CHAPTER 2006-29

House Bill No. 5009

An act relating to substance abuse and mental health services funding; amending s. 394.457, F.S.; deleting provisions authorizing a reimbursement rate of 100 percent by the Department of Children and Family Services for certain services provided under the Baker Act; amending s. 394.908, F.S.; revising the funding allocation methodology; providing an effective date.

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

Section 1. Subsection (3) of section 394.457, Florida Statutes, is amended to read:

394.457 Operation and administration.—

(3) POWER TO CONTRACT.—The department may contract to provide, and be provided with, services and facilities in order to carry out its responsibilities under this part with the following agencies: public and private hospitals: receiving and treatment facilities: clinics: laboratories: departments, divisions, and other units of state government; the state colleges and universities; the community colleges; private colleges and universities; counties, municipalities, and any other governmental unit, including facilities of the United States Government; and any other public or private entity which provides or needs facilities or services. Baker Act funds for community inpatient, crisis stabilization, short-term residential treatment, and screening services must be allocated to each county pursuant to the department's funding allocation methodology. Notwithstanding the provisions of s. 287.057(5)(f), contracts for community-based Baker Act services for inpatient, crisis stabilization, short-term residential treatment, and screening provided under this part, other than those with other units of government, to be provided for the department must be awarded using competitive sealed bids when the county commission of the county receiving the services makes a request to the department's district office by January 15 of the contracting year. The district shall not enter into a competitively bid contract under this provision if such action will result in increases of state or local expenditures for Baker Act services within the district. Contracts for these Baker Act services using competitive sealed bids will be effective for 3 years. Services contracted for by the department may be reimbursed by the state at a rate up to 100 percent. The department shall adopt rules establishing minimum standards for such contracted services and facilities and shall make periodic audits and inspections to assure that the contracted services are provided and meet the standards of the department.

Section 2. Section 394.908, Florida Statutes, is amended to read:

394.908 Substance abuse and mental health funding equity; distribution of appropriations.—In recognition of the historical inequity among service districts of the former Department of Health and Rehabilitative Services in the funding of substance abuse and mental health services for the department's districts and regions, and in order to rectify this inequity and provide

for equitable funding in the future throughout the state, the following funding process shall be <u>used</u> adhered to:

- (1) Funding thresholds for substance abuse and mental health services in each of the current districts, statewide, shall be established based on the current number of persons in need per district of substance abuse and mental health services, respectively.
- (2) "Persons in need" means those persons who fit the profile of the respective target populations and require mental health or substance abuse services.
- (3) Seventy-five percent of Any additional funding beyond the 2005-2006 1996-1997 fiscal year base appropriation for alcohol, drug abuse, and mental health services shall be allocated to districts for substance abuse and mental health services based on:
- (a) Epidemiological estimates of disabilities <u>that</u> which apply to the respective target populations.
- (b) A pro rata share distribution that ensures districts below the statewide average funding level per person in each target population of "persons in need" receive funding necessary to achieve equity.
- (4) The remaining 25 percent shall be allocated based on the number of persons in need of substance abuse and mental health services per district without regard to current funding levels.
- (4)(5) Target populations for persons in need shall be displayed for each district and distributed concurrently with the approved operating budget. The display by target population shall show: The annual number of persons served based on prior year actual numbers, the annual cost per person served, the number of persons served by service cost center, and the estimated number of the total target population for persons in need.
- (5)(6) The annual cost per person served shall be defined as the total actual funding for each target population divided by the number of persons served in the target population for that year.
- (7) Commencing on July 1, 1998, all additional funding pursuant to this section shall be performance-based.
- (8) For fiscal year 2004-2005 only, and notwithstanding the provisions of this section, all new funds received in excess of fiscal year 2003-2004 recurring appropriations shall be allocated in accordance with the provisions of the General Appropriations Act; however, no district shall receive an allocation of recurring funds less than its initial approved operating budget, plus any distributions of lump sum appropriations or reductions in unfunded budget, for fiscal year 2003-2004. This subsection expires July 1, 2005.

Section 3. This act shall take effect July 1, 2006.

Approved by the Governor May 25, 2006.

Filed in Office Secretary of State May 25, 2006.