

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: Government Efficiency Appropriations Committee

BILL: CS/SB 2612

SPONSOR: Children and Families Committee and Senator Lynn

SUBJECT: Behavioral Health Services Delivery

DATE: April 22, 2005

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Collins</u>	<u>Whiddon</u>	<u>CF</u>	<u>Fav/CS</u>
2.	<u>Gilreath</u>	<u>Johansen</u>	<u>GE</u>	<u>Favorable</u>
3.	_____	_____	<u>HA</u>	_____
4.	_____	_____	<u>RC</u>	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

The committee substitute for Senate Bill 2612 authorizes the Department of Children and Family Services to expand the behavioral health care strategy being implemented in Districts 4 and 12 to include Districts 2, 3, and 13.

If the provisions of this bill are implemented, the expansion of the pilot program must be completed within two years of its initiation. Additionally, the department is required to provide the necessary technical assistance to assure provider readiness and provide an additional status report to appropriate legislative committees by February 27, 2006.

Upon approval, the committee substitute will take effect on July 1, 2005.

This bill amends section 394.9082(8) of the Florida Statutes.

II. Present Situation:

Background

Section 394.9082, F.S., (Behavioral health service delivery strategies) reflects the Legislature's recognition that in order for the state's publicly funded mental health and substance abuse treatment systems to evolve into a single well-integrated behavioral health system, demonstration sites must be established where new ideas and technologies can be tested and reviewed (ch. 2001-191, L.O.F). This law permits the Department of Children and Family Services (department) and the Agency for Health Care Administration (agency) to develop behavioral service delivery strategies to improve the coordination, integration, and management of the delivery of mental health and substance abuse treatment services to persons with emotional,

mental, or addictive disorders. Section 394.9082(4), F.S., directs the department and the agency to establish two behavioral health service strategies and to develop a managing entity for each strategy.

The law specifies the goals [s. 394.9082(6), F.S.], and essential elements of the behavioral health delivery strategies [s. 394.9082 (7), F.S.]. These provisions address the integration of mental health and substance abuse services, network membership, target populations for services, cooperative agreements with community partners, and information that must be provided by the managing entity to the department and agency.

The law also directs the Florida Mental Health Institute (FMHI) to conduct an ongoing formative evaluation of each strategy in order to identify the most effective methods and techniques used to manage, integrate, and deliver behavioral health services. Based upon the findings of FMHI, the department and the agency are to recommend by report to the Governor, President of the Senate, and the Speaker of the House of Representatives strategies for statewide implementation based upon their success.

In 2003, legislation was passed amending s. 394.9082(8) and (9), F.S., to provide for the expansion of a behavioral health service delivery strategy to Districts 4 and 12 (ch. 2003-279, L.O.F). The department was directed to work with community agencies to establish a single managing entity for these districts to be accountable for the delivery of substance abuse services to child protective services recipients. The purpose of this initiative was to enhance the coordination of substance abuse services with community-based care agencies and the department [s. 394.9082(8), F.S.].

This law directed the department to work with affected stakeholders to develop and implement a plan to allow the phase-in of services, to implement the substance abuse delivery component of this program without delay, and to provide technical assistance to insure provider and district readiness for implementation. The department was further authorized to enter into a non-competitive contract with the managing entity but was required to maintain detailed information on the methodology used for selection and a justification for the selection of the managing entity. During the initial planning and implementation phase of the project, the requirements specified in s. 394.9082(6) and (7), F.S., were to be waived.

This law directed the department to fully implement the specified strategy within two years of its initiation and to provide status reports to the appropriate substantive committees of the Senate and House of Representatives no later than February 29, 2004 and February 28, 2005.

Section 394.9082(9), F.S., was also amended by ch. 2003-279, L.O.F., to require the department and the Agency for Health Care Administration to provide routine monitoring and oversight of technical assistance to managing entities. The Louis de la Parte Florida Mental Health Institute (FMHI) was directed to conduct ongoing evaluation of specified behavioral health service delivery strategies and by December 31, 2006, to conduct a study of the strategies implemented in Districts 1, 8, 4, and 12 and provide a report containing recommendations for the statewide implementation of successful strategies.

Program Implementation

North East Florida Addictions Network (NEFAN) was selected as the single managing entity for Districts 4 and 12, and a first year implementation contract was in place by October 2004.¹ Currently, the department's contract with NEFAN totals \$482,813 and covers the salary of the executive director, eight family intervention specialists, and the purchase of related services and training support.

To date, the predominant activities of the network have been focused on organizing substance abuse providers and addressing system issues. According to the department, the full phase-in of substance abuse services has not been completed in the original two districts due to the amount of time required to achieve the full participation of area providers, the difficulty in building agreement among the substance abuse providers regarding the structure of the network,² the need to establish uniform processes across the counties within the districts, the need to strengthen the linkages between the child protection and substance abuse treatment systems, and the replacement of the executive director.³

The first status report has been completed by the department and provided to the appropriate legislative committees. However, the evaluation required by FMHI has not been completed and the success of this pilot is yet to be determined. Despite the brief amount of time that this strategy has been underway and the lack of a determination as to its success, NEFAN has begun discussions with providers in Districts 2, 3, and 13 regarding future expansion.

III. Effect of Proposed Changes:

The committee substitute for Senate Bill 2612 amends s. 394.9082(8), F.S., to authorize the department to expand its pilot program in Districts 4 and 12 to Districts 2, 3, and 13. The bill also:

- Deletes the requirement for the department to maintain detailed information on the methodology used for the selection and the justification for the selection of the managing entity;
- Waives the requirements specified in s. 394.9082(6) and (7), F.S., during the initial planning and implementation phase of the project's expansion;
- Requires the department to provide the necessary technical assistance to assure provider and district readiness for program implementation;
- Requires the department to provide a third status report to the appropriate substantive committees of the Senate and House of Representatives no later than February 27, 2006, if the pilot program is expanded; and
- Requires that the integration of all services agreed upon by the managing entity and authorized by the department be completed within two years of initiating the expansion of the project.

¹ The requirements specified in s. 394.9082(6) and (7), F.S., continue to be waived.

² The structure of the network was agreed upon during February 2004.

³ The current executive director was hired during January 2005.

Upon approval, this act shall take effect July 1, 2005.

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:

Substance abuse providers who do not choose to participate in the network are likely to lose the ability to compete for the provision of services to the child welfare population in the affected districts.

There will be an undetermined fiscal impact on substance abuse treatment providers and community-based care organizations who choose to participate in the development and implementation of the network specified by this bill.

C. Government Sector Impact:

If the provisions of this bill are implemented, the department must provide specialized technical assistance to three additional districts. The department projects that providing this technical assistance would result in a significant workload increase for district and headquarters staff. Although no cost analysis has been completed of the impact of this expansion on the department, the department has reported that:

- Current staff capacity in the districts is insufficient to support this initiative;
- The district structure for substance abuse and mental health programs would have to be realigned in order to develop a contract with and to perform monitoring of a network spanning the five districts specified by this bill; and
- There would likely be an increase in the administrative costs of providing services during the start-up of a new contract, which could result in the reduction of client services.

The Louis de la Parte Florida Mental Health Institute is required to perform evaluations of this network expansion. Additional funding will be required for this purpose. The department reports that the cost for evaluation will be \$50,000 during the start-up year and \$100,000 annually thereafter.

VI. Technical Deficiencies:

None.

VII. Related Issues:

It is unknown whether the districts specified by this bill are “ready” to establish a network.

The strategy implemented in Districts 4 and 12 has not been in effect long enough to be fully evaluated. It is not clear whether this approach has resulted in more effective or efficient client services or whether the expansion of the strategy is warranted.

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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