

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HB 619 CS Florida Substance Abuse and Mental Health Corporation  
**SPONSOR(S):** Gibson and others  
**TIED BILLS:** None. **IDEN./SIM. BILLS:** SB 1286

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REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Future of Florida's Families Committee	7 Y, 0 N	Davis	Collins
2) Health Care Appropriations Committee	15 Y, 0 N, w/CS	Ekholm	Massengale
3) Health & Families Council	7 Y, 0 N, w/CS	Davis	Moore
4) _____	_____	_____	_____
5) _____	_____	_____	_____

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### SUMMARY ANALYSIS

House Bill 619 CS amends existing statutory provisions relating to the Florida Substance Abuse and Mental Health Corporation (corporation). Specifically, the bill modifies the responsibilities of the corporation and it changes the sunset date of the corporation from October 1, 2006, to October 1, 2011.

The bill modifies the responsibilities of the Substance Abuse and Mental Health Corporation to focus its efforts to improve interagency coordination of substance abuse and mental health services to ensure these services promote recovery and resiliency-based systems of care. The bill also clarifies board membership and includes a definition of a primary consumer member.

The bill reauthorizes the position of Assistant Secretary for Substance Abuse and Mental Health, and the Program Offices of Mental Health and Substance Abuse in the Department of Children and Family Services, as repealed by chapter 2003-279, L.O.F.

According to a March 2005 Office of Program Policy Analysis & Government Accountability (OPPAGA) report, the corporation has not worked closely with other state agencies involved with the substance abuse and mental health systems to address its eight statutory responsibilities. The corporation is scheduled to sunset on October 1, 2006, unless reenacted by the Legislature. According to the OPPAGA report, the corporation's work during 2004 shows useful beginning steps; however, it will be difficult to justify its continued existence unless it more fully addresses its statutory responsibilities. OPPAGA released a follow up to this report in March 2006 which recommended that the focus of the corporation be narrowed in order to improve its effectiveness.

The bill has no fiscal impact to state and local government.

This act shall take effect upon becoming law.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. HOUSE PRINCIPLES ANALYSIS:

**Provide Limited Government**—This bill modifies the responsibilities of the Florida Mental Health and Substance Abuse Corporation.

#### B. EFFECT OF PROPOSED CHANGES:

##### Effect of Proposed Changes

House Bill 619 CS amends existing statutory provisions relating to the Florida Substance Abuse and Mental Health Corporation (corporation). Specifically, the bill modifies responsibilities for the corporation to exercise and it changes the sunset date from October 1, 2006, to October 1, 2011.

The bill specifies that the corporation shall direct efforts designed to improve interagency coordination of substance abuse and mental health services in order to ensure that these services promote recovery and resiliency-based systems of care. The corporation is to provide oversight of the publicly funded substance abuse and mental health systems and make policy and resource recommendations. The bill also clarifies board membership and includes a definition of a primary consumer member.

The corporation gave priority to the concept of transforming the mental health system. It took the lead in, and worked hand in hand with, state agency management to ensure the mental health system in Florida is transformed from a preferred-provider system to a consumer driven system embracing prevention, resiliency, and recovery for children, adults and families. According to the corporation, this transformation must ensure that services are directed to the needs and goals of reintegrating consumers into the community where they can successfully live, work, go to school, and enjoy life.

The bill reauthorizes the position of Assistant Secretary for Substance Abuse and Mental Health, and the Program Offices of Mental Health and Substance Abuse in the Department of Children and Family Services, as repealed by chapter 2003-279, L.O.F.

##### Background

The corporation, which is administratively housed within the Department of Children and Families, has two employees, an executive director and an administrative assistant. The corporation is governed by a 12-member board of directors appointed by the Governor, the Speaker of the House, and the President of the Senate.

The idea of an independent entity to provide leadership and oversight for the publicly-funded mental health and substance abuse systems came out of the Governor's 1999 Commission on Mental Health and Substance Abuse. The commission recommended a coordinating council, which would include secretaries from relevant agencies and key constituency groups as its members. The commission recommended that the coordinating council be responsible for information collection, accountability management, public education, and policy development. These are the essential core responsibilities of the current Florida Substance Abuse and Mental Health Corporation.

During the 2003 Legislature, many mental health and substance abuse stakeholders were advocating for the substance abuse and mental health program offices to be placed in the Department of Health or made into separate state agency (as was done with developmental disabilities). The creation of the

corporation, as well as the creation of an Assistant Secretary position for substance abuse and mental health in the Department of Children and Families, were codified in an effort to create higher visibility for substance abuse and mental health issues. The position of Assistant Secretary for Substance Abuse and Mental Health, and the Program Offices of Mental Health and Substance Abuse in the Department of Children and Family Services, are scheduled to be repealed on 10/01/06 by chapter 2003-279, L.O.F., unless reviewed and reenacted by the legislature.

The 2003 Legislature created the Substance Abuse and Mental Health Corporation to oversee the state's publicly funded substance abuse and mental health systems and make policy and resource recommendations to improve the coordination, quality, and efficiency of the systems. The corporation is a not-for-profit organization independent of state government and is to annually evaluate and report on the status of the state's substance abuse and mental health systems.

The corporation has the following eight statutory responsibilities:

1. Review and assess the collection and analysis of needs assessment data as described in section 394.82, Florida Statutes.
2. Review and assess the status of the publicly funded mental health and substance abuse systems and recommend policy designed to improve coordination and effectiveness.
3. Provide mechanisms for substance abuse and mental health stakeholders, including consumers, family members, providers, and advocates to provide input concerning the management of the overall system.
4. Recommend priorities for service expansion.
5. Prepare budget recommendations to be submitted to the appropriate departments for consideration in the development of their legislative budget requests and provide copies to the Governor, President of the Senate, and Speaker of the House for their consideration.
6. Review data regarding the performance of the publicly funded substance abuse and mental health systems.
7. Make recommendations concerning strategies for improving the performance of the systems.
8. Review, assess and forecast substance abuse and mental health manpower needs and work with the department and the educational system to establish policies, consistent with the direction of the Legislature, which will ensure that the state has the personnel it needs to continuously implement and improve its services.

The 2004 Legislature directed the corporation in its first report to provide a specific analysis of managed care behavioral health care contracts, and the impact of these contracts on the mental health service delivery system in Florida. The corporation completed its report and provided that report to the Agency for Health Care Administration, the Governor and the Legislature.

House Bill 619 CS modifies the mandates of the corporation and specifies that it shall:

1. Identify systemic needs for substance abuse and mental health services and for recovery and resiliency-based systems of care.
2. Identify specific needs for substance abuse and mental health services and for recovery and resiliency-based systems of care for each state agency that funds, purchases, or provides such services.

3. Facilitate improved coordination and collaboration among state agencies that fund, purchase, or provide substance abuse or mental health services in order to support recovery and resiliency-based systems of care.
4. Identify impediments to implementing recovery and resiliency-based systems of care for substance abuse and mental health programs.

This year, the corporation participated in drafting the application for a federal Mental Health Transformation Grant and was designated by Governor Bush to be the lead entity to administer the grant. Florida was not successful in this grant award cycle.

The grant would have required changes in provider contracts, rules and regulations, training and education and amendments to Chapter 394, Florida Statutes, to articulate public policy emphasizing recovery and resiliency in the community and person centered services. The grant also emphasized that Florida must include consumers, families and youth as part of the service delivery teams and treatment planning teams, while utilizing a "strengths model" that focuses on a person's worth and strengths; and increase the use of peer and family support workers.

The grant articulated the need for uniform outcome measures to be developed across state government agencies such as competitive employment, independent living, days in school, graduation from high school, days in the community, reduction in contact with law enforcement, reduction in hospitalizations, and reduction in out of home placements.

One of the major reforms envisioned in the grant was transforming the mental health crisis and emergency response service system to a system in which mobile outreach and immediate crisis response teams were readily available. According to the grant, Florida should reduce the use of state hospital beds and crisis stabilization beds and divert persons with mental illness from the criminal justice system. At the same time, Florida should develop specialized substance abuse and mental health aftercare services for juvenile and adult offenders, and individualize services so that people can resolve crises using minimally intrusive and maximally effective options.

The Corporation is recommending that Governor Bush again apply for a transformation grant when there is another grant cycle. The Corporation would again offer to be the lead entity in administering the grant.

The sunset date in House Bill 619 CS is the date of the last year of the grant if Florida is successful in being awarded a transformation grant.

### **Research**

In March of 2005, OPPAGA released a report studying the corporation. OPPAGA found that the corporation's annual report included many related recommendations pertaining to access to care, quality of care, administration, and financial requirements. However, the corporation did not work closely with other state agencies that are part of the substance abuse and mental health systems to improve the coordination, quality, and efficiency of the systems. Of its eight designated responsibilities, the corporation fully addressed one by providing a forum for stakeholder involvement. It partially met three by reviewing needs assessment data and making policy and strategy recommendations to improve the performance of the systems. It made little progress in four areas. The corporation did not address prioritizing recommendations for service expansion, agency budget recommendations, reviewing agency performance data, or forecasting staffing needs for DCF. According to OPPAGA, the corporation's work during 2004 evinces useful beginning steps. Unless the corporation demonstrates value to the state by more fully addressing its statutory responsibilities during 2005, however, it will be difficult to justify its continued existence.

The Substance Abuse and Mental Health Corporation provided a written response to the 2005 OPPAGA report. In summary, the corporation disagreed with the report's conclusion that the corporation has not addressed fully its statutory responsibilities and stated that its mission was redirected by a stipulation in the General Appropriations Act for Fiscal Year 2004-05 to look at the transition of Medicaid funded behavioral health care services from fee-for-service to managed care. However, based on OPPAGA's analysis of the legislation and discussions with legislative staff, the analysis of managed care contracts was to be in addition to, not in lieu of, the corporation's responsibility to improve the coordination, quality, and efficiency of the substance abuse and mental health systems across state agencies.

OPPAGA has issued a report in March 2006 and recommended that the Legislature narrow the corporation's focus to improving interagency coordination with a specific set of goals for it to achieve (Report No. 06-21).

C. SECTION DIRECTORY:

**Section 1:** Amends s. 394.655 (3)(a), F.S., modifying responsibilities of the corporation and changing the sunset provision.

**Section 2:** Amends s. 394.66, F.S., regarding the Legislative intent with respect to substance abuse and mental health services.

**Section 3:** Repeals Section 3 of Chapter 2003-279, Laws of Florida.

**Section 4:** Provides an effective date upon becoming a law.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

2. Expenditures:

None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

The corporation provided the following:

For the last two years, the corporation has been funded at \$250,000 annually through proviso in the DCF appropriation -- half funded from the Substance Abuse Program Office and the other half from the Mental Health Program Office. The Corporation is requesting the same amount for FY 2006-2007 with an additional \$75,000 in matching federal Medicaid dollars. A memorandum of agreement has already been developed between DCF and AHCA to allow for the general revenue dollars to match \$75,000 in federal Medicaid dollars. Medicaid allows for some administrative costs for billing.

The appropriation covers two staff positions, the website, office supplies and equipment, publications, staff and board travel.

### **III. COMMENTS**

#### **A. CONSTITUTIONAL ISSUES:**

##### **1. Applicability of Municipality/County Mandates Provision:**

The bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds. The bill does not reduce the percentage of a state tax shared with counties or municipalities. The bill does not reduce the authority that municipalities have to raise revenue.

##### **2. Other:**

None.

#### **B. RULE-MAKING AUTHORITY:**

The corporation has sufficient rulemaking authority in existing law to carry out its current functions.

#### **C. DRAFTING ISSUES OR OTHER COMMENTS:**

None.

### **IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES**

On March 17, 2006, the Health Care Appropriations Committee adopted a strike-all amendment to this bill which contains provisions to narrow the focus of the Substance Abuse and Mental Health Corporation. The provisions of the amendment are reflected in this analysis.

On April 25, 2006, the Health and Families Council adopted an amendment to HB 619 CS. The amendment reauthorized the position of Assistant Secretary for Substance Abuse and Mental Health, and the Program Offices of Mental Health and Substance Abuse in the Department of Children and Family Services, as repealed by chapter 2003-279, L.O.F.

The council favorably reported a Council Substitute. This analysis is drafted to the Council Substitute.