

By Senator Lynn

7-1600B-03

1 A bill to be entitled
2 An act relating to substance abuse services;
3 amending s. 394.74, F.S.; authorizing the
4 Department of Children and Family Services to
5 adopt by rule new payment methodologies and to
6 eliminate unit-based methodologies for mental
7 health and substance abuse services; amending
8 s. 394.9082, F.S.; modifying the services for
9 which a managing entity is accountable;
10 establishing data system requirements;
11 providing for establishment of a single
12 managing entity for the delivery of substance
13 abuse services to child protective services
14 recipients in specified districts of the
15 department; providing for a contract; requiring
16 certain information to be kept; providing for a
17 report; providing an effective date.

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19 Be It Enacted by the Legislature of the State of Florida:

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21 Section 1. Paragraph (b) of subsection (2) of section
22 394.74, Florida Statutes, is amended to read:

23 394.74 Contracts for provision of local substance
24 abuse and mental health programs.--

25 (2)

26 (b) Notwithstanding s. 394.76(3)(a) and (c), the
27 department may use unit cost methods of payment in contracts
28 for purchasing mental health and substance abuse services. The
29 unit cost contracting system must account for those patient
30 fees that are paid on behalf of a specific client and those
31 that are earned and used by the provider for those services

1 funded in whole or in part by the department. The department
2 may use unit cost contracts while implementing through
3 administrative rule fee-for-service, prepaid case rate, or
4 prepaid capitation contract methodologies to purchase mental
5 health and substance services. Fee-for-service, prepaid case
6 rate, or prepaid capitation mechanisms may not be implemented
7 statewide without the elimination of the unit cost method of
8 payment.

9 Section 2. Paragraphs (a) and (d) of subsection (4) of
10 section 394.9082, Florida Statutes, are amended, present
11 subsection (8) of that section is renumbered as subsection
12 (9), and a new subsection (8) is added to that section, to
13 read:

14 394.9082 Behavioral health service delivery
15 strategies.--

16 (4) CONTRACT FOR SERVICES.--

17 (a) The Department of Children and Family Services and
18 the Agency for Health Care Administration may contract for the
19 provision or management of behavioral health services with a
20 managing entity in at least two geographic areas. Both the
21 Department of Children and Family Services and the Agency for
22 Health Care Administration must contract with the same
23 managing entity in any distinct geographic area where the
24 strategy operates. This managing entity shall be accountable
25 at a minimum for the delivery of behavioral health services
26 specified and funded by the department and the agency ~~for~~
27 ~~children, adolescents, and adults~~. The geographic area must be
28 of sufficient size in population and have enough public funds
29 for behavioral health services to allow for flexibility and
30 maximum efficiency. Notwithstanding the provisions of s.
31 409.912(3)(b)1. and 2., at least one service delivery strategy

1 must be in one of the service districts in the catchment area
2 of G. Pierce Wood Memorial Hospital.

3 (d) Under both strategies, the Department of Children
4 and Family Services and the Agency for Health Care
5 Administration may:

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

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

12 3. Use prepaid per capita and prepaid aggregate
13 fixed-sum payment methodologies; ~~and~~

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

17 5. Establish or develop data management and reporting
18 systems that promote efficient use of data by the service
19 delivery system. Data management and reporting systems must
20 address the management and clinical care needs of the service
21 providers and managing entities and provide information needed
22 by the department for required state and federal reporting. In
23 order to develop and test the application of new data systems,
24 a strategy implementation area is not required to provide
25 information that matches all current statewide reporting
26 requirements if the strategy's data systems include client
27 demographic, admission, discharge, enrollment, service events,
28 performance outcome information, and functional assessment.

29 (8) EXPANSION IN DISTRICTS 4 AND 12.--The department
30 shall work with community agencies to establish a single
31 managing entity for districts 4 and 12 accountable for the

1 delivery of substance abuse services to child protective
2 services recipients in the two districts. The purpose of this
3 strategy is to enhance the coordination of substance abuse
4 services with community-based care agencies and the
5 department. The department shall work with affected
6 stakeholders to develop and implement a plan that allows the
7 phase-in of services beginning with the delivery of substance
8 abuse services, with phase-in of subsequent services agreed
9 upon by the managing entity and authorized by the department,
10 providing the necessary technical assistance to assure
11 provider and district readiness for implementation. When a
12 single managing entity is established and meets readiness
13 requirements, the department may enter into a noncompetitive
14 contract with the entity. The department shall maintain
15 detailed information on the methodology used for selection and
16 a justification for the selection. Performance objectives
17 shall be developed which ensure that services that are
18 delivered directly affect and complement the child's
19 permanency plan. During the initial planning and
20 implementation phase of this project, the requirements in
21 subsections (6) and (7) are waived. Considering the critical
22 substance abuse problems experienced by many families in the
23 child protection system, the department shall initiate the
24 implementation of the substance abuse delivery component of
25 this program without delay and furnish status reports to the
26 appropriate substantive committees of the Senate and the House
27 of Representatives no later than February 29, 2004, and
28 February 28, 2005. The integration of all services agreed upon
29 by the managing entity and authorized by the department must
30 be completed within 2 years after project initiation. Ongoing
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1 monitoring and evaluation of this strategy shall be conducted
2 in accordance with subsection (9).

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

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7 SENATE SUMMARY

8 Authorizes the Department of Children and Family Services
9 to adopt and eliminate methodologies relating to mental
10 health and substance abuse services. Modifies
11 responsibilities of managing entities. Requires data
12 management and reporting systems. Provides for the
13 department to establish a single managing entity for the
14 delivery of substance abuse services to child protective
15 services recipients in department districts 4 and 12.
16 Authorizes the department to enter a noncompetitive
17 contract with an entity established and ready to provide
18 such services.
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