

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1397 Substance Abuse

SPONSOR(S): Cusack

TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Elder Affairs & Long Term Care (SUB)</u>	<u>7 Y, 0 N</u>	<u>Meyer</u>	<u>Liem</u>
2) <u>Future of Florida's Families</u>	_____	_____	_____
3) <u>Human Services Appropriations (SUB)</u>	_____	_____	_____
4) <u>Appropriations</u>	_____	_____	_____
5) _____	_____	_____	_____

SUMMARY ANALYSIS

This bill will allow the Department of Children and Family Services to implement an integrated managed behavioral health care plan that will provide substance abuse treatment services to children and their families involved in the protective services process. The bill provides for data collection, revises payment methods, and allows the department to enter into a non-competitive contract with the single managing entity. Integration of services must be completed within two years after the project is initiated.

The department does not project a fiscal impact. The bill takes effect upon becoming law.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h1397a.fff.doc

DATE: April 10, 2003

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. DOES THE BILL:

- | | | | |
|--------------------------------------|------------------------------|-----------------------------|---|
| 1. Reduce government? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. Lower taxes? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

B. EFFECT OF PROPOSED CHANGES:

The bill allows the Department of Children and Family Services (DCFS) to implement fee for service, prepaid case rates, or prepaid capitation purchasing arrangements for substance abuse services if the unit cost method of reimbursement is abolished.

DCFS is permitted to contract for the provision of behavioral health services which are provided to Medipass recipients. The department is directed to establish data management and reporting systems. Further, districts 4 and 12 are to work with community agencies to establish a single managing entity to manage the delivery of all substance abuse services to families who receive child protective services.

The integration of all services agreed upon by the department and the managing entity must be accomplished within two years after beginning the project. The department is required to provide reports to the Legislature.

The department must work with the Behavioral Health Services Integration Workgroup to develop a plan to implement behavioral health services strategies across the state.

Background

Districts 1 and 8 were selected as the demonstration sites to test new models for managing, integrating, and delivering behavioral health strategies that are directed by s. 394.9082, F.S. The statute authorized the department and the agency to contract with a managing entity in at least two geographic areas, and required that both the department and the agency contract with the same managing entity. The managing entity is required to be accountable for the delivery of behavioral health care services specified by the department and the agency.

The statute provides for the implementation of two types of strategies. Both of these strategies allow the department and the agency to:

- Establish benefit packages based on the level of severity of illness and level of client functioning;
- Align and integrate procedure codes, standards, or other requirements if it is jointly determined that these actions will simplify or improve client services or efficiencies in service delivery;
- Use prepaid per capita and prepaid aggregate fixed-sum payment methodologies; and
- Modify their current procedure codes to increase clinical flexibility, encourage the use of the most effective interventions, and support rehabilitative activities.

Since the implementation of these strategies in District 1 and District 8, an initial evaluation has been conducted by the Florida Mental Health Institute. The study indicates that these strategies appear to be promising.

C. SECTION DIRECTORY:

Section 1 amends section 394.74(2)(b) related to contracting for local substance abuse and mental health services.

Section 2 amends section 394.9082 relating to contracts for behavioral health services.

Section 3 amends section 394.9083 relating to the Behavioral Health Services Integration Workgroup.

Section 4 provides that the bill takes effect upon becoming a law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

No new revenues are created.

2. Expenditures:

No new expenditures are prescribed.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

No direct fiscal impact of local government revenues is provided.

2. Expenditures:

No direct fiscal impact on local government expenditures is provided.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

No impact is projected.

D. FISCAL COMMENTS:

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable.

2. Other:

B. RULE-MAKING AUTHORITY:

No rule making authority is created or revised.

C. DRAFTING ISSUES OR OTHER COMMENTS:

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

The Elder Affairs and Long Term Care Committee adopted one strike –all amendment in its April 9, 2003 meeting. That amendment conformed it to the Senate bill and made the following changes:

Allows the department to adopt administrative rules that account for local matching dollars in a way that is consistent with the variety of payment arrangements the department is permitted to use

Deletes the limitation that the services provided by the managing entity be delivered only to Medipass recipients.