

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Provide limited government—The bill changes the statewide community-based care risk pool from a loan to a grant.

B. EFFECT OF PROPOSED CHANGES:

Section 409.1671(7), F. S., contains provisions outlining the requirements of a plan regarding the long-term use and structure of a statewide community based care risk pool for the protection of eligible lead community-based providers, their subcontractors, and providers of other social services who contract directly with the department. The bill modifies current law to require the Department of Children and Family Services to prepare the plan in consultation with the Florida Coalition for Children and specifies the plan be submitted to the Legislative Budget Commission. The bill makes changes to the contents of the plan, including the elimination of the provision that excess federal earnings being allocated to the risk pool. Once the plan is approved, the department is authorized to expend funds from the risk pool. Provisions in the current law that direct the department, upon approval of the plan, to issue an interest free loan that is secured by revenue of the community-based care risk pool membership are deleted from the law.

The bill makes further changes to section 409.1671, F. S., eliminating the provision that subsequent funding of the risk pool be supported by premiums assessed to members of the community-based care risk pool. The bill also eliminates language stating the pool shall be managed by the Florida Coalition for Children, Inc.

Additionally, the bill adds language to the existing law that authorizes the department to issue an interest-free loan to the Florida Coalition for Children, Inc. for the purpose of creating a self-insurance program. The loan is to be secured by the cumulative contractual revenue of the community-based care lead agencies participating in the self-insurance program. The amount of the loan shall be in an amount equal to the amount appropriated by the Legislature for this purpose.

C. SECTION DIRECTORY:

Section 1. Amends s. 409.1671(7), F. S., regarding a statewide community-based care risk pool and authorizing DCF to issue an interest-free loan to the Florida Coalition for Children, Inc., to create a self-insurance program.

Section 2. Provides an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

See Fiscal Comments.

D. FISCAL COMMENTS:

This bill provides a process for development and operation of a community-based care risk pool for providers of child welfare services and authorizes a loan for the creation of a self insurance program for community-based care lead agencies. There is no appropriation contained in this bill, as appropriations for these purposes are in the General Appropriations Act.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds. The bill does not reduce the percentage of a state tax shared with counties or municipalities. The bill does not reduce the authority that municipalities have to raise revenue.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES