Bill No. CS/HB 1129, 2nd Eng.

Amendment No. CHAMBER ACTION Senate House 1 2 3 4 5 6 7 8 9 10 11 Senator Silver moved the following amendment: 12 13 Senate Amendment (with title amendment) 14 Delete everything before the enacting clause 15 16 and insert: 17 Section 1. Paragraph (b) of subsection (3) of section 409.912, Florida Statutes, is amended, and paragraph (e) is 18 19 added to that subsection, to read: 20 409.912 Cost-effective purchasing of health care.--The agency shall purchase goods and services for Medicaid 21 22 recipients in the most cost-effective manner consistent with 23 the delivery of quality medical care. The agency shall 24 maximize the use of prepaid per capita and prepaid aggregate 25 fixed-sum basis services when appropriate and other 26 alternative service delivery and reimbursement methodologies, 27 including competitive bidding pursuant to s. 287.057, designed to facilitate the cost-effective purchase of a case-managed 28 continuum of care. The agency shall also require providers to 29 30 minimize the exposure of recipients to the need for acute 31 inpatient, custodial, and other institutional care and the 1 2:39 PM 05/02/00 h1129c1c-3810a Bill No. <u>CS/HB 1129, 2nd Eng.</u> Amendment No. ____

inappropriate or unnecessary use of high-cost services. 1 2 (3) The agency may contract with: 3 (b) An entity that is providing comprehensive 4 behavioral inpatient and outpatient mental health care 5 services to certain Medicaid recipients in Hillsborough, 6 Highlands, Hardee, Manatee, and Polk Counties, through a 7 capitated, prepaid arrangement pursuant to the federal waiver 8 provided for by s. 409.905(5). Such an entity must be become 9 licensed under chapter 624, chapter 636, or chapter 641 and 10 must possess the clinical systems and operational competence to manage risk and provide comprehensive behavioral health 11 12 care to Medicaid recipients. As used in this paragraph, the term "comprehensive behavioral health care services" means 13 covered mental health and substance abuse treatment services 14 15 that are available to Medicaid recipients. The Secretary of 16 the Department of Children and Families shall approve 17 provisions of procurements related to children in the 18 department's care or custody prior to enrolling such children 19 in a prepaid behavioral health plan. Any contract awarded 20 under this paragraph must be competitively procured. In 21 developing the behavioral health care prepaid plan procurement document, the agency shall ensure that the procurement 22 document requires the contractor to develop and implement a 23 24 plan to ensure compliance with s. 394.4574 related to services provided to residents of licensed assisted living facilities 25 26 that hold a limited mental health license. The agency must 27 ensure that Medicaid recipients have available the choice of 28 at least two managed care plans for their behavioral health 29 care services. The agency may reimburse for 30 substance-abuse-treatment services on a fee-for-service basis until the agency finds that adequate funds are available for 31 2

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capitated, prepaid arrangements. 1 1. By January 1, 2001, the agency shall modify the 2 3 contracts with the entities providing comprehensive inpatient 4 and outpatient mental health care services to Medicaid recipients in Hillsborough, Highlands, Hardee, Manatee, and 5 6 Polk Counties, to include substance-abuse-treatment services. 7 2. By December 31, 2001, the agency shall contract with entities providing comprehensive behavioral health care 8 services to Medicaid recipients through capitated, prepaid 9 10 arrangements in Charlotte, Collier, DeSoto, Escambia, Glades, Hendry, Lee, Okaloosa, Pasco, Pinellas, Santa Rosa, Sarasota, 11 12 and Walton Counties. The agency may contract with entities 13 providing comprehensive behavioral health care services to Medicaid recipients through capitated, prepaid arrangements in 14 15 Alachua County. The agency may determine if Sarasota County shall be included as a separate catchment area or included in 16 17 any other agency geographic area. 3. Children residing in a Department of Juvenile 18 Justice residential program approved as a Medicaid behavioral 19 20 health overlay services provider shall not be included in a 21 behavioral health care prepaid health plan pursuant to this 22 paragraph. 4. In converting to a prepaid system of delivery, the 23 24 agency shall in its procurement document require an entity providing comprehensive behavioral health care services to 25 26 prevent the displacement of indigent care patients by 27 enrollees in the Medicaid prepaid health plan providing 28 behavioral health care services from facilities receiving 29 state funding to provide indigent behavioral health care, to 30 facilities licensed under chapter 395 which do not receive state funding for indigent behavioral health care, or 31

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reimburse the unsubsidized facility for the cost of behavioral 1 2 health care provided to the displaced indigent care patient. 3 Traditional community mental health providers under 5. 4 contract with the Department of Children and Families pursuant to Part IV of chapter 394 and inpatient mental health 5 6 providers licensed pursuant to chapter 395, must be offered an 7 opportunity to accept or decline a contract to participate in any provider network for prepaid behavioral health services. 8 9 by December 31, 1998, and is exempt from the provisions of 10 part I of chapter 641 until then. However, if the entity 11 assumes risk, the Department of Insurance shall develop appropriate regulatory requirements by rule under the 12 13 insurance code before the entity becomes operational. 14 (e) An entity that provides comprehensive behavioral 15 health care services to certain Medicaid recipients through an 16 administrative services organization agreement. Such an entity 17 must possess the clinical systems and operational competence 18 to provide comprehensive health care to Medicaid recipients. As used in this paragraph, the term "comprehensive behavioral 19 health care services" means covered mental health and 20 substance abuse treatment services that are available to 21 Medicaid recipients. Any contract awarded under this paragraph 22 must be competitively procured. The agency must ensure that 23 24 Medicaid recipients have available the choice of at least two 25 managed care plans for their behavioral health care services. 26 Section 2. This act shall take effect July 1, 2000. 27 28 ======== TITLE AMENDMENT========== 29 30 And the title is amended as follows: Delete everything before the enacting clause 31 4 2:39 PM 05/02/00 h1129c1c-3810a

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and insert: 1 2 A bill to be entitled 3 An act relating to Medicaid managed behavioral 4 health care; amending s. 409.912, F.S.; 5 authorizing the Agency for Health Care Administration to contract for prepaid б 7 behavioral health care services for Medicaid recipients in specified counties; providing 8 9 requirements for the agency in developing 10 procurement procedures; authorizing the agency to contract for the provision of certain 11 12 services in Alachua County and authorizing it 13 to make certain determinations regarding Sarasota County; prohibiting the inclusion of 14 certain children in such services; requiring 15 16 the agency to require certain providers to 17 prevent the displacement of certain indigent care patients; providing for certain 18 traditional mental health providers to be 19 20 offered a contract to participate in such 21 prepaid services plans; defining the term "comprehensive behavioral health care 22 services"; providing deadlines for entering 23 24 such contracts; deleting provisions requiring 25 the Department of Insurance to develop certain 26 requirements for entities that provide mental 27 health care services; authorizing the Agency 28 for Health Care Administration to contract for mental health and substance abuse treatment 29 30 services for Medicaid recipients through an administrative services organization agreement; 31

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