



CHAMBER ACTION

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The Committee on Future of Florida's Families recommends the following:

Committee Substitute

Remove the entire bill and insert:

A bill to be entitled

An act relating to substance abuse services; amending s. 394.74, F.S.; authorizing the Department of Children and Family Services to adopt by rule new payment methodologies and to eliminate unit-based methodologies for mental health and substance abuse services; authorizing the department to adopt rules for local match based on new methodologies; prohibiting changes to the ratio of state to local matching resources or to the sources of local match and prohibiting the increase in the amount of local matching funds required; amending s. 394.9082, F.S.; modifying the services for which a managing entity is accountable; establishing data system requirements; providing for establishment of a single managing entity for the delivery of substance abuse services to child protective services recipients in specified districts of the department; providing for a contract; requiring



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28 | certain information to be kept; providing for reports to
29 | the Governor and Legislature; providing an effective date.
30 |

31 | Be It Enacted by the Legislature of the State of Florida:
32 |

33 | Section 1. Paragraph (b) of subsection (2) of section
34 | 394.74, Florida Statutes, is amended to read:

35 | 394.74 Contracts for provision of local substance abuse
36 | and mental health programs.--

37 | (2)

38 | (b) Notwithstanding s. 394.76(3)(a) and (c), the
39 | department may use unit cost methods of payment in contracts for
40 | purchasing mental health and substance abuse services. The unit
41 | cost contracting system must account for those patient fees that
42 | are paid on behalf of a specific client and those that are
43 | earned and used by the provider for those services funded in
44 | whole or in part by the department. The department is authorized
45 | to implement through administrative rule fee-for-service,
46 | prepaid case rate, or prepaid capitation contract methodologies
47 | to purchase mental health and substance abuse services. Fee-for-
48 | service, prepaid case rate, or prepaid capitation mechanisms may
49 | not be implemented without the elimination of the unit cost
50 | method of payment. Notwithstanding the provisions of s.
51 | 394.76(3), the department may adopt administrative rules that
52 | account for local match in a manner that is consistent with fee-
53 | for-service, prepaid case rate, and prepaid capitation contract
54 | methodologies. Such provisions may not result in a change of the
55 | ratio of state to local matching resources or in the sources of



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56 local matching funds and may not increase the amount of required
57 local matching funds. It is the intent of the Legislature that
58 the provisions to account for local match be consistent with the
59 financial principles adopted for the payment of state funds.

60 Section 2. Paragraphs (a) and (d) of subsection (4) of
61 section 394.9082, Florida Statutes, are amended, present
62 subsection (8) is renumbered as subsection (9) and amended, and
63 a new subsection (8) is added to said section, to read:

64 394.9082 Behavioral health service delivery strategies.--

65 (4) CONTRACT FOR SERVICES.--

66 (a) The Department of Children and Family Services and the
67 Agency for Health Care Administration may contract for the
68 provision or management of behavioral health services with a
69 managing entity in at least two geographic areas. Both the
70 Department of Children and Family Services and the Agency for
71 Health Care Administration must contract with the same managing
72 entity in any distinct geographic area where the strategy
73 operates. This managing entity shall be accountable at a minimum
74 for the delivery of behavioral health services specified and
75 funded by the department and the agency ~~for children,~~
76 ~~adolescents, and adults.~~ The geographic area must be of
77 sufficient size in population and have enough public funds for
78 behavioral health services to allow for flexibility and maximum
79 efficiency. Notwithstanding the provisions of s. 409.912(3)(b)1.
80 and 2., at least one service delivery strategy must be in one of
81 the service districts in the catchment area of G. Pierce Wood
82 Memorial Hospital.



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83 (d) Under both strategies, the Department of Children and
84 Family Services and the Agency for Health Care Administration
85 may:

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

88 2. Align and integrate procedure codes, standards, or
89 other requirements if it is jointly determined that these
90 actions will simplify or improve client services and
91 efficiencies in service delivery;

92 3. Use prepaid per capita and prepaid aggregate fixed-sum
93 payment methodologies; ~~and~~

94 4. Modify their current procedure codes to increase
95 clinical flexibility, encourage the use of the most effective
96 interventions, and support rehabilitative activities; ~~and-~~

97 5. Establish or develop data management and reporting
98 systems that promote efficient use of data by the service
99 delivery system. Data management and reporting systems must
100 address the management and clinical care needs of the service
101 providers and managing entities and provide information needed
102 by the department for required state and federal reporting. In
103 order to develop and test the application of new data systems, a
104 strategy implementation area is not required to provide
105 information that matches all current statewide reporting
106 requirements if the strategy's data systems include client
107 demographic, admission, discharge, enrollment, service events,
108 performance outcome information, and functional assessment.

109 (8) EXPANSION IN DISTRICTS 4 AND 12.--The department shall
110 work with community agencies to establish a single managing



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111 entity for districts 4 and 12 accountable for the delivery of
112 substance abuse services to child protective services recipients
113 in the two districts. The purpose of this strategy is to enhance
114 the coordination of substance abuse services with community-
115 based care agencies and the department. The department shall
116 work with affected stakeholders to develop and implement a plan
117 that allows the phase-in of services beginning with the delivery
118 of substance abuse services, with phase-in of subsequent
119 substance abuse services agreed upon by the managing entity and
120 authorized by the department, providing the necessary technical
121 assistance to ensure provider and district readiness for
122 implementation. When a single managing entity is established and
123 meets readiness requirements, the department may enter into a
124 noncompetitive contract with the entity. The department shall
125 maintain detailed information on the methodology used for
126 selection and a justification for the selection. Performance
127 objectives shall be developed which ensure that services that
128 are delivered directly affect and complement the child's
129 permanency plan. During the initial planning and implementation
130 phase of this project, the requirements in subsections (6)
131 and(7) are waived. Considering the critical substance abuse
132 problems experienced by many families in the child protection
133 system, the department shall initiate the implementation of the
134 substance abuse delivery component of this program without delay
135 and furnish status reports to the appropriate substantive
136 committees of the Senate and the House of Representatives no
137 later than February 29, 2004, and February 28, 2005. The
138 integration of all services agreed upon by the managing entity



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139 | and authorized by the department must be completed within 2
140 | years after project initiation. Ongoing monitoring and
141 | evaluation of this strategy shall be conducted in accordance
142 | with subsection (9).

143 | (9)(8) MONITORING AND EVALUATION.--The Department of
144 | Children and Family Services and the Agency for Health Care
145 | Administration shall provide routine monitoring and oversight of
146 | and technical assistance to the managing entities. The Louis de
147 | la Parte Florida Mental Health Institute shall conduct an
148 | ongoing formative evaluation of each strategy to identify the
149 | most effective methods and techniques used to manage, integrate,
150 | and deliver behavioral health services. The entity conducting
151 | the evaluation shall report to the Department of Children and
152 | Family Services, the Agency for Health Care Administration, the
153 | Executive Office of the Governor, and the Legislature every 12
154 | months regarding the status of the implementation of the service
155 | delivery strategies. The report must include a summary of
156 | activities that have occurred during the past 12 months of
157 | implementation and any problems or obstacles that prevented, or
158 | may prevent in the future, the managing entity from achieving
159 | performance goals ~~and measures~~. The first status report is due
160 | January 1, 2002. After the service delivery strategies have been
161 | operational for 1 year, the status report must include an
162 | analysis of administrative costs and the status of the
163 | achievement of performance outcomes. By December 31, 2006, the
164 | Louis de la Parte Florida Mental Health Institute, as a part of
165 | the ongoing formative evaluation of each strategy, must conduct
166 | a study of the strategies established in Districts 1, 4, 8, and



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167 12 under this section, and must include an assessment of best
168 practice models in other states. The study must address
169 programmatic outcomes that include, but are not limited to:
170 timeliness of service delivery, effectiveness of treatment
171 services, cost effectiveness of selected models, and customer
172 satisfaction with services. Based upon the results of this
173 study, the department and the Agency for Health Care
174 Administration, in consultation with the managing entities, must
175 provide a report to the Executive Office of the Governor, the
176 President of the Senate, and the Speaker of the House of
177 Representatives. This report must contain recommendations for
178 the statewide implementation of successful strategies, including
179 any modifications to the strategies; the identification and
180 prioritization of strategies to be implemented; and timeframes
181 for statewide completion that include target dates to complete
182 milestones as well as a date for full statewide implementation
183 ~~Upon receiving the annual report from the evaluator, the~~
184 ~~Department of Children and Family Services and the Agency for~~
185 ~~Health Care Administration shall jointly make any~~
186 ~~recommendations to the Executive Office of the Governor~~
187 ~~regarding changes in the service delivery strategies or in the~~
188 ~~implementation of the strategies, including timeframes.~~

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