



Florida Senate - 2011

SB7084

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| <u>Committee</u> BJA | <u>Amendment</u> 14SA |
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The Committee on Budget (**Fasano**) recommended the following LATE FILED SUBSTITUTE AMENDMENT for 14 (995017):

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| <p>Section: 04</p> <p>On Page: 120</p> <p>Spec App:</p> | <p><u>EXPLANATION:</u></p> <p>This amendment requires that privatized health services contracts providing for medical care, mental health care and dental care in the Department of Corrections be awarded to two or more service providers.</p> |
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| <u>NET IMPACT ON:</u> | <u>Total Funds</u> | <u>General Revenue</u> | <u>Trust Funds</u> |
|-----------------------|--------------------|------------------------|--------------------|
| Recurring - | 0 | 0 | 0 |
| Non-Recurring - | 0 | 0 | 0 |

| | |
|--------------------|--------------------|
| Positions & Amount | Positions & Amount |
| DELETE | INSERT |

CORRECTIONS, DEPARTMENT OF
Program: Health Services 70250000

In Section 04 On Page 120

In Section 04, on Page 120, DELETE the following:

From the funds in Specific Appropriations 726 through 741, the Department of Corrections shall issue a request for proposal, as defined in section 287.057(1)(b), F.S., for the provision of comprehensive health care services to inmates in the custody of the department, excluding those inmates housed in institutions authorized under the provisions of chapter 957, Florida Statutes. Comprehensive health care services shall include physical health care services and dental services, and excludes mental health services and pharmacy services.

From the funds in Specific Appropriation 726 through 741, the Department of Corrections shall issue a request for proposal, as defined in section 287.057(1)(b), F.S., for the provision of mental health care services to inmates in the custody of the department, excluding those inmates housed in institutions authorized under the provisions of chapter 957, Florida Statutes.

The department is authorized to award a bid or bids to one or more private companies for the provision of services that are compatible to

standard Medicaid service levels at a cost of at least 18 percent less than the department's Fiscal Year 2009-2010 health care expenditures. The department may contract for services on a regional basis or may contract for services on a statewide basis to achieve the greatest efficiencies and cost savings.

The department shall notify the Governor's Office of Policy and Budget and the chairs of the Senate Budget Committee and House Appropriations Committee no later than September 1, 2011, of its intent to award a contract.

The contracts for health services and mental health services shall be effective no later than October 1, 2011, for a term of three years. Contractors shall be responsible for maintaining electronic medical files of each patient's health information and for providing that information to the department upon request. Contractors shall report utilization and encounter data to the department on a quarterly basis in a format that is acceptable to the department.

In order to implement these privatization efforts, the department shall submit a budget amendment to the Legislative Budget Commission, as well as a plan for transitioning staff and operations. The budget amendment shall place positions in reserve and transfer funds to the proper appropriation categories in accordance with the provisions of chapter 216, Florida Statutes. Additional budget amendments may be submitted during the 2011-2012 fiscal year as necessary for the proper alignment of budget and positions.

From the funds in Specific Appropriation 726 through 741, the Department of Corrections, or its designee, shall establish a pilot in the Health Services Program to use a supply chain management company for the purchase of health care products and supplies for facilities that are operated by the department in Pinellas, Hillsborough, Manatee, Pasco, Charlotte, DeSoto, Lee, Manatee, and Sarasota counties. The department shall issue a request for proposal, as defined in section 287.057(1)(b), Florida Statutes, to contract with a company for these services. The department shall report any budget savings to the chairs of the Senate Budget Committee and the House Appropriations Committee by February 1, 2012.

From the funds in Specific Appropriations 726 and 741, and in order to reduce costs, the department may execute interagency agreements with the Florida Department of Health or with county health departments (CHDs) for the care and treatment of, and the dispensing of prescriptions for inmates with HIV/AIDS or other Sexually Transmitted Diseases (STDs). In areas that are not supported by a CHD, the Department of Corrections may contract with federally qualified health care centers (FQHC) or disproportionate share hospitals (DSH) for treatment and prescription services for these inmates. If the department determines that a CHD, FQHC or DSH can provide treatment and/or prescription services for other

medical conditions at a lower cost, the department may authorize the CHD, FQHC or DSH to provide such services.

AND INSERT:

From the funds in Specific Appropriation 726 through 741, the Department of Corrections shall issue a request for proposals, as defined in s. 287.057(1)(b), F.S. for the provision of comprehensive health care services to inmates in the custody of the department, excluding those inmates housed in institutions authorized under the provisions of chapter 957, F.S. Comprehensive health care services shall include physical health care services, dental services, and mental health services.

The department is authorized to award bids to private companies for the provision of services that are compatible to standard Medicaid service levels at a cost of at least 7 percent less than the department's fiscal year 2009-2010 health care expenditures. The department shall contract for services on a regional basis with a minimum of 3 regions to achieve the greatest efficiencies and cost savings and to promote competition among vendors. The department shall not award more than one regional contract to any one vendor in order to protect the state from the risk of non-performance, cancellation or vendor attempts to renegotiate the price after a contract is awarded and signed.

The department shall notify the Governor's Office of Policy and Budget and the chairs of the Senate Budget Committee and the House Appropriations Committee no later than September 1, 2011 of its intent to award contracts.

The contracts for health services and mental health services shall be effective no later than October 1, 2011 for a term of 5 years. Contractors shall be responsible for maintaining electronic medical files that are nationally certified by the Credentialing Committee for Health Information Technology (CCHIT) for each patient's health information and for providing that information to the department upon request. Contractors shall report utilization and encounter data to the department on a quarterly basis in a format that is acceptable to the department. From these electronic health records the department shall maintain a single statewide electronic health records system.

In order to implement these privatization efforts, the department shall submit budget amendments to the Legislative Budget Commission as well as a plan for transitioning staff and operations. The budget amendments shall place department positions in reserve and transfer funds to the proper appropriation categories in accordance with the provisions of chapter 216, F.S. Additional budget amendments may be submitted during the 2011-2012 fiscal year as necessary for the proper alignment of budget and positions.

From the funds in Specific Appropriation 726 through 741, the Department of Corrections, or its designee, shall establish a pilot in the Health Services Program to use a supply chain management company for the purchase of health care products and supplies for facilities that are operated by the department in Pinellas, Hillsborough, Manatee, Pasco, Charlotte, DeSoto, Lee, Manatee, and Sarasota counties. The department shall issue a request for proposal, as defined in section 287.057(1)(b), Florida Statutes, to contract with a company for these services. The department shall report any budget savings to the chairs of the Senate Budget Committee and the House Appropriations Committee by February 1, 2012.

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Line item amendments are accepted as part of the amendatory process. However, due to the necessity of using computerized systems this may entail a different placement within a budget entity or the renumbering of the specific appropriation items.