

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Children, Families, and Elder Affairs Committee

BILL: SB 2390

INTRODUCER: Senator Webster

SUBJECT: Florida Self-Directed Care Program

DATE: March 23, 2008 REVISED: 03/26/08 _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Toman</u>	<u>Jameson</u>	<u>CF</u>	<u>Fav/1 amendment</u>
2.	_____	_____	<u>HA</u>	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

Please see Section VIII. for Additional Information:

- | | | |
|------------------------------|-------------------------------------|---|
| A. COMMITTEE SUBSTITUTE..... | <input type="checkbox"/> | Statement of Substantial Changes |
| B. AMENDMENTS..... | <input type="checkbox"/> | Technical amendments were recommended |
| | <input checked="" type="checkbox"/> | Amendments were recommended |
| | <input type="checkbox"/> | Significant amendments were recommended |

I. Summary:

Senate Bill 2390 amends s. 394.9084, F.S., allowing the Department of Children and Families (DCF or the department) to establish Self-Directed Care (SDC) programs statewide to provide mental health treatment and support services to adults with serious mental illness.

The bill changes the name and function of the entity that provides administrative support services to SDC participants from "managing entity" to "fiscal intermediary" and delineates the responsibilities of the fiscal intermediary.

The bill requires the Office of Program Policy Analysis and Government Accountability (OPPAGA) to evaluate the effectiveness of the SDC program by June 9, 2009, and specifies the scope of OPPAGA's evaluation. The bill deletes the department's evaluation responsibilities and funding.

This bill substantially amends the following section of the Florida Statutes: 394.9084.

II. Present Situation:

Adult Mental Health Services

Florida's publicly funded adult mental health programs are administered by the Mental Health Program Office in DCF. The department's Mental Health Program Office serves adults through the Institutional Services unit and the Community Mental Health Services unit. 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.¹

There are 15 district mental health program offices throughout Florida. The district offices purchase mental health services 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, either through contracts or with individual providers through purchase-of-service agreements. Contracted providers are monitored by the district mental health program office staff.²

Florida Self-Directed Care Program

Self-Directed Care (SDC) is a consumer-centered model for mental health services in which participants manage the course of their mental health treatment and control the public financial resources available for their care. Each program participant has the opportunity to access traditional, alternative and non-traditional services concurrently, and to purchase tangible items that he or she believes will enhance community integration and allow him or her to return to work, access other meaningful activities and live productively. Participants establish their recovery goals, determine what services to purchase, and choose who provides the services.³

The SDC model hinges on the belief that individuals with mental illness are capable of choosing services and making purchases that will enable them to begin or remain on the road to recovery. Through a careful self-assessment (commonly referred to as a life action plan), individual participants use the knowledge of previous purchases, experiences, and outcomes to select the providers, services, and items that they deem necessary for recovery.⁴

In 2001, the Legislature established a mental health SDC pilot in DCF District 4 (now known as Circuit 4).⁵ This original program covers a five-county area in northeast Florida, and has served approximately 200 people since 2002.⁶ The success of the northeast Florida program led to the creation of a second program in District 8 (now known as Circuit 20), serving five counties in

¹ Florida Department of Children and Families, *About Mental Health, Who We Are*, <http://www.dcf.state.fl.us/mentalhealth/amhwhoweare.shtml> (last visited March 20, 2008).

² *Id.*

³ Cecropia Ballard, *Department of Children and Families, Staff Analysis and Impact Statement, Senate Bill Number 2390* (March 6, 2008).

⁴ *Id.*

⁵ Chapter 2001-152, L.O.F.

⁶ Cecropia Ballard, *Department of Children and Families, Staff Analysis and Impact Statement, Senate Bill Number 2390* (March 6, 2008).

southwest Florida.⁷ The Circuit 20 SDC Program has served approximately 95 participants to date.⁸

The Florida SDC program is authorized by s. 394.9084, F.S., which requires the Florida SDC pilot projects to "implement a payment model in which each client controls the money that is available for that client's mental health treatment and support services." The statute requires the department to establish interagency cooperative agreements and to work with the Agency for Healthcare Administration (AHCA or the agency), the Division of Vocational Rehabilitation, and the Social Security Administration to implement and administer the Florida SDC program.

Pursuant to s. 394.9084, F.S., eligibility for the program is limited to adults with severe and persistent mental illness.

The program has four subcomponents:

- Department mental health services, which include community mental health outpatient, community support, and case management services funded through the department;
- Agency mental health services, which include community mental health services and mental health targeted case management services reimbursed by Medicaid;
- Vocational rehabilitation; and
- Social Security Administration.

Section 394.9084, F.S., provides that a managing entity shall pay for the cost-efficient, community-based services the participant selects to meet his or her mental health care and vocational rehabilitation needs and goals as identified on his or her recovery plan. The statute allows the department to apply for and use funds from private, state, and federal grants.

According to the department, database and survey data reveals marked differences between SDC consumers and matched non-SDC consumers in the districts where SDC is available. The SDC consumers tend to be more educated, less likely to utilize crisis support services, and more likely to utilize mental health services such as assessments, medical services (e.g., psychiatry, outpatient individual psychotherapy services), and supported employment.⁹

III. Effect of Proposed Changes:

Senate Bill 2390 amends s. 394.9084, F.S., eliminating references to SDC pilot projects for adults and allowing the department to establish SDC programs for adults in all districts.

The bill changes the name and function of the entity that pays for the services selected by SDC participants from "managing entity" to "fiscal intermediary." The bill specifies that the fiscal intermediary will have the following responsibilities:

⁷*Id. See also*, Chapter 2004-380, L.O.F., which authorized the department to create SDC pilots in three additional districts and also to develop a pilot for children in one district.

⁸ Cecropia Ballard, *Department of Children and Families, Staff Analysis and Impact Statement, Senate Bill Number 2390* (March 6, 2008).

⁹ *Id.*

- Help the participant manage his or her budget allowance;
- Retain funds;
- Process employment and tax information;
- Review records to ensure correctness; and
- Write paychecks to providers.

The bill deletes the requirement that the department, the Agency for Health Care Administration, and the Division of Vocational Rehabilitation amend and update their strategic and state plans to reflect participation in the projects.

The bill requires the Office of Program Policy Analysis and Government Accountability to evaluate the effectiveness of the SDC program, and specifies the scope of the evaluation. The bill deletes the department's evaluation responsibilities and funding.

The bill abrogates the original expiration date of the SDC program and provides that the act will take effect upon becoming law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The bill may allow more adults in need of mental health services and vocational rehabilitation to have the opportunity to select the services and providers they prefer, thereby enhancing the individuals' choice and control over their care.

C. **Government Sector Impact:**

According to DCF, although it may be possible to promote components of SDC within existing resources, movement toward statewide expansion of the program will be extremely limited without new funding.¹⁰

According to AHCA, self-directed programs are made budget neutral by deducting administrative expenses for specialized case management and fiscal intermediary services from the beneficiary's service budget. As such, expansion of the SDC program is expected to have no fiscal impact on the agency.¹¹

VI. **Technical Deficiencies:**

None.

VII. **Related Issues:**

None.

VIII. **Additional Information:**

A. **Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. **Amendments:**

Barcode 826510 by Children, Families and Elder Affairs on March 26, 2008:

Changes the date by which OPPAGA is to report on the effectiveness of the SDC program from June 30, 2009 to December 31, 2009 and changes the effective date from upon becoming law to July 1, 2008.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

¹⁰ *Id.*

¹¹ Michelle Comeaux, AHCA, 2008 Bill Analysis & Economic Impact Statement SB 2390.