

# 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.)

BILL: CS/CS/SB 2894

SPONSOR: Health, Aging, and Long-Term Care Committee, Children and Families Committee, and Senator Webster

SUBJECT: Mental Health and Vocational Rehabilitation Services

DATE: April 13, 2004

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Collins</u>	<u>Whiddon</u>	<u>CF</u>	<u>Fav/CS</u>
2.	<u>Parham</u>	<u>Wilson</u>	<u>HC</u>	<u>Fav/CS</u>
3.	_____	_____	<u>AHS</u>	_____
4.	_____	_____	<u>AP</u>	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

## I. Summary:

This bill provides for the continuation of the client-directed and choice-based pilot project in District 4 to provide mental health treatment and supportive services to adults who have a serious and persistent mental illness, and authorizes the Department of Children and Families (DCF) to expand the project to one additional district. The bill also authorizes DCF to implement a similar client-directed and choice-based pilot project in one district to provide mental health treatment and support services for children living at home. The bill prohibits the use of funding appropriated for direct client services to pay for the administrative costs of the pilot projects.

The bill requires DCF to establish procedures that are applicable to all of the pilot sites prior to expanding the current project, including a project description, eligibility requirements, the scope of services, and provider responsibilities. The provisions for an independent evaluation of the pilot projects are continued, and must include the status of each project's implementation and any adverse outcomes resulting from the projects. The evaluator must provide a report to DCF and the appropriate legislative committees on the evaluation that addresses findings and recommendations and whether to expand the pilot projects.

The bill requires DCF to work with the Agency for Health Care Administration (AHCA) and the Division of Vocational Rehabilitation (DVR) to explore obtaining federal waivers to support the expansion of the client-directed and choice-based pilot projects. Recommendations relating to the use of waiver funds must be included in the reports to the Legislature.

The bill requires DCF to submit reports to the Legislature on the progress of the pilot projects. The report must include discussion of how the recommendations from the evaluations will be incorporated into practice.

The bill amends s. 394.9084, F.S.

## **II. Present Situation:**

### **Adult Community Mental Health Services**

Florida's publicly funded adult mental health programs are a part of the Mental Health Program Office within DCF, which includes the Institutional Services program and the Community Mental Health Services program. The Institutional Services program works with the state mental treatment facilities located around the state and the Community Mental Health Services program works with community-based providers and others who serve people with mental health problems, mental illness, or other emotional or behavioral problems.

There are 15 district mental health program offices located around Florida. These district offices contract with local, community-based providers, agencies, facilities, and hospitals who serve people with mental health problems, mental illness, or other emotional or behavioral problems. DCF's service districts have the full authority to implement and manage the system of care for adults with mental health problems within their specific geographic boundaries. Within each district office, there are one or more people whose primary responsibility is to monitor and assist with adult and/or children's mental health services and supports. The responsibilities of these staff include:

- Negotiating and monitoring contracts with providers of supports and services;
- Working collaboratively with partner agencies, programs and services such as schools, local hospitals and mental health agencies, Family Safety and Preservation staff, crisis stabilization units, community mental health centers, and other mental health services; and
- Providing information and technical assistance to individuals, families, and local community residents concerning programs, services, and supports for adults and children with mental health, mental illness, emotional disorders, and behavioral issues.

Mental health services are purchased by the district mental health program offices from public and private providers such as crisis stabilization units, local hospitals, local psychiatric hospitals, community mental health centers, and private mental health agencies and professionals. Services are either purchased through contracts or with individual providers through purchase-of-service agreements. Contracted providers are monitored by the district mental health program office staff. Providers of services and supports are required to document and report on the number of units of service they provide and the services or supports for which they are being reimbursed.

### **Florida Self-Directed Care Program**

In 1998, the Nassau County chapter of the National Alliance for the Mentally Ill (NAMI) began studying the issue of funding adequacy for services to adults with mental illness. Among the ideas explored to improve service delivery was the concept of self-directed care (SDC), a program involving client choice where the funding follows the client.

There are a number of differences between the traditional mental health service delivery system and a self-directed care model. Service providers in the SDC model may or may not be members

of the publicly-funded mental health provider system. Also, allowable services (those that may be paid for with state funding) in the SDC model include services that contribute to the individual meeting a recovery goal that may not have been payable under the traditional system. Under the SDC model, the individual has explicit control of the service dollars that have been allocated for his or her care. Finally, participants in the SDC model often report improved accessibility to needed services.

DCF currently operates a pilot project in the five counties of District 4 that offers client-directed and choice-based mental health services for up to 100 adults. This pilot is authorized under s. 394.9084, F.S. The project is funded with Mental Health funds, \$470,000 from the Mental Health Block Grant and \$216,092 from the General Revenue Fund. The pilot project expires on June 30, 2004.

Participants in the Florida SDC program choose from a variety of community-based providers that may or may not already be a part of the current community mental health system. Participants are responsible for determining exactly which community-based services they want and by whom these services will be provided. Residential and crisis stabilization services are delivered by existing community mental health providers through the traditional delivery system.

An independent community advisory board comprised of service recipients, their family members, significant others, and advocates guide the program. Recovery is measured in a number ways including productive days in the community, structured self-reports of satisfaction with the program's delivery approach from participants, and structured self-reports about achievement of personal recovery goals and objectives. Standard objective measures are used to evaluate individual outcomes that will include input from family members, significant others, and recovery coaches. The major difference in measurements between the SDC program and the traditional system is focused on participant self-reports about personal recovery achievement and satisfaction with the SDC delivery system.

DCF contracts with the Institute for Health and Human Services Research at the Florida State University to implement and administer the SDC pilot. Additionally, DCF contracts with the Florida Mental Health Institute at the University of South Florida to independently evaluate the project as mandated in the original legislation. The first-year evaluation was completed in June 2003. The second evaluation will be completed in June 2004.

The initial evaluation of the pilot conducted by the Florida Mental Health Institute concluded that it was too early in the pilot to evaluate outcomes and cost effectiveness. Findings did indicate that although the pilot program was viewed positively by community providers and program participants, the program took much longer to implement than had been anticipated. The slow start-up of the program caused widespread frustration and inhibited the ability to fully evaluate the program. The evaluation also concluded that at that point in the evaluation, there was insufficient history to assess the impact of holding every individual to the same funding cap.

### **Children's Community Mental Health Services**

The Children's Mental Health program helps families plan for and obtain mental health services for eligible children referred to DCF. Each district's system of care can help the family design a

service plan, arrange for referrals to appropriate professional services, and offer advice as to available services. Partners in the system of care include agencies that provide other health, educational, and social services for children needing mental health services and their families.

A key component of the Children's Mental Health program of care is the use of multi-disciplinary planning teams, often called Family Service Planning Teams. These teams are family-focused and community-based, and serve as a focus for service planning for the family. The purpose of the teams is to help the family and other caregivers needing services from more than one agency to develop and implement a workable plan for treating the child's mental health and other service needs while the child remains in the community. These teams are available in all 15 districts. The teams follow these general guidelines:

- Parents or other caregivers are core members of the team and are included in all discussions and decision-making about the child's service plan;
- A case manager is designated to regularly monitor the service plan;
- The cost of services is expected to be shared with the child's family, any private insurance covering the child, the schools, and child welfare, juvenile justice, or other agencies involved with the child;
- Protections are provided for confidentiality, due process, and informed consent;
- The Family Service Plan is linked with the treatment plan, Individual Education Plan, and other service plans, and must be consistent with any court orders; and
- The team focuses on using all available community resources to maintain the child in the least restrictive setting and to enhance family participation.

Mental health services are purchased by the district mental health program offices from public and private providers such as crisis stabilization units, local hospitals, local psychiatric hospitals, community mental health centers, and private mental health agencies and professionals. Services are either purchased through contracts or with individual providers through purchase-of-service agreements.

### **III. Effect of Proposed Changes:**

**Section 1.** Amends s. 394.9084, F.S., relating to client-directed adult mental health services. This section continues the client-directed and choice-based pilot project for adults in District 4 and authorizes DCF to expand the project to one additional district that is to be selected by DCF.

This section also authorizes DCF to implement a client-directed and choice-based mental health treatment and support services pilot project for children who live at home. Any staff who would work with children must be screened under s. 435.04, F.S. This section prohibits the use of funds appropriated for direct client services to pay for the administrative costs of these projects.

This section provides that prior to expanding the project for adults beyond District 4, DCF must establish procedures applicable to all project sites. These procedures must include:

- A description of the project and its purpose;
- The eligibility requirements for project participants;

- The scope of services for which project funding may be used, such as services provided by the administrative entity, services provided by a behavioral healthcare provider, and the goods and services for recovery-related goals; and
- The eligibility requirements and responsibilities of the administrative entity, including all services to be provided by the entity, the responsibilities of staff employed or under contract with the managing entity, financial management and recordkeeping requirements, and documentation requirements relating to client participation in the project.

This section continues the provisions for an independent evaluation of the pilot project and specifies that an independent evaluation is required for the project expansion sites. This section specifies additional elements for the independent evaluation, including the duties and responsibilities of the administrative entity and the staff who are employed by or under contract with the entity. The evaluations must also address the implementation status of the project in each district as well as identify any problems with implementation.

This section requires the independent evaluator to provide reports reflecting the findings and recommendations of the evaluation to the appropriate substantive committees of the Legislature and DCF. A preliminary report is due by December 31, 2005, that must address the evaluative elements specified in this section. A final report is due by December 31, 2006, and must address the specified elements of the evaluation and include recommendations on expansion of the client-directed and choice-based pilot project for adults and the client-directed and choice-based pilot project for children.

This section requires DCF to work with AHCA and the Division of Vocational Rehabilitation to explore obtaining federal waivers to support the expansion of the client-directed and choice-based pilot project. Recommendations relating to the use of waiver funds must be included in the reports to the Legislature.

This section requires DCF to submit reports to the Legislature reflecting the progress of the client-directed and choice-based project for adults as well as the client-directed and choice-based project for children. These reports must reflect how funding is allocated and managed for each district, project staffing, the number of project participants, the number of participants who leave the project and why they leave, the percentage of service plan and recovery plan goals that are met by program participants, and how recommendations from the independent evaluation are incorporated into practice. A preliminary report is due by January 31, 2005, and a final report is due by January 31, 2006.

The expiration date of the section governing the pilot projects is extended from July 1, 2004, to July 1, 2007.

**Section 2.** Provides that this act shall take effect July 1, 2004.

**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 Art. VII, s. 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 Art. I, s. 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 Art. III, s. 19(f) of the Florida Constitution.

**V. Economic Impact and Fiscal Note:**

**A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

Adults in need of mental health services and vocational rehabilitation would be given the opportunity to select the mental health and vocational rehabilitation services and providers they prefer, thereby enhancing the individuals’ choice and control over their care. Families would be able to choose the care that best suits the needs of their children.

**C. Government Sector Impact:**

**Department of Children and Families**

<b>Based on 300 Participants</b>	<b>Description</b>	<b>Year One</b>	<b>Year Two</b>
Administrative	Program Director Associated Fringe & Travel	\$99,205.00	\$99,205.00
Direct Services	3 Quality Advocates and 6 Recovery Coaches Associated Fringe & Travel	\$596,562.44	\$596,562.44
Managing Entity	Includes accounting, technology support & administrative support as described in the bill	\$200,000.00	\$200,000.00
Advisory Board	Includes costs associated with travel and expenses for advisory board members	\$20,000.00	\$20,000.00
<b>Total</b>		<b>\$915,767.44</b>	<b>\$915,767.44</b>
Current Funding		\$470,000.00	\$470,000.00
<b>Additional Funding Needed for Expansion</b>		<b>\$445,767.44</b>	<b>\$445,767.44</b>

**VI. Technical Deficiencies:**

None

**VII. Related Issues:**

None

**VIII. Amendments:**

None

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

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