

By Senator Garcia

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A bill to be entitled
An act relating to carryforward funding of certain
managing entities; amending s. 394.9082, F.S.;
revising the duties of the Department of Children and
Families; revising the criteria for the department's
comprehensive review of certain managing entities;
requiring a managing entity to ensure maximum
subcontract utilization of current year allocated
funds within its network; prohibiting a managing
entity from intentionally reserving current year
allocated funds for carryforward planning without the
express advanced approval of the department; providing
an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Paragraph (1) of subsection (4) and paragraph
(a) of subsection (9) of section 394.9082, Florida Statutes, are
amended, and paragraph (o) is added to subsection (3) of that
section, to read:

394.9082 Behavioral health managing entities.—

(3) DEPARTMENT DUTIES.—The department shall:

(o) Routinely monitor the managing entity's utilization of
all available funds and take any necessary steps, up to and
including potential corrective action, to reduce
underutilization within the managing entity's network.

(4) CONTRACT WITH MANAGING ENTITIES.—

(1) Every 2 years, the department shall conduct a
comprehensive, multiyear review of the revenues, expenditures,

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and financial positions of managing entities covering the most recent 2 consecutive fiscal years. The review must include a comprehensive system-of-care analysis and a comprehensive financial utilization analysis. The department shall submit the review to the Governor, the President of the Senate, and the Speaker of the House of Representatives by November 1 of every other year, beginning in 2023.

(9) FUNDING FOR MANAGING ENTITIES.—

(a) A contract established between the department and a managing entity under this section must ~~shall~~ be funded by general revenue, other applicable state funds, or applicable federal funding sources. A managing entity may carry forward documented unexpended state funds from one fiscal year to the next, but the cumulative amount carried forward may not exceed 8 percent of the annual amount of the contract. Any unexpended state funds in excess of that percentage must ~~shall~~ be returned to the department. The funds carried forward may not be used in a way that would increase future recurring obligations or for any program or service that was not authorized under the existing contract with the department. A managing entity shall ensure maximum subcontract utilization of current year allocated funds within its network and may not intentionally reserve current year allocated funds for carryforward planning without the express advanced approval of the department. Expenditures of funds carried forward must ~~shall~~ be separately reported to the department. Any unexpended funds that remain at the end of the contract period must ~~shall~~ be returned to the department. Funds carried forward may be retained through contract renewals and new contract procurements as long as the same managing entity is

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59 retained by the department.

60 Section 2. This act shall take effect July 1, 2026.