

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.)

BILL: CS/SB 1346

SPONSOR: Committee on Children and Families and Senator Saunders

SUBJECT: Behavioral Healthcare Services

DATE: March 28, 2001 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Barnes	Whiddon	CF	Favorable/CS
2.	_____	_____	HC	_____
3.	_____	_____	AHS	_____
4.	_____	_____	AP	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

Committee Substitute for Senate Bill 1364 includes legislative intent for mental health and substance abuse providers under contract with the department to deliver quality treatment services consistent with best practice standards as recognized by national accreditation organizations. The Legislature intends for state agencies responsible for the licensure and monitoring of these contracted service providers to perform in the most cost efficient and effective manner with limited duplication and disruption to the service organizations.

The bill requires that accreditation be accepted by the Department of Children and Family Services (department) and the Agency for Health Care Administration (agency) to replace licensure onsite review requirements and be accepted as a substitute for the department’s administrative and program monitoring requirements. The department and the agency may adopt rules for additional monitoring and licensing standards when the accreditation standards and processes do not cover a specific and distinct requirement. The rules may also address onsite monitoring for non-residential and residential facilities by the department and the agency during the months between accreditation surveys to assure compliance with critical standards.

This bill amends sections 394.66, 394.90, and 397.411 of the Florida Statutes and creates section 394.741 of the Florida Statutes.

II. Present Situation:

Section 394.90, F.S., specifies that for crisis stabilization units and residential treatment facilities licensed under s. 394.875, F.S., the agency may accept the survey or inspection of an accrediting organization instead of its own inspections for licensure if the provider is accredited and the agency receives the report from the accrediting organization.

For substance abuse services, s. 397.403(3), F.S., states that the department shall accept proof of accreditation by the Commission on Accreditation of Rehabilitation Facilities (CARF) or the Joint Commission on Accreditation of Health Care Organizations or through any other nationally recognized certification process that is acceptable to the department and meets the minimum licensure requirements under ch. 397, F.S., in lieu of information required in a licensure application specified in s. 397.403(1)(a)-(c), F.S.

The department monitors the contracted community mental health providers for compliance with ch. 65E-5, F.A.C. The department licenses substance abuse providers pursuant to ch. 397, F.S., and ch. 65D-30, F.A.C. The agency licenses the crisis stabilization units and short-term residential treatment facilities pursuant to ch. 394, F.S., and ch. 65E-12, F.A.C., and licenses the residential treatment facilities pursuant to ch. 394, F.S., and ch. 65E-4, F.A.C.

The Joint Commission on Accreditation of Healthcare Organizations (JCAHO), an independent, not-for-profit organization, evaluates and accredits nearly 19,000 health care organizations and programs in the United States including hospitals, health care networks, home care organizations, long-term care facilities, behavioral health care organizations, ambulatory care providers, and clinical laboratories. It is estimated that 1,707 of those programs are behavioral health care (mental health or substance abuse) providers. The outcome data collected in the accreditation process are housed in JCAHO's database. JCAHO accreditation is currently used by 44 states for deemed status, including total and partial relief from state compliance requirements for funding and licensure as well as added incentives to accredited agencies.

All JCAHO surveys are conducted by experienced behavioral health care professionals including psychologists, psychiatrists, social workers, nurses, and mental health administrators. The Commission standards for behavioral health care providers include subjects such as rights, responsibilities, and ethics; continuum of services; assessment; care; and education.

CARF – The Rehabilitation Commission (CARF) is a private, not-for-profit organization in the medical and vocational rehabilitation fields promoting quality programs for people with disabilities and others in need of services. CARF standards, developed through the efforts of consumers, providers, third-party purchasers, and other professionals, include behavioral health care programs such as assertive community treatment, case management, community-based rehabilitation, crisis intervention, day treatment, detoxification, and residential treatment. The onsite survey is conducted by a team of professional persons who provide an impartial, external review, using a consultative approach, on conformance of the programs to CARF standards. At present, close to 25,000 programs and services in more than 3,000 organizations in the U.S., Canada and Europe have earned CARF accreditation in the areas of adult day services, assisted living, behavioral health, employment and community services, and medical rehabilitation. CARF accreditation is mandated, promoted, and endorsed by many governmental and private entities.

The National Committee on Quality Assurance is an independent, non-profit organization whose mission is to evaluate and report on the quality of the nation's managed care organizations.

III. Effect of Proposed Changes:

CS/SB 1346 amends s. 394.66, F.S., by specifying that the Legislature intends for alcohol, drug abuse and mental health service providers under contract with the department to deliver quality treatment services that are consistent with best practice standards as recognized by national accreditation organizations. It is also specified in legislative intent that the state agencies responsible for the licensure and monitoring of these contracted service providers perform in the most cost efficient and effective manner with limited duplication and disruption to the service organizations.

Section 394.741, F.S., is created to provide accreditation requirements for providers of behavioral healthcare services. "Behavioral healthcare services" is defined as mental health and substance abuse treatment services.

The bill requires that under certain circumstances the agency accept accreditation instead of its own facility licensure requirements and the department accept accreditation as a substitute for its administrative and program monitoring requirements. These circumstances include when:

- An organization from which the department purchases behavioral health care services is accredited by the Joint Commission on Accreditation of Healthcare Organizations or the Council on Accreditation for Children and Family Services, or those services being purchased by the department accredited by CARF—the Rehabilitation Accreditation Commission.
- A mental health facility licensed by the agency or any substance abuse component licensed by the department accredited by the Joint Commission on Accreditation of Healthcare Organizations, CARF—the Rehabilitation Accreditation Commission, or the Council on Accreditation for Children and Family Services.
- A network of providers from which the department or the agency purchases behavioral health care services accredited by the Joint Commission on Accreditation of Healthcare Organizations, CARF—the Rehabilitation Accreditation Commission, Council on Accreditation for Children and Family Services, or the National Committee for Quality Assurance.

The bill specifies that for mental health services, the department and the agency may adopt rules that establish:

- additional standards for licensing or monitoring accredited programs and facilities that the department and agency have determined are not specifically and distinctly covered by the accreditation standards and processes.
- an on-site monitoring process between 24 months and 36 months after accreditation for non-residential facilities to assure compliance with critical standards.
- an on-site monitoring process between 12 months and 24 months after accreditation for residential facilities to assure compliance with critical standards.

For Substance abuse services, the department must conduct full licensure inspections every three years and must develop in rule criteria that would justify more frequent inspections.

The bill requires that the department and the agency be given access to all accreditation reports, corrective action plans, and performance data submitted to the accrediting organizations. The department and the agency may perform follow-up monitoring activities when major deficiencies are identified through the accreditation process.

The bill specifies that the department or agency may perform inspections of accredited organizations, including contract monitoring, at any time to ensure that deliverables are provided in accordance with contracts.

The bill requires that the department and the agency report to the Legislature by January 1, 2003, on the viability of mandating that all organizations that are under contract with the department or licensed by the agency to provide behavioral health services be accredited. Also, the report must include the viability of privatizing all licensure and monitoring functions through an accrediting organization.

The bill specifies that these provisions would apply to contracted organizations that are already accredited immediately upon becoming law.

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:

There will be accreditation fees for the provider agencies under the provisions of SB 1346.

C. Government Sector Impact:

There could be staffing and administrative cost savings for the department and agency if fewer licensure or monitoring visits are required.

There will be indeterminate costs to the department and the agency to conduct the two reviews and the preparation of the report to the Legislature by January 1, 2003. These

reviews address: 1) the viability of mandating accreditation of all organizations under contract with the department or licensed by the department or agency, and 2) the practicability of privatizing all licensure and monitoring functions through an accrediting organization.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

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