

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.)

Prepared By: Children and Families Committee

BILL: SB 356

SPONSOR: Senator Lynn

SUBJECT: Substance Abuse Treatment

DATE: December 22, 2004

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Collins</u>	<u>Whiddon</u>	<u>CF</u>	Favorable
2.	_____	_____	<u>HE</u>	_____
3.	_____	_____	<u>HA</u>	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

Senate Bill 356 redefines the term “licensed service provider” to include the service component of “intensive inpatient treatment” and specifies that this component includes a planned regimen of evaluation, observation, medical monitoring, and clinical protocols that are provided 24 hours a day, seven days per week in a highly structured, live-in environment. The bill also provides a definition for “medical monitoring,” a term that refers to one of the services that is provided within the “intensive inpatient treatment” component.

This bill amends section 397.311 of the Florida Statutes. The bill further amends sections 212.055, 397.416, and 440.102, providing conforming references, and re-enacts sections 397.405(8) and 397.407(1), to incorporate the amendment to section 397.311 of the Florida Statutes.

II. Present Situation:

Chapter 397, F.S., provides for the Department of Children and Family Services’ oversight and licensure of substance abuse treatment providers with certain exceptions that are specified by law. Section 397.311, F.S., specifies the definitions of licensed substance abuse residential treatment programs that are further governed by administrative rules under Chapter 65D-30, F.A.C. There are five levels of treatment available within the residential treatment programs. These range from level 1, which provides the most intensive level of service, to level 5, which provides the least intensive level of service. The intensity of service level (1-5), correlates to the level and frequency of clinical/medical services that are provided by the program.

There may be times when a client needs a more intense level of care than is typical of the services provided in even the highest level of residential treatment. In these situations, acute

care services are typically provided in an intensive inpatient treatment program, although hospitals licensed under ch. 395, F.S., and level 1 residential treatment programs licensed under ch. 397, F.S., may provide inpatient acute care services, as well. However, insurance carriers often do not provide adequate reimbursement for acute inpatient services provided in a residential program.

Subsequently, some substance abuse service providers have raised issues regarding the difficulties in obtaining third party payments for “inpatient treatment.” The difficulty in obtaining third party payments for services has been attributed to the language in s. 397.311(18), F.S., placing medically monitored inpatient treatment provided in a substance abuse treatment facility within the category of residential treatment. It has also been asserted that the current definitions for substance abuse treatment services provided by s. 397.311, F.S., do not accurately represent the scope of services that are provided by some treatment facilities, and as a result, the facilities’ ability to collect payment from insurance companies and provide the services that clients need is reduced.

III. Effect of Proposed Changes:

Senate Bill 356 amends the definition of “licensed service provider” provided by s. 397.311(18), F.S., to include a service component for “intensive inpatient treatment.” This component includes a planned regimen of professionally directed evaluation, observation, medical monitoring, and clinical protocols that are provided 24 hours a day, seven days per week in a highly structured, live-in environment. The amendment proposed by this bill more accurately describes the services that are being provided by facilities that are experiencing problems with reimbursement. It is anticipated by some in the substance abuse provider community that designating this new service component will have a positive impact on the providers’ ability to collect third party payments. However, not all the substance abuse providers agree that changes proposed by this bill will address the issues of reimbursement.

This bill creates a definition for “medical monitoring,” one of the services included in the “intensive inpatient treatment” component that is not typically included in other residential treatment levels. This bill specifies that “medical monitoring” means “oversight and treatment 24 hours per day by medical personnel who are licensed under chapter 458, chapter 459, or chapter 464, of clients whose subacute biomedical, emotional, psychosocial, behavioral, or cognitive problems are so severe that the clients require intensive inpatient treatment by an interdisciplinary team.”

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The provisions of this bill may improve the ability of substance abuse providers to collect third party payments for “inpatient treatment.”

C. Government Sector Impact:

The Department of Children and Families will incur minimal costs associated with amending 65D-30, F.A.C.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

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

VIII. Summary of Amendments:

None.

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