Bill No. $\underline{\text{CS for SB 2360}}$

Amendment No. ____

	Senate House
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11	Senator Kirkpatrick moved the following amendment:
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13	Senate Amendment (with title amendment)
14	On page 41, between lines 8 and 9,
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16	insert:
17	Section 14. Paragraph (b) of subsection (3) of section
18	409.912, 1998 Supplement, is amended to read:
19	409.912 Cost-effective purchasing of health careThe
20	agency shall purchase goods and services for Medicaid
21	recipients in the most cost-effective manner consistent with
22	the delivery of quality medical care. The agency shall
23	maximize the use of prepaid per capita and prepaid aggregate
24	fixed-sum basis services when appropriate and other
25	alternative service delivery and reimbursement methodologies,
26	including competitive bidding pursuant to s. 287.057, designed
27	to facilitate the cost-effective purchase of a case-managed
28	continuum of care. The agency shall also require providers to
29	minimize the exposure of recipients to the need for acute
30	inpatient, custodial, and other institutional care and the
31	inappropriate or unnecessary use of high-cost services.
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- (3) The agency may contract with:
- (b) An entity that is providing comprehensive inpatient and outpatient behavioral mental health care services plan licensed under chapter 624, chapter 636, or chapter 641. Unless otherwise authorized by law, the agency shall limit such contract to services provided to certain Medicaid recipients in Hillsborough, Highlands, Hardee, Manatee, and Polk, Escambia, Santa Rosa, Okaloosa, Walton, and Dade Counties, through a capitated, prepaid arrangement pursuant to the federal waiver provided for by s. 409.905(5). Such an entity must become licensed under chapter 624, chapter 636, or chapter 641 by December 31, 1998, and is exempt from the provisions of part I of chapter 641 until then. However, if the entity assumes risk, the Department of Insurance shall develop appropriate regulatory requirements by rule under the insurance code before the entity becomes operational.
- 1. A county in which the agency seeks to implement its authority to award contracts as provided in this subparagraph that has a Medicaid population in excess of 300,000, the agency shall award one contract for every 100,000 Medicaid recipients.
- 2. The agency shall set as part of the competitive procurement an allowable medical/loss ratio to limit administrative costs and shall use industry standards, which shall be adjusted based upon size of the plan.
- 3. In developing the behavioral health care prepaid plan procurement document, the agency shall consult and coordinate with the Department of Children and Family Services and the Department of Juvenile Justice. The Department of Children and Family Services shall approve the sections of the behavioral health care prepaid plan procurement document that

relates to children in the care and custody of Department of
Children and Family Services and their families. The
Department of Juvenile Justice shall approve the sections of
the behavioral health care prepaid plan procurement document
that relates to children in the care and custody of Department
of Juvenile Justice and their families.

- 4. A county that has a provider service network as authorized in this section, which provides behavioral health care services and is in operation as of October 1, 1999, the agency shall not include those recipients served by the provider service network in the behavioral health prepaid plan, pursuant to this subsection.
 - 5. As used in this paragraph:
- <u>a. "Behavioral health care" includes mental health</u> and substance abuse services.
- b "District" means any district of the Department of Children and Family Services.
- c. "Therapeutic or Supportive Foster Care Homes"

 means any foster care program operated by a Medicaid Community

 Mental Health provider which is a licensed residential child

 caring or child placing agency as defined in section 409.175.
- d. "Specialized Therapeutic Foster Care" means any foster care program provided under the Medicaid Community

 Mental Health Program service entitled specialized therapeutic foster care.
- 6. Children residing in a Department of Juvenile

 Justice residential program approved as a Medicaid Behavioral

 Health Overlay Services provider shall not be included in

 behavioral health care prepaid plan pursuant to this

 subparagraph.
 - 7. When implementing the Behavioral Health Care

prepaid program in Dade County, the agency shall not include
the following:

- a. dependent children placed by the Department of
 Children and Family Services or children placed by a licensed
 child placing agency into a licensed residential group care
 facility which is operated by a Medicaid Community Mental
 Health provider.
- b. dependent children of the department receiving therapeutic or supportive foster home care.
- c. services to children in the care or custody of the department while they are in emergency shelter.
- d. children served under the Community Mental Health program specialized therapeutic foster care.
- 8. When implementing the Behavioral Health Care prepaid program in Dade County, the agency shall require that any existing licensed child caring or child placing agency that is also a Medicaid Community Mental Health Program provider will be part of the provider network.
- 9. The agency and the department shall approve behavioral health care criteria and protocols for services provided to children referred from the child protection team for follow-up services.
- 10. In all the behavioral health care prepaid plans, substance abuse services shall be reimbursed fee for service from State Medicaid funds until such time as the agency determines that adequate funds are available for prepaid methods. The agency shall insure that any contractors for pre-paid behavioral health services shall propose practical methods of integrating mental health and substance abuse services, including opportunities for community-based substance abuse agencies to become partners in the provider

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networks established at a district or area level, and to participate in the development of protocols for substance abuse services.

- 11. In developing the behavioral health care prepaid plan procurement document, the agency must ensure that conversion to a prepaid system of delivery shall not result in the displacement of indigent care patients from facilities receiving state funding to provide indigent behavioral health care to facilities licensed under chapter 395 which do not receive state subsidies unless the unsubsidized facilities are reimbursed for the costs of all treatment, including medical treatment which is a precondition to admission into a subsidized facility. Traditional inpatient mental health providers licensed pursuant to chapter 395 must be included in any provider network for prepaid behavioral health services.
- 12. The agency shall notify the Legislature of the status and plans to expand the behavioral managed care projects to those counties designated in this paragraph by October 1, 2000. With respect to any county or district in which expansion of behavioral managed care projects cannot be accomplished within the 3-year time frame, the plan must clearly state the reasons the time frame cannot be met and the efforts that should be made to address the obstacles, which may include alternatives to behavioral managed care. The plan must also address the status of services to children and their families in the care and custody of the department and Juvenile Justice. The plan must address how the services for those children and families will be integrated into the comprehensive behavioral health care program or how services will be provided using alternative methods over the 3-year phase in.

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          13. For counties not specifically designated in this
   paragraph, a local planning process shall be completed prior
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    to the agency expanding behavioral managed care projects to
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    other areas. The planning process shall be completed with
    local community participation including, but not limited to,
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    input from community-based mental health, substance abuse,
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    child welfare, and delinquency providers currently under
    contract with the Department of Children and Family Services,
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    Department of Juvenile Justice or the agency. Facilities
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    licensed under chapter 395 will be included in the local
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   planning process.
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    (Redesignate subsequent sections.)
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   ======== T I T L E A M E N D M E N T =========
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   And the title is amended as follows:
           On page 1, line 2, delete that line
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19
   and insert:
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21
           An act relating to health care; amending s.
           409.912, F.S.; authorizing the Agency for
22
           Health Care Administration to contract with
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           entities providing behavioral health care
           services to certain Medicaid recipients in
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           certain counties under certain circumstances;
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           providing requirements; providing limitations;
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           providing definitions;
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