	11-1520-02 See HB 821
1	A bill to be entitled
2	An act relating to substance abuse and mental
3	health programs; amending s. 394.74, F.S.;
4	deleting authority of the Department of
5	Children and Family Services to use unit cost
6	methods of payment in contracts for the
7	provision of services for local substance abuse
8	and mental health programs; specifying
9	additional requirements relating to such
10	contracts; requiring reports to the
11	Legislature; providing an effective date.
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13	Be It Enacted by the Legislature of the State of Florida:
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15	Section 1. Subsection (2) of section 394.74, Florida
16	Statutes, is amended, present subsections (4) and (5) of that
17	section are renumbered as subsections (5) and (6),
18	respectively, and a new subsection (4) is added to that
19	section, to read:
20	394.74 Contracts for provision of local substance
21	abuse and mental health programs
22	(2)(a) Contracts for service shall be consistent with
23	the approved district plan.
24	(b) Notwithstanding s. 394.76(3)(a) and (c), the
25	department may use unit cost methods of payment in contracts
26	for purchasing mental health and substance abuse services. The
27	unit cost contracting system must account for those patient
28	fees that are paid on behalf of a specific client and those
29	that are earned and used by the provider for those services
30	funded in whole or in part by the department.
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1 (b) (c) The department may reimburse actual 2 expenditures for startup contracts and fixed capital outlay 3 contracts in accordance with contract specifications. 4 (4) Within existing statewide or district resources, 5 the department shall: (a) Utilize multiyear contracts for large and 6 7 established provider agencies. 8 (b) Require that contract funds be tied to individual client treatment or service plans and clinical status. 9 10 (c) Require that contract renewal be based primarily 11 on customer and community satisfaction with services. (d) Privatize the preparation and ongoing 12 administration of contracts to allow for competitive 13 business-sector expertise to guide and shape day-to-day 14 15 management activities. (e) Incorporate clinical care criteria, including 16 17 evidence-based models and standards of care, into all existing 18 and new contracts. 19 (f) Utilize electronic formats for all initial contract material and subsequent revisions or amendments, to 20 21 include electronic signatures. 22 (g) Utilize existing database and financial software, in conjunction with Internet technology, to simplify and 23 24 expedite contract data collection and reimbursement. 25 (h) Establish a district-level community contract advisory board, consisting of legal and business 26 27 professionals, to provide input and recommendations regarding recruitment, selection, and retention of the most efficient 28 29 and viable vendors. 30

1	(i) Monitor vendors primarily on the basis of
2	measurable results and provide an annual report card for each
3	vendor that is accessible to the general public and media.
4	(j) Designate any program or agency meeting
5	established criteria as eligible to contract with the
6	department subject to availability of funds and congruence
7	with statewide or district plans.
8	(k) Ensure that all state and local funding partners
9	are participating at statutorily required levels.
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11	The department shall provide a biennial status report to the
12	Legislature on the activities and requirements described in
13	this subsection.
14	Section 2. This act shall take effect July 1, 2002.
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17	LEGISLATIVE SUMMARY
18	Removes authority of the Department of Children and
19	Family Services to use unit cost methods of payment in contracts for the provision of services for local
20	substance abuse and mental health programs. Specifies additional requirements for such contracts, and duties of
21	the department with respect to such requirements. Requires the department to report biennially to the
22	Legislature.
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