

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.)

Prepared By: Health Care Committee

BILL: SB 356

SPONSOR: Senator Lynn

SUBJECT: Substance Abuse Treatment

DATE: February 4, 2005

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Collins</u>	<u>Whiddon</u>	<u>CF</u>	Favorable
2.	<u>Munroe</u>	<u>Wilson</u>	<u>HE</u>	Favorable
3.	_____	_____	<u>HA</u>	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

The bill redefines “licensed service provider,” for purposes of substance abuse impairment services, to include the service component of “intensive inpatient treatment,” which is defined to include a planned regimen of professionally directed evaluation, observation, medical monitoring, and clinical protocols that are provided 24 hours a day, seven days per week in a highly structured, live-in environment.

The bill defines “medical monitoring,” to mean oversight and treatment, 24 hours per day by medical personnel of clients whose subacute biomedical, emotional, psychosocial, behavioral, or cognitive problems are so severe that the clients require intensive inpatient treatment by an interdisciplinary team. Medical personnel, as used in the term “medical monitoring,” is limited to persons who are Florida-licensed medical physicians, osteopathic physicians, physician assistants, or nurses.

This bill amends section 397.311, Florida Statutes.

This bill amends ss. 212.055, 397.416, and 440.102, F.S., providing conforming references.

This bill reenacts ss. 397.405(8) and 397.407(1), F.S., to incorporate an amendment to s. 397.311, F.S.

II. Present Situation:

Chapter 397, F.S., provides for the Department of Children and Family Services’ oversight and licensure of substance abuse treatment providers with certain exceptions that are specified by law. Section 397.311, F.S., specifies the definitions of licensed substance abuse residential

treatment programs. The Department of Children and Family Services has adopted administrative rules to further govern licensed substance abuse residential treatment programs.¹ Five levels of treatment are available within the residential treatment programs. The levels of treatment range from level 1, which provides the most intensive level of service, to level 5, which provides the least intensive level of service. The intensity of service level (1-5), correlates to the level and frequency of clinical or medical services that are provided by the program.

A client may need a more intense level of care than is typical of the services provided in even the highest level of residential treatment. In these situations, acute care services are provided in an intensive inpatient treatment program. Hospitals licensed under ch. 395, F.S., and level 1 residential treatment programs licensed under ch. 397, F.S., may provide inpatient acute care services, as well. However, insurance carriers often do not provide adequate reimbursement for acute inpatient services provided in a residential program.

Some private substance abuse service providers have raised concerns regarding the difficulties they have in obtaining third party payments for “inpatient treatment” and when marketing their services to consumers seeking substance abuse treatment.² Such providers have indicated that their difficulty in obtaining third party payments for inpatient treatment services has been attributed, in part, to s. 397.311(18), F.S., which authorizes substance abuse treatment facilities to provide treatment and rehabilitation, as a part of its residential treatment. In effect, these substance abuse treatment facilities assert that they actually provide inpatient treatment in the context of residential treatment.

Private substance abuse service providers have also asserted that the current definitions for substance abuse treatment services provided by s. 397.311, F.S., do not accurately represent the scope of services that are provided by some treatment facilities, and as a result, the facilities’ ability to collect payment from insurance companies and market the full range of services to clients may be affected. The characterization of the provider’s services as residential treatment may lead to a reduction of services to the clients of private substance abuse providers, since clients may not be fully aware of the level or intensity of treatment or service available with a particular provider when seeking treatment.

III. Effect of Proposed Changes:

Senate Bill 356 amends the definition of “licensed service provider” provided by s. 397.311(18), F.S., to include a service component for “intensive inpatient treatment.” This component includes a planned regimen of professionally directed evaluation, observation, medical monitoring, and clinical protocols that are provided 24 hours a day, seven days per week in a highly structured, live-in environment. The amendment proposed by this bill more accurately describes the services that are being provided by facilities that are experiencing problems with reimbursement. It is anticipated by some in the substance abuse provider community that designating this new service component will have a positive impact on the providers’ ability to

¹ See chapter 65D-30, Florida Administrative Code.

² A representative of the Florida Alcohol and Drug Abuse Association, which represents both public, nonprofit providers and private providers, indicated that the association does not have any statistics on denials of third party payments for inpatient treatment rendered by its association members.

collect third party payments. However, not all the substance abuse providers agree that changes proposed by this bill will address the issues of reimbursement.

This bill creates a definition for “medical monitoring,” one of the services included in the “intensive inpatient treatment” component that is not typically included in other residential treatment levels. This bill specifies that “medical monitoring” means oversight and treatment 24 hours per day by medical personnel of clients whose subacute biomedical, emotional, psychosocial, behavioral, or cognitive problems are so severe that the clients require intensive inpatient treatment by an interdisciplinary team. Medical personnel, as used in the term “medical monitoring,” is limited to persons who are Florida-licensed medical physicians, osteopathic physicians, physician assistants, or nurses.

The effective date of this bill is July 1, 2005.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

The provisions of this bill have no impact on municipalities and the counties under the requirements of Article VII, Section 18 of the Florida Constitution.

B. Public Records/Open Meetings Issues:

The provisions of this bill have no impact on public records or open meetings issues under the requirements of Article I, Section 24(a) and (b) of the Florida Constitution.

C. Trust Funds Restrictions:

The provisions of this bill have no impact on the trust fund restrictions under the requirements of Article III, Subsection 19(f) of the Florida Constitution.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The bill may improve the ability of substance abuse providers to collect third party payments for “inpatient treatment.”

C. Government Sector Impact:

The Department of Children and Family Services will incur minimal costs associated with amending its rules governing licensed substance abuse residential treatment programs in chapter 65D-30, F.A.C.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

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

VIII. Summary of Amendments:

None.

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