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CHAMBER ACTION

<u>Senate</u>	.	<u>House</u>
Comm: RCS	.	
4/1/2008	.	
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1 The Committee on Children, Families, and Elder Affairs (Storms)  
 2 recommended the following **amendment**:

**Senate Amendment (with title amendment)**

6 Delete everything after the enacting clause  
7 and insert:

8 Section 1. Section 394.9082, Florida Statutes, is amended  
9 to read:

10 (Substantial rewording of section. See  
 11 s. 394.9082, F.S., for present text.)  
 12 394.9082 Behavioral health managing entities.--

13 (1) LEGISLATIVE FINDINGS AND INTENT.--The Legislature finds  
 14 that untreated behavioral health disorders constitute major  
 15 health problems for residents of this state, are a major economic  
 16 burden to the citizens of this state, and substantially increase  
 17 demands on the state's juvenile and adult criminal justice



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18 systems, the child welfare system, and health care systems. The  
19 Legislature finds that behavioral health disorders respond to  
20 appropriate treatment, rehabilitation, and supportive  
21 intervention. The Legislature finds that it has made a  
22 substantial long-term investment in the funding of the community-  
23 based behavioral health prevention and treatment service systems  
24 and facilities in order to provide critical emergency, acute  
25 care, residential, outpatient, and rehabilitative and recovery-  
26 based services. The Legislature finds that local communities have  
27 also made substantial investments in behavioral health services,  
28 contracting with safety net providers who by mandate and mission  
29 provide specialized services to vulnerable and hard-to-serve  
30 populations and have strong ties to local public health and  
31 public safety agencies. The Legislature finds that a management  
32 structure that places the responsibility for publicly financed  
33 behavioral health treatment and prevention services within a  
34 single private, nonprofit entity at the local level will promote  
35 improved access to care, promote service continuity, and provide  
36 for more efficient and effective delivery of substance abuse and  
37 mental health services. The Legislature finds that the  
38 transformation of existing data systems into effective  
39 decisionmaking models is required in order to provide timely and  
40 accurate information that is needed at the federal, state, and  
41 local levels to support the integrated system of community-based  
42 care. The Legislature finds that streamlining administrative  
43 processes will create cost efficiencies and provide flexibility  
44 to better match available services to consumers' identified  
45 needs.

46 (2) DEFINITIONS.--As used in this section, the term:



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47        (a) "Behavioral health services" means mental health  
48 services and substance abuse prevention and treatment services as  
49 defined in this chapter and chapter 397 which are provided using  
50 state and federal funds.

51        (b) "Decisionmaking model" means a comprehensive management  
52 information system needed to answer the following management  
53 questions at the federal, state, region, circuit, and local  
54 provider levels: who receives what services from which providers  
55 with what outcomes and at what costs?

56        (c) "Geographic area" means a county, circuit, regional, or  
57 multiregional area in this state.

58        (d) "Managing entity" means a corporation that is organized  
59 in this state, is designated or filed as a nonprofit organization  
60 under s. 501(c)3) of the Internal Revenue Service, and is under  
61 contract to the department to manage the day-to-day operational  
62 delivery of behavioral health services through an organized  
63 system of care.

64        (e) "Provider networks" mean the direct service agencies  
65 that are under contract with a managing entity and that together  
66 constitute a comprehensive array of emergency, acute care,  
67 residential, outpatient, recovery support, and consumer support  
68 services.

69        (3) SERVICE DELIVERY STRATEGIES.--The department may work  
70 through managing entities to develop service delivery strategies  
71 that will improve the coordination, integration, and management  
72 of the delivery of behavioral health services to people who have  
73 mental or substance use disorders. It is the intent of the  
74 Legislature that a well-managed service delivery system will  
75 increase access for those in need of care, improve the  
76 coordination and continuity of care for vulnerable and high-risk

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77 populations, and redirect service dollars from restrictive care  
78 settings to community-based recovery services.

79 (4) DATA INTEGRATION.--For the purpose of data integration  
80 and cost-effectiveness, the department shall enter into data  
81 sharing agreements with other state agencies in order to develop  
82 a person-centered reporting system having uniform definitions and  
83 reporting categories to determine behavioral health care services  
84 provided, as well as the outcomes and costs of these services.

85 (5) CONTRACT FOR SERVICES.--

86 (a) The department may contract for the purchase and  
87 management of behavioral health services with community-based  
88 managing entities. The department may require a managing entity  
89 to contract for specialized services that are not currently part  
90 of the managing entity's network if the department determines  
91 that it is in the best interests of consumers of services. The  
92 Legislature may require that managing entities contract with  
93 specific types of providers in order to carry out special  
94 projects. The secretary shall determine the schedule for phasing  
95 in contracts with managing entities. The managing entities shall  
96 be accountable at a minimum for the operational oversight of the  
97 delivery of behavioral health services funded by the department  
98 and for the collection and submission of the required data  
99 pertaining to these contracted services. A managing entity shall  
100 serve a geographic area designated by the department. The  
101 geographic area must be of sufficient size in population and have  
102 enough public funds for behavioral health services to allow for  
103 flexibility and maximum efficiency.

104 (b) The operating costs of the managing entity contract  
105 shall be funded through funds from the department and any savings  
106 and efficiencies achieved through the implementation of managing



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107 entities when realized by their participating provider network  
108 agencies. The department recognizes that managing entities will  
109 have infrastructure development costs during start-up, so that  
110 any efficiencies to be realized by providers from consolidation  
111 of management functions, and the resulting savings, will not be  
112 achieved during the early years of operation. The department  
113 shall negotiate with the managing entity a reasonable and  
114 appropriate administrative cost rate. The Legislature intends  
115 that reduced local and state contract management and other  
116 administrative duties passed on to the managing entity allows  
117 funds previously allocated for these purposes to be  
118 proportionately reduced and the savings used to purchase the  
119 administrative functions of the managing entity. Policies and  
120 procedures of the department for monitoring contracts with  
121 managing entities shall include provisions for eliminating  
122 duplication of the department's and the managing entities'  
123 contract management and other administrative activities in order  
124 to achieve the goals of cost-effectiveness and regulatory relief.  
125 To the maximum extent possible, provider-monitoring activities  
126 shall be assigned to the managing entity.

127 (c) Contracting and payment mechanisms for services must  
128 promote clinical and financial flexibility and responsiveness  
129 and must allow different categorical funds to be integrated at  
130 the point of service. The contracted service array must be  
131 determined by using public input, needs assessment, and evidence-  
132 based and promising best-practice models. The department may  
133 employ care-management methodologies, prepaid capitation, and  
134 case rate or other methods of payment which promote flexibility,  
135 efficiency, and accountability.



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136       (6) GOALS.--The goal of the service delivery strategies is  
137 to provide a design for an effective coordination, integration,  
138 and management approach for delivering effective behavioral  
139 health services to persons who are experiencing a mental health  
140 or substance abuse crisis, who have a disabling mental illness or  
141 a substance use or co-occurring disorder and will require  
142 extended services in order to recover from their illness, or who  
143 need brief treatment or longer-term supportive interventions to  
144 avoid a crisis or disability. Other goals include:

145       (a) Improving accountability for a local system of  
146 behavioral health care services to meet performance outcomes and  
147 standards through the use of reliable and timely data.

148       (b) Enhancing the continuity of care for all children,  
149 adolescents, and adults who enter the publicly funded behavioral  
150 health service system.

151       (c) Preserving the "safety net" of publicly funded  
152 behavioral health services and providers, and recognizing and  
153 ensuring continued local contributions to these services, by  
154 establishing locally designed and community-monitored systems of  
155 care.

156       (d) Providing early diagnosis and treatment interventions  
157 to enhance recovery and prevent hospitalization.

158       (e) Improving the assessment of local needs for behavioral  
159 health services.

160       (f) Improving the overall quality of behavioral health  
161 services through the use of evidence-based, best-practice, and  
162 promising-practice models.

163       (g) Demonstrating improved service integration between  
164 behavioral health programs and other programs, such as vocational



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165 rehabilitation, education, child welfare, primary health care,  
166 emergency services, juvenile justice, and criminal justice.

167 (h) Providing for additional testing of creative and  
168 flexible strategies for financing behavioral health services to  
169 enhance individualized treatment and support services.

170 (i) Promoting cost-effective quality care.

171 (j) Working with the state to coordinate the admissions and  
172 discharges from state civil and forensic hospitals and  
173 coordinating admissions and discharges from residential treatment  
174 centers.

175 (k) Improving the integration, accessibility, and  
176 dissemination of behavioral health data for planning and  
177 monitoring purposes.

178 (l) Promoting specialized behavioral health services to  
179 residents of assisted living facilities.

180 (m) Working with the state and other stakeholders to reduce  
181 the admissions and the length of stay for dependent children in  
182 residential treatment centers.

183 (n) Providing services to abused and neglected children and  
184 their families as indicated in court-ordered case plans.

185 (o) Providing services to adults and children with co-  
186 occurring disorders of mental illnesses and substance abuse  
187 problems.

188 (p) Providing services to elder adults in crisis or at-risk  
189 for placement in a more restrictive setting due to a serious  
190 mental illness or substance abuse.

191 (7) ESSENTIAL ELEMENTS.--It is the intent of the  
192 Legislature that the department may plan for and enter into  
193 contracts with managing entities to manage care in geographical  
194 areas throughout the state. Managing entities shall own and



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195 operate information systems that have the capacities to provide,  
196 at a minimum, information required for federal and state  
197 reporting, monitoring care, assessing local needs, and measuring  
198 outcomes.

199 (a) The managing entity must demonstrate the ability of its  
200 network of providers to comply with the pertinent provisions of  
201 this chapter and chapter 397 and to ensure the provision of  
202 comprehensive behavioral health services. The network of  
203 providers must include, but need not be limited to, community  
204 mental health agencies, substance abuse treatment providers, and  
205 best-practice consumer services providers.

206 (b) The department shall terminate its mental health or  
207 substance abuse provider contracts for services to be provided by  
208 the managing entity at the same time it contracts with the  
209 managing entity.

210 (c) The managing entity shall ensure that its provider  
211 network is broadly conceived. All mental health or substance  
212 abuse treatment providers currently under contract with the  
213 department shall be offered a contract by the managing entity.

214 (d) The department may contract with managing entities to  
215 provide the following core functions:

216 1. Financial accountability;

217 2. Allocation of funds to network providers in a manner  
218 that reflects the department's strategic direction and plans;

219 3. Provider monitoring to ensure compliance with federal  
220 and state laws, rules, and regulations;

221 4. Data collection, reporting, and analysis;

222 5. Operational plans to implement objectives of the  
223 department's strategic plan;

224 6. Contract compliance;



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- 225        7. Performance management;
- 226        8. Collaboration with community stakeholders, including
- 227 local government;
- 228        9. System of care through network development;
- 229        10. Consumer care coordination;
- 230        11. Continuous quality improvement;
- 231        12. Timely access to appropriate services;
- 232        13. Cost-effectiveness and system improvements;
- 233        14. Assistance in the development of the department's
- 234 strategic plan;
- 235        15. Participation in community, circuit, regional, and state
- 236 planning;
- 237        16. Resource management and maximization, including pursuit
- 238 of third-party payments and grant applications;
- 239        17. Incentives for providers to improve quality and access;
- 240        18. Liaison with consumers;
- 241        19. Community needs assessment; and
- 242        20. Securing local matching funds.
- 243        (e) The managing entity shall ensure that written
- 244 cooperative agreements are developed and implemented among the
- 245 criminal and juvenile justice systems, the local community-based
- 246 care network, and the local behavioral health providers in the
- 247 geographic area which define strategies and alternatives for
- 248 diverting people who have mental illness and substance abuse
- 249 problems from the criminal justice system to the community. These
- 250 agreements must also address the provision of appropriate
- 251 services to persons who have behavioral health problems and leave
- 252 the criminal justice system.
- 253        (f) Managing entities must collect and submit data to the
- 254 department regarding persons served, outcomes of persons served,



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255 and the costs of services provided through the department's  
256 contract. The department shall evaluate managing entity services  
257 based on consumer-centered outcome measures that reflect national  
258 standards that can dependably be measured. The department shall  
259 work with managing entities to establish performance standards  
260 related to:

261 1. The extent to which individuals in the community receive  
262 services.

263 2. The improvement of quality of care for individuals  
264 served.

265 3. The success of strategies to divert jail, prison, and  
266 forensic facility admissions.

267 4. Consumer and family satisfaction.

268 5. The satisfaction of key community constituents such as  
269 law enforcement agencies, juvenile justice agencies, the courts,  
270 the schools, local government entities, hospitals, and others as  
271 appropriate for the geographical area of the managing entity.

272 (g) The Agency for Health Care Administration may establish  
273 a certified match program, which must be voluntary. Under a  
274 certified match program, reimbursement is limited to the federal  
275 Medicaid share to Medicaid-enrolled strategy participants. The  
276 agency shall take no action to implement a certified match  
277 program without ensuring that the consultation provisions of  
278 chapter 216 have been met. The agency may seek federal waivers  
279 that are necessary to implement the behavioral health service  
280 delivery strategies.

281 (8) MANAGING ENTITY REQUIREMENTS.--The department may adopt  
282 rules and standards and a process for the qualification and  
283 operation of managing entities which shall be based, in part, on  
284 the following criteria:



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285 (a) Managing entities must be corporations organized in  
286 this state and designated or filed as nonprofit organizations  
287 under s. 501(c) (3) of the Internal Revenue Code.

288 (b) A managing entity's governance structure shall be  
289 representative and shall, at a minimum, include consumers and  
290 family members, appropriate community stakeholders and  
291 organizations, and providers of substance abuse and mental health  
292 services as defined in this chapter and chapter 397.

293 (c) A managing entity that was originally formed primarily  
294 by substance abuse or mental health providers must present and  
295 demonstrate a detailed, consensus approach to expanding its  
296 provider network and governance to include both substance abuse  
297 and mental health providers.

298 (d) A managing entity must submit a network management plan  
299 and budget in such form and manner as the department determines.  
300 The plan must detail the means for implementing the duties to be  
301 contracted to the managing entity and the efficiencies to be  
302 anticipated by the department as a result of executing the  
303 contract. The department may require modifications to the plan  
304 and must approve the plan before contracting with a managing  
305 entity. The department may contract with a managing entity that  
306 demonstrates readiness to assume core functions, and may continue  
307 to add functions and responsibilities to the managing entity's  
308 contract over time as additional competencies are developed as  
309 identified in paragraph (g). Notwithstanding other provisions of  
310 this section, the department may continue and expand managing  
311 entity contracts if the department determines that the managing  
312 entity meets the requirements specified in this section.

313 (e) Managing entities shall operate in a transparent  
314 manner, providing public access to information, notice of



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315 meetings, and opportunities for broad public participation in  
316 decisionmaking. The managing entity's network management plan  
317 must detail policies and procedures that will ensure  
318 transparency.

319 (f) Before contracting with a managing entity, the  
320 department must perform an on-site readiness review of a managing  
321 entity to determine its operational capacity to satisfactorily  
322 perform the duties to be contracted.

323 (g) The department shall engage community stakeholders,  
324 including providers and managing entities under contract with the  
325 department, in the development of objective standards to measure  
326 the competencies of managing entities, their readiness to assume  
327 the responsibilities described in this section, and the outcomes  
328 to hold them accountable.

329 (h) Notwithstanding other provisions in law, the Department  
330 of Financial Services and the Department of Management Services  
331 shall provide the department with the flexibility needed to  
332 implement this section.

333 (9) DEPARTMENT RESPONSIBILITIES.--With the introduction of  
334 managing entities to monitor department-contracted providers'  
335 day-to-day operations, the department and its regional and  
336 circuit offices will have increased ability to focus on broad  
337 systemic substance abuse and mental health issues. After the  
338 department enters into a managing entity contract in a geographic  
339 area, the regional and circuit offices of the department in that  
340 area shall direct their efforts primarily to monitoring the  
341 managing entity contract, including negotiation of system quality  
342 improvement goals each contract year and review of the managing  
343 entity plans to execute department strategic plans; carrying out  
344 statutorily mandated licensure functions; conducting community



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345 and regional substance abuse and mental health planning;  
346 communicating to the department the local needs assessed by the  
347 managing entity; preparing department strategic plans;  
348 coordinating with other state and local agencies; assisting the  
349 department to assess local trends and issues and advising  
350 departmental headquarters on local priorities; and providing  
351 leadership in disaster planning and preparation.

352 (10) MANAGEMENT INFORMATION SYSTEM REQUIREMENTS.--

353 (a) The department, in collaboration with the managing  
354 entities, shall design and implement a comprehensive behavioral  
355 health management information system.

356 (b) Each managing entity shall develop and maintain a data  
357 system that includes data from agencies under contract with the  
358 managing entity. At a minimum, the managing entity's data system  
359 shall provide information needed by the managing entity to  
360 address the management and clinical care needs of the local  
361 provider networks and information needed by the department to  
362 meet state and federal data-reporting requirements, planning  
363 requirements, and its system-of-care needs and evaluation.

364 (c) The department shall collaborate with managing entities  
365 to develop business requirements that managing entities will use  
366 to extract data required at the state and federal levels from  
367 their local database systems and to submit these data  
368 electronically into the department's central data system. The  
369 Legislature recognizes that the department is not in the business  
370 of application software development and maintenance and is not  
371 adequately staffed to do so. The initial development and ongoing  
372 maintenance and operation of the department's central data system  
373 shall be outsourced through contract with an established third-  
374 party information technology vendor to increase system access to



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375 users and provide timely and accurate information to stakeholders  
376 at all levels of management.

377 (d) The department shall use the central data system to  
378 make nonconfidential data accessible to stakeholders for  
379 planning, monitoring, evaluation, and research purposes.

380 (11) REPORTING.--Reports of the department's activities,  
381 progress, and needs in achieving the goal of contracting with  
382 managing entities in each circuit and region statewide must be  
383 submitted to the appropriate substantive and appropriations  
384 committees in the Senate and the House of Representatives on  
385 January 1 and July 1 of each year until the full transition to  
386 managing entities has been accomplished statewide. A section of  
387 each report shall address accomplishments and barriers to  
388 implementation of the Management Information System described in  
389 this section as necessary to support decisionmaking, including  
390 the department's actions and to assist managing entities  
391 statewide to achieve the desired interoperability of their  
392 information systems.

393 (12) RULES.--The department shall adopt rules to administer  
394 this section and, as necessary, to further specify requirements  
395 of managing entities.

396 Section 2. This act shall take effect July 1, 2008.

398 ===== T I T L E A M E N D M E N T =====

399 And the title is amended as follows:

401 Delete everything before the enacting clause  
402 and insert:

403 A bill to be entitled

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404 | An act relating to mental health and substance abuse  
405 | services; amending s. 394.9082, F.S.; providing  
406 | legislative findings and intent; establishing goals;  
407 | specifying roles and responsibilities of the Department of  
408 | Children and Family Services; creating community-based  
409 | systems of care; authorizing the implementation of  
410 | managing entities by the Department of Children and Family  
411 | Services; establishing a process for contracting with  
412 | managing entities; specifying qualifying criteria for  
413 | managing entities; specifying responsibilities of managing  
414 | entities; specifying requirements for management  
415 | information systems; providing for evaluations and  
416 | reports; providing for a monitoring process; providing an  
417 | effective date.