by the department and the agency during the months between accreditation surveys to assure compliance with critical standards.

The bill authorizes the department, in consultation with the agency, to implement children's behavioral crisis unit demonstration models. The demonstration models will provide integrated emergency mental health and substance abuse services to persons under the age of 18 at facilities licensed as children's crisis stabilization units. Children served in the demonstration programs will have access in one facility to both mental health and substance abuse services, based on their individual needs.

This bill amends sections 394.66, 394.90, 397.411 and 397.403 of the Florida Statutes and creates sections 394.499 and 394.741 of the Florida Statutes.

## II. Present Situation:

Section 394.90, F.S., specifies that for crisis stabilization units and residential treatment facilities licensed under s. 394.875, F.S., the agency may accept the survey or inspection of an accrediting organization instead of its own inspections for licensure if the provider is accredited and the agency receives the report from the accrediting organization.

For substance abuse services, s. 397.403(3), F.S., states that the department shall accept proof of accreditation by the Commission on Accreditation of Rehabilitation Facilities (CARF) or the Joint Commission on Accreditation of Health Care Organizations or through any other nationally recognized certification process that is acceptable to the department and meets the minimum licensure requirements under ch. 397, F.S., in lieu of information required in a licensure application specified in s. 397.403(1)(a)-(c), F.S.

The department monitors the contracted community mental health providers for compliance with ch. 65E-5, F.A.C. The department licenses substance abuse providers pursuant to ch. 397, F.S., and ch. 65D-30, F.A.C. The agency licenses the crisis stabilization units and short-term residential treatment facilities pursuant to ch. 394, F.S., and ch. 65E-12, F.A.C., and licenses the residential treatment facilities pursuant to ch. 394, F.S., and ch. 65E-4, F.A.C.

The Joint Commission on Accreditation of Healthcare Organizations (JCAHO), an independent, not-for-profit organization, evaluates and accredits nearly 19,000 health care organizations and programs in the United States including hospitals, health care networks, home care organizations, long-term care facilities, behavioral health care organizations, ambulatory care providers, and clinical laboratories. It is estimated that 1,707 of those programs are behavioral health care (mental health or substance abuse) providers. The outcome data collected in the accreditation process are housed in JCAHO's database. JCAHO accreditation is currently used by 44 states for deemed status, including total and partial relief from state compliance requirements for funding and licensure as well as added incentives to accredited agencies.

All JCAHO surveys are conducted by experienced behavioral health care professionals including psychologists, psychiatrists, social workers, nurses, and mental health administrators. The Commission standards for behavioral health care providers include subjects such as rights, responsibilities, and ethics; continuum of services; assessment; care; and education.

The Rehabilitation Accreditation Commission (CARF) is a private, not-for-profit organization in the medical and vocational rehabilitation fields promoting quality programs for people with disabilities and others in need of services. CARF standards, developed through the efforts of consumers, providers, third-party purchasers, and other professionals, include behavioral health care programs such as assertive community treatment, case management, community-based rehabilitation, crisis intervention, day treatment, detoxification, and residential treatment. The onsite survey is conducted by a team of professional persons who provide an impartial, external review, using a consultative approach, on conformance of the programs to CARF standards. At present, close to 25,000 programs and services in more than 3,000 organizations in the U.S.,

Canada and Europe have earned CARF accreditation in the areas of adult day services, assisted living, behavioral health, employment and community services, and medical rehabilitation. CARF accreditation is mandated, promoted, and endorsed by many governmental and private entities.

The National Committee on Quality Assurance is an independent, non-profit organization whose mission is to evaluate and report on the quality of the nation's managed care organizations.

### ***Children's Crisis Stabilization Units and Juvenile Addictions Receiving Facilities***

Crisis services are the front door for mental health and substance abuse emergencies, but the number of facilities available is limited and access is difficult. Parents do not have one easily identified place to which to turn when their children are in crisis.

Currently children's crisis services are established as two separate systems in Florida. Children's Crisis Stabilization Units (CCSU), authorized under ch. 394, F.S., provide mental health crisis services. Juvenile Addictions Receiving Facilities (JARF), authorized under ch. 397, F.S., provide substance abuse crisis services. CCSUs are designated by the department and licensed by the agency. JARFs are designated and licensed by the department.

Access to crisis services is limited. There are 165 CCSU beds available at 10 providers and 103 JARF beds available in six locations statewide. Crisis Stabilization Units served 4,381 children in 1999-2000 at a cost of \$6.3 million. JARFs served 2,716 children at a cost of \$3.2 million.

At the same time, some substance abuse JARFs have closed because of under utilization. Fort Myers lost both a CCSU and a JARF when Charter Hospital closed. This bill provides statutory authority to integrate children's mental health crisis centers and substance abuse crisis centers to make them more financially sound and available throughout the state.

Crisis centers require multi-disciplinary teams to handle medical, psychological, and other problems. To be financially feasible, they must be a minimum size. Average utilization of JARF beds is 66 percent, but ranges from 87 percent in Orlando to 23 percent in Clearwater. As a result, some substance abuse JARFs have closed because of under utilization. Due to the closing of the Charter Hospitals, there are currently no children's crisis stabilization services or juvenile addiction receiving facilities in Lee County. There are no juvenile addiction receiving facilities in Collier and Sarasota counties. The dual system of children's crisis services maintained by the state contributes to the problem of lack of access and under utilization.

Crisis stabilization units are not licensed to provide substance abuse addiction receiving services and there is no statutory authority that would allow them to serve children with different problems at the same facility. Rule 65E-12.106(23), Florida Administrative Code, does not permit co-mingling clients of CCSU and detoxification units unless individually authorized by the physician's or psychiatrist's written order.

A mental health and substance abuse work group, formed to address the problem of facility closures, recommended piloting the integration of CCSUs and JARFs in the area of Fort Myers,

Naples, and Sarasota to increase their utilization and test the feasibility of opening more sites throughout the state.

### III. Effect of Proposed Changes:

CS/CS/SB 1346 amends s. 394.66, F.S., to specifying that the Legislature intends for alcohol, drug abuse and mental health service providers to deliver quality treatment services that are consistent with best practice standards through achievement of national accreditation. The bill provides legislative intent that that the state agencies responsible for the licensure and monitoring of these contracted service providers perform in the most cost efficient and effective manner with limited duplication and disruption to the service organizations.

The bill creates section 394.741, F.S., to provide accreditation requirements for providers of behavioral health care services. “Behavioral health care services” is defined as mental health and substance abuse treatment services.

The bill requires that the agency and the department accept accreditation in lieu of their on-site review requirements and the department accept accreditation as a substitute for its administrative and program monitoring requirements when:

- An organization from which the department purchases behavioral health care services is accredited by the Joint Commission on Accreditation of Healthcare Organizations or the Council on Accreditation for Children and Family Services, or those services being purchased by the department accredited by CARF—the Rehabilitation Accreditation Commission.
- A mental health facility licensed by the agency or any substance abuse component licensed by the department accredited by the Joint Commission on Accreditation of Healthcare Organizations, CARF—the Rehabilitation Accreditation Commission, or the Council on Accreditation for Children and Family Services.
- A network of providers from which the department or the agency purchases behavioral health care services accredited by the Joint Commission on Accreditation of Healthcare Organizations, CARF—the Rehabilitation Accreditation Commission, Council on Accreditation for Children and Family Services, or the National Committee for Quality Assurance.

The bill specifies that for mental health services, the department and the agency may adopt rules that establish:

- additional standards for licensing or monitoring accredited programs and facilities that the department and agency have determined are not specifically and distinctly covered by the accreditation standards and processes.
- an on-site monitoring process between 24 months and 36 months after accreditation for non-residential facilities to assure compliance with critical standards.
- an on-site monitoring process between 12 months and 24 months after accreditation for residential facilities to assure compliance with critical standards.

For substance abuse services, the department must conduct full licensure inspections every three years and must develop in rule criteria that would justify more frequent inspections.

The bill requires the department and the agency to be given access to all accreditation reports, corrective action plans, and performance data submitted to the accrediting organizations. The department and the agency may perform follow-up monitoring activities when major deficiencies are identified through the accreditation process.

The bill specifies that the department or agency may perform inspections of accredited organizations, including contract monitoring, at any time to ensure that deliverables are provided in accordance with contracts.

The bill requires the department and the agency to report to the Legislature by January 1, 2003, on the viability of mandating that all organizations that are under contract with the department or licensed by the agency to provide behavioral health services be accredited. Also, the report must include the viability of privatizing all licensure and monitoring functions through an accrediting organization.

The bill specifies that these provisions would apply to contracted organizations that are already accredited immediately upon becoming law.

The bill amends ss. 394.90, 397.411 and 397.403, F.S., to make conforming changes.

This bill creates s. 394.499, F.S., authorizing the Department of Children and Family Services to implement children's behavioral crisis unit demonstration models to provide integrated emergency mental health and substance abuse services to persons under the age of 18 at facilities licensed as Children's Crisis Stabilization Units. The demonstration models will integrate children's mental health crisis stabilization units with substance abuse juvenile addictions receiving facilities services, to provide emergency mental health and substance abuse services.

Children served in the demonstration models will have access to both mental health and substance abuse services, in accordance with their individual needs, in one facility. The demonstration models will be able to admit and stabilize children with co-occurring disorders in addition to children with mental health, or substance abuse-only needs.

The demonstration models may be implemented beginning July 1, 2001, in consultation with the Agency for Health Care Administration. The initial demonstration models are limited to three counties (Collier, Lee and Sarasota).

Beginning July 1, 2004, pending a required evaluation of the demonstration sites, the department, in consultation with the agency, may expand the demonstration models to other locations in the state. The department is required to contract for an independent evaluation of the demonstration models to be reported to the Legislature by December 31, 2003.

Criteria for admission to and treatment in these new units are specified, and reflect existing criteria for emergency mental health and substance abuse services for children. It provides for

the children's behavioral crisis units to be licensed as crisis stabilization units and provides rule-making authority.

This bill provides that nothing in this act shall be construed to require an existing crisis stabilization unit or addiction receiving facility to convert to a children's behavioral crisis unit.

The bill takes effect upon becoming a law.

#### **IV. Constitutional Issues:**

##### **A. Municipality/County Mandates Restrictions:**

The provisions of this bill have no impact on municipalities and the counties under the requirements of Art. VII, s. 18 of the Florida Constitution.

##### **B. Public Records/Open Meetings Issues:**

The provisions of this bill have no impact on public records or open meetings issues under the requirements of Art. I, s. 24(a) and (b) of the Florida Constitution.

##### **C. Trust Funds Restrictions:**

The provisions of this bill have no impact on the trust fund restrictions under the requirements of Art. III, s. 19(f) of the Florida Constitution.

#### **V. Economic Impact and Fiscal Note:**

##### **A. Tax/Fee Issues:**

None.

##### **B. Private Sector Impact:**

There will be accreditation fees for the provider agencies under the provisions of CS/CS/SB 1346.

##### **C. Government Sector Impact:**

There could be staffing and administrative cost savings for the department and agency if fewer licensure or monitoring visits are required.

There will be indeterminate costs to the department and the agency to conduct the two reviews and the preparation of the report to the Legislature by January 1, 2003. These reviews address: 1) the viability of mandating accreditation of all organizations under contract with the department or licensed by the department or agency, and 2) the practicability of privatizing all licensure and monitoring functions through an accrediting organization.

According to the department, existing mental health and substance abuse crisis services dollars will be used to purchase crisis services at the demonstration models, at no additional cost and with expected savings due to increased, and more efficient, utilization of capacity. According to the department, the evaluation report to the Legislature that is required if the demonstration models are expanded could be funded within existing resources.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Amendments:**

None.

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This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.

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