

HB 0723

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1 A bill to be entitled
 2 An act relating to foster care services; amending s.
 3 409.1671, F.S.; revising provisions requiring the
 4 Department of Children and Family Services to develop a
 5 proposal for the use of community-based providers to
 6 include foster care and related services; specifying
 7 proposal requirements; extending a proposal submission
 8 deadline; requiring the department to submit a detailed
 9 operational plan prior to the release of funds;
 10 authorizing use of a letter of credit in lieu of a bond
 11 requirement; providing an effective date.

12
 13 Be It Enacted by the Legislature of the State of Florida:

14
 15 Section 1. Subsection (7) of section 409.1671, Florida
 16 Statutes, is amended to read:

17 409.1671 Foster care and related services; privatization.-

18 -
 19 (7) The department, in consultation with existing lead
 20 agencies, shall develop a proposal regarding the long-term use
 21 and structure of a statewide shared ~~earnings program which~~
 22 ~~addresses the financial risk program for the protection of~~ to
 23 eligible lead community-based providers who contract directly
 24 with the department for the delivery of foster care and related
 25 services resulting from unanticipated caseload growth or from
 26 significant changes in client mixes or services eligible for
 27 federal reimbursement. The recommendations in the statewide
 28 proposal must also be available to entities of the department
 29 until the conversion to community-based care takes place. At a

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30 minimum, the proposal must allow for use of federal earnings
 31 received from child welfare programs, which earnings are
 32 determined by the department to be in excess of the amount
 33 appropriated in the General Appropriations Act, ~~to be used for~~
 34 ~~specific purposes.~~ The proposal must specify the necessary steps
 35 to ensure the financial integrity of the risk program and the
 36 continued availability of funding from federal, state, and local
 37 sources. The proposal must also include recommendations that
 38 permit the program to be available to entities of the department
 39 providing child welfare services until full conversion to
 40 community-based care takes place. The final proposal shall be
 41 submitted to the Legislative Budget Commission for formal
 42 adoption before October 1, 2004. If the Legislative Budget
 43 Commission refuses to concur with the adoption of the proposal,
 44 the department shall present its proposal in the form of
 45 recommended legislation to the President of the Senate and the
 46 Speaker of the House of Representatives before the commencement
 47 of the next legislative session.

48 (a) The ~~These~~ purposes for which the risk program shall be
 49 used include, ~~but are not limited to:~~

50 1.(a) Significant changes in the number or composition of
 51 clients eligible to receive services.

52 2.(b) Significant changes in the services that are
 53 eligible for reimbursement.

54 3.(c) Significant changes in the availability of federal
 55 funds.

56 4.(d) Shortfalls in state funds available for eligible or
 57 ineligible services.

58 5.(e) Significant changes in the mix of available funds.

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59 ~~6.(f)~~ Scheduled or unanticipated, but necessary, advances
 60 to providers or other cash-flow issues.

61 ~~7.(g)~~ Proposals to participate in optional Medicaid
 62 services or other federal grant opportunities.

63 ~~8.(h)~~ Appropriate incentive structures.

64 ~~9.(i)~~ Continuity of care in the event of lead agency
 65 failure, discontinuance of service, or financial misconduct.

66
 67 ~~The department shall further specify the necessary steps to~~
 68 ~~ensure the financial integrity of these dollars and their~~
 69 ~~continued availability on an ongoing basis. The final proposal~~
 70 ~~shall be submitted to the Legislative Budget Commission for~~
 71 ~~formal adoption before December 31, 2002. If the Legislative~~
 72 ~~Budget Commission refuses to concur with the adoption of the~~
 73 ~~proposal, the department shall present its proposal in the form~~
 74 ~~of recommended legislation to the President of the Senate and~~
 75 ~~the Speaker of the House of Representatives before the~~
 76 ~~commencement of the next legislative session.~~

77 (b) For fiscal year 2004-2005 ~~2003-2004~~ and annually
 78 thereafter, the department may also request in its annual
 79 legislative budget request, and the Governor may recommend, that
 80 the funding necessary to carry out paragraph (a) ~~be (i) from~~
 81 ~~excess federal earnings. The General Appropriations Act shall~~
 82 ~~include any funds appropriated to for this purpose in a lump sum~~
 83 ~~in the department. Prior to the release of such funds, the~~
 84 department shall submit a detailed operational plan, which must
 85 identify the sources of specific funds to be used and the
 86 reasons justifying their use. The release of these funds shall
 87 be subject to the notice and review provisions of s. 216.177 but

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88 shall not require the approval of the Legislative Budget
 89 Commission.

90 1. Such ~~, which~~ funds shall constitute partial security
 91 for lead agency contract performance and shall be used. ~~The~~
 92 ~~department shall use this appropriation~~ to offset the need for a
 93 performance bond for that year after a comparison of risk to the
 94 funds available. If it is determined that available funds will
 95 be insufficient and a bond will be required, in no event shall
 96 the ~~this~~ performance bond exceed 2.5 percent of the annual
 97 contract value. An irrevocable letter of credit may substitute
 98 for the required bond.

99 2. The department may separately require a bond to
 100 mitigate the financial consequences of potential acts of
 101 malfeasance, misfeasance, or criminal violations by the
 102 provider. ~~Prior to the release of any funds in the lump sum, the~~
 103 ~~department shall submit a detailed operational plan, which must~~
 104 ~~identify the sources of specific trust funds to be used. The~~
 105 ~~release of the trust fund shall be subject to the notice and~~
 106 ~~review provisions of s. 216.177. However, the release shall not~~
 107 ~~require approval of the Legislative Budget Commission.~~

108 Section 2. This act shall take effect upon becoming a law.