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# Health Care Appropriations Subcommittee

Wednesday, October 25, 2017  
4:00 P.M. - 6:00 P.M.  
Sumner Hall (404 HOB)

## MEETING PACKET



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The Florida House of Representatives  
Appropriations Committee  
Health Care Appropriations Subcommittee

Richard Corcoran  
Speaker

Jason Brodeur  
Chair

**Agenda**

Wednesday, October 25, 2017

4:00 p.m. – 6:00 p.m.

Sumner Hall (404 HOB)

- I. **Call to Order/Roll Call**
- II. **Opening Remarks**
- III. **Fiscal Year 2018-19 Legislative Budget Request/Priority Listing of Agency Budget Issues for Possible Reduction**
  - Kimberly McMurray, Chief Financial Officer  
Department of Children and Families
- IV. **Overview and Update of the Medicaid Enterprise System/Florida Medicaid Management Information System (FMMIS)**
  - Beth Kidder, Deputy Secretary for Medicaid  
Agency for Health Care Administration
- V. **Closing Remarks/Adjournment**





**Rick Scott, Governor**  
**Mike Carroll, Secretary**



Prepared for House Health Care Appropriations  
Subcommittee

The Department of Children and Families  
Fiscal Year 2018-19  
Legislative Budget Request  
October 25, 2017

**Mission:**

To work in partnership with local communities to protect the vulnerable, promote strong and economically self-sufficient families, and advance personal and family recovery and resiliency.

# DCF Mission

- **To Work in Partnership with Local Communities to Protect the Vulnerable**
- **Promote Strong and Economically Self-sufficient Families**
- **Advance Personal and Family Recovery and Resiliency**



## Florida Department of Children and Families Fiscal Year 2018-19 LBR Initiatives

### Expand and Better Coordinate Community Behavioral Health Services

Initiatives	GR	Trust Fund	Total
Substance Abuse Services System of Care Enhancements	\$15,000,000		\$15,000,000
Centralized Receiving Systems Funding	\$9,763,850		\$9,763,850
Implementation of Care Coordination Activities through Managing Entities	\$7,654,025	\$44,175	\$7,698,200
Prescription Drug Prevention and Treatment Initiative		\$27,035,352	\$27,035,352
Restore Increasing Employment Opportunities for Individuals with Mental Illness	\$1,000,000		\$1,000,000
Expansion of Community Forensic Multidisciplinary Teams and Housing Support for Forensic Individuals	\$4,745,000		\$4,745,000
Specialized Treatment Programs for Dually Served Youth and Families		\$1,357,647	\$1,357,647
Coordinated Specialty Care	\$2,250,000		\$2,250,000
Substance Abuse and Mental Health Financial and Services Accounting System	\$1,184,000		\$1,184,000

# Florida Department of Children and Families Fiscal Year 2018-19 LBR Initiatives

## Expand and Better Coordinate Community Behavioral Health Services

### **Substance Abuse Service System of Care Enhancements - \$15,000,000 (GR)**

- ❖ To enhance substance abuse service capacity statewide. This includes increasing outpatient, aftercare, recovery support, residential, and medication-assisted treatment for the purposes of:
  - reducing the number of people waiting and the amount of time spent waiting for residential and outpatient substance abuse services and supports;
  - paying for methadone and buprenorphine maintenance (and associated psychosocial services and supports) for indigent individuals with opioid use disorders;
  - funding peer recovery support services, Youth Peer Specialist Certifications, and peer recovery network development;
  - expanding hospital-based medication-assisted treatment for opioid overdose victims; and
  - expanding outreach services for pregnant women.

### **Restore and Growth of Centralized Receiving Systems Funding - \$9,763,850 (GR - \$1.7M restore and \$8.1 new funding request)**

- ❖ This request is to restore and increase funding for the Centralized Receiving Systems program responsible for assessment, evaluation, treatment or triage of individuals with behavioral health conditions, an essential element of a coordinated system of care.

### **Implementation of Care Coordination Activities through Managing Entities - \$7,698,200 (\$7,645,025 GR and \$44,175 TF)**

- ❖ This request for funding is to expand the essential functions of the Substance Abuse and Mental Health Managing Entities (MEs) to include improving the utilization of existing housing options, developing new housing opportunities, and implementing care coordination activities for the Department's priority populations.



# Florida Department of Children and Families Fiscal Year 2018-19 LBR Initiatives

## Expand and Better Coordinate Community Behavioral Health Services

### **State Targeted Response to the Opioid Crisis, Year 2 - \$27,035,352 (TF)**

- ❖ In response to the Executive Order 17-146 signed by the Governor on May 3, 2017, the Department is requesting nonrecurring budget authority in the FGTF of \$27,035,352 for the full amount of the State Targeted Response to the Opioid Crisis Grant for the second year of the grant award.

### **Restore Increasing Employment Opportunities for Individuals with Mental Illness - \$1,000,000 (GR)**

- ❖ This request is to restore funding to continue the supported employment services initiated in FY 2017-18 for individuals with mental health disorders. Supported employment services are evidence-based services in an integrated work setting which provide regular contact with non-disabled coworkers or the public. A job coach provides longer-term, ongoing support for as long as it is needed to enable the recipient to maintain employment.

### **Expansion of Community Forensic Multidisciplinary Teams and Housing Support for Forensic Individuals with Non-violent Offenses - \$4,745,000 (GR)**

- ❖ This funding request is to create five additional Forensic Multidisciplinary Teams to serve 225 individuals with mental illnesses who are charged with non-violent felony offenses or are at-risk of being charged with a non-violent felony offense. The types of community behavioral health services and supports provided by the teams would be individualized to address the needs of the circuit including housing, employment, psychiatric care, medical care, competency restoration training, and compliance to orders of conditional release if entered by the presiding court.



## Florida Department of Children and Families Fiscal Year 2018-19 LBR Initiatives

### Expand and Better Coordinate Community Behavioral Health Services

#### **Specialized Behavioral Health Services for Dually-Served Youth and Families - \$1,357,647 (TF)**

- ❖ This nonrecurring funding request is for the continued development, expansion and enhancement of specialized treatment programs. These treatment programs will continue to target youth who are potentially or dually-served by the child welfare and juvenile justice systems and who have serious emotional and/or behavioral issues. The main purpose of the program will be to divert them from residential congregate care (group home, juvenile detention, and residential treatment) and stabilize them to live successfully in the community. The program will include an intensive, community-based approach that delivers and links individualized services and supports to the youth and their family.

#### **Coordinated Specialty Care - \$2,250,000 (GR)**

- ❖ This funding request is to implement new Coordinated Specialty Care (CSC) treatment programs, or First Episode Teams, targeting youth and young adults ages 15-30 with early serious mental illness, especially first episode psychosis. CSC programs seek to provide early intervention and treatment to youth and young adults experiencing symptoms of a serious mental illness or psychosis in order to improve participation in school or work activities; achieve stable living situations; reduce involvement with the criminal justice system; improve positive relationships with family and friends and involvement with social network; reduce hospital stays; and improve self-management of illness.

#### **Substance Abuse and Mental Health Financial and Services Accountability Management System (FASAMS) - Maintenance & Operations - \$1,184,000 (GR)**

- ❖ This funding request will support the ongoing maintenance and operations, enhancement, and hosting services for FASAMS.

**Florida Department of Children and Families  
Fiscal Year 2018-19 LBR Initiatives**

**Improve the Quality of Care and Increase Patient and Staff Safety at State  
Mental Health Treatment Facilities**

<b>Initiatives</b>	<b>GR</b>	<b>Trust Fund</b>	<b>Total</b>
Treasure Coast Forensic Treatment Center (TCFTC)	\$2,136,288		\$2,136,288
Expand Capacity and Improve Services and Treatment at West Florida Community Care Center (WFCCC)	\$1,439,473		\$1,439,473
Cost of Living Adjustment (COLA) for Mental Health Contracted Agencies	\$1,965,501		\$1,965,501
Mental Health Treatment Facilities and State Owned Regional Offices - Maintenance and Repair (FCO)	\$7,994,654		\$7,994,654



## Florida Department of Children and Families Fiscal Year 2018-19 LBR Initiatives

### Improve the Quality of Care and Increase Patient and Staff Safety at State Mental Health Treatment Facilities

#### **Treasure Coast - \$2,136,288 (GR)**

- ❖ This funding request is to address additional expenses associated with secure forensic mental health facility services at the Treasure Coast Forensic Treatment Center (TCFTC).

#### **West Florida Community Care Center (WFCCC) - \$1,439,473 (GR)**

- ❖ This funding request is to bring the bed day rate at WFCCC in line with the three other state mental health facilities serving civil residents and to increase the statewide capacity.

#### **Cost of Living Adjustment (COLA) for Mental Health Contracted Agencies - \$1,965,501 (GR)**

- ❖ This funding request provides for a cost of living rate increase for contracts executed with Correct Care for the operation of two adult mental health treatment facilities and the Florida Civil Commitment Center.

#### **Mental Health Treatment Facilities Maintenance and Repair (FCO) - \$7,994,654 (NR GR)**

- ❖ This request is for nonrecurring funding for Fixed Capital Outlay to support capital investment in state-owned mental health treatment campuses where client housing and treatment is provided, and in state owned regional offices and service centers where the Department provides client services to Florida's communities. The Department has direct or shared responsibility for maintaining 406 buildings totaling 2,865,848 square feet at four mental health treatment campuses, and also 15 regional buildings totaling 325,196 square feet at eleven locations across the state.



**Florida Department of Children and Families  
Fiscal Year 2018-19 LBR Initiatives**

**Keep Vulnerable Children and Families Safe through Improved Assessment of  
Risks and More Meaningful Engagement with Families and Communities**

Initiatives	GR	Trust Fund	Total
Title IV-E Guardianship Assistance Implementation (GAP)	\$ 1,908,400	\$1,027,601	\$2,936,001
Extended Foster Care / Maintenance Adoption Subsidy to 21 / Independent Living Services Growth	\$3,997,407	\$3,642,850	\$7,640,257
Nonrecurring Budget Authority for Title IV-E Funding		\$41,632,820	\$41,632,820
Restoration of Nonrecurring Community Based Care Lead Agency (CBC) Core Funding	\$ 6,998,583	\$3,408,185	\$10,406,768
Child Protection Workforce Stability - 69 FTEs	\$4,441,563	\$3,662,595	\$8,104,158
Nonrelative Caregiver (NRC) Program Restore		\$3,872,480	\$3,872,480
Foster Parent Cost of Living Adjustment (COLA) and Increased Board Rate for Foster Parents of Teens	\$4,877,043	\$2,628,753	\$7,505,796
Enhanced Services for Human Trafficking Victims		\$1,915,358	\$1,915,358
Nonrelative Caregiver (NRC) Program Growth		\$1,854,481	\$1,854,481
Maintenance Adoption Subsidy (MAS) and Other Adoption Assistance	\$ 1,218,209	\$1,048,015	\$2,266,224

**Florida Department of Children and Families  
Fiscal Year 2018-19 LBR Initiatives**

**Keep Vulnerable Children and Families Safe through Improved Assessment of  
Risks and More Meaningful Engagement with Families and Communities**

Initiatives	GR	Trust Fund	Total
Results Oriented Accountability and Data Analytics		\$1,500,000	\$1,500,000
Aligning the Florida Safe Families Network with Florida's Path Forward - Comprehensive Child Welfare Information System	\$ 8,439,764	\$624,050	\$9,063,814
Florida Safe Families Network (FSFN) Cloud Maintenance and Operational Expenses	\$2,759,333	\$204,029	\$2,963,362



## Florida Department of Children and Families Fiscal Year 2018-19 LBR Initiatives

### Keep Vulnerable Children and Families Safe through Improved Assessment of Risks and More Meaningful Engagement with Families and Communities

#### **Title IV-E Guardianship Assistance Implementation (GAP) - \$2,936,001 (\$1,908,400 GR, \$1,027,601 TF)**

- ❖ This funding request is to support two contracted positions and licensing staff for the CBCs to aid in the implementation of Title IV-E Guardianship Assistance Program (GAP). As a part of the Title IV-E Guardianship Assistance Program, relative and non-relative caregivers who are committed to caring for children in foster care who are placed in their care may be eligible for Guardianship Assistance Subsidies (GAS).

#### **Extended Foster Care / Independent Living Services Growth - \$7,640,257 (\$3,997,407 GR, \$2,644,665 NR GR, and \$3,642,850 TF)**

- ❖ The Department requests \$3,642,850 in recurring FGTF, \$1,352,742 in recurring general revenue and \$2,644,665 in nonrecurring general revenue to fully fund the Independent Living Program (ILP) and to implement a federal Extended Foster Care program in order to maximize federal funds. The current ILP program implemented in January 2014 closely mirrors the federal program with one exception - extension of Maintenance Adoption Subsidies (MAS) up to age 21 for those adopted at 16 or 17.

#### **Nonrecurring Budget Authority for Title IV-E Funding - \$41,632,820 (TF)**

- ❖ This funding request is for budget authority for nonrecurring Title IV-E funding that will support the preparation of a post-waiver funded system of care. This initiative has three key action areas: 1) to increase claiming opportunities, 2) to maximize eligibility rates, and 3) to target remaining waiver funds as effectively as possible. This request would be allocated as follows:
  - An \$8,087,040 allocation for Safety Management Services
  - A \$26,000,000 allocation providing targeted funds for front- and back-end services (Family Support Services) to stabilize system prior to waiver termination
  - A \$7,545,780 allocation providing targeted funds for eligibility maximization prior to waiver termination

#### **Restoration of Nonrecurring Community Based Care Lead Agency (CBC) Core Funding - \$10,406,768 (\$6,998,583 GR and \$3,408,185 TF)**

- ❖ This funding request is to restore nonrecurring funding that was appropriated in FY 2017-18 and allocated to the CBC Lead Agencies pursuant to the equity allocation model in section 409.991, F.S. This issue is requested to maintain funding for dependency case management positions already granted and filled in order to handle the increasing out-of-home care caseloads of case managers.



## Florida Department of Children and Families Fiscal Year 2018-19 LBR Initiatives

### Keep Vulnerable Children and Families Safe through Improved Assessment of Risks and More Meaningful Engagement with Families and Communities

#### **Child Protection Workforce Stability - \$8,104,158 (\$4,441,563 GR and \$3,662,595 TF) and 69 FTE**

- ❖ This request is to fund 69 FTEs to address statewide child protection retention and workload issues and would enable the hiring of 19 additional child protective investigators (CPI), 30 additional child protective investigator supervisors (CPIS), and 20 additional Hotline Criminal Intelligence Unit (CIU) staff.

#### **Nonrelative Caregiver (NRC) Program Restore - \$3,872,480 (TF)**

- ❖ This funding request is to restore the nonrecurring funding appropriated for the nonrelative caregiver program in FY 2017-18.

#### **Foster Parent Cost of Living Adjustment Growth Rate and Increased Board Rate for Foster Parents of Teens (COLA) – \$7,505,796 (\$4,877,043 GR and \$2,628,753 TF)**

- ❖ This funding request is for the annual foster home cost of living increase for room and board rates and an additional increase for the payments made to the 13-17 age group.

#### **Expansion of Services and Placements for Victims of Commercial Sexual Exploitation (CSE) - \$1,915,358 (TF)**

- ❖ This funding request is to expand the existing continuum of care for victims of commercial sexual exploitation and to respond to existing gaps in service and placement options for the population.

#### **Nonrelative Caregiver (NRC) Program Growth - \$1,854,481 (TF)**

- ❖ This request is to increase funding for the nonrelative caregiver program based on the 12 month average growth rate of payments.

#### **Maintenance Adoption Subsidy (MAS) and Services - \$2,266,244 (\$1,218,209 GR and \$1,048,015 TF)**

- ❖ This funding request is for the State of Florida Adoption Assistance Program. MAS and other services enable families to consider adoption of special needs children who have been traumatized by abuse and neglect, are unable to safely return home to their birth parents, and must remain in foster care until an approved adoptive family has been identified.



## Florida Department of Children and Families Fiscal Year 2018-19 LBR Initiatives

### Keep Vulnerable Children and Families Safe through Improved Assessment of Risks and More Meaningful Engagement with Families and Communities

#### **Cycle of Accountability: Child Welfare Results-Oriented Accountability (ROA) - \$1,500,000 (TF)**

- ❖ The request for nonrecurring Social Services Block Grant funding is to continue the ROA Program and data analytics initiatives within the child welfare system. This funding is needed to complete identified key initiatives toward the continued implementation of the ROA Program in the Office of Child Welfare, as required by section 409.997, F.S.

#### **Aligning the Florida Safe Families Network (FSFN) with Florida's Path Forward - Comprehensive Child Welfare Information System (CCWIS) - \$9,063,814 (\$8,439,764 GR and \$624,050 TF)**

- ❖ This funding request encompasses changes to the Florida Safe Families Network and related project activities to support implementation and rollout of post waiver (eligibility, guardianship, EFC/IC) programmatic requirements and to support the planning and requirements resulting from changing federal requirements and funding models for a state child welfare system (CCWIS).

#### **Florida Safe Families Network (FSFN) Cloud Maintenance and Operational Expenses - \$2,963,362 (\$2,759,333 GR and \$204,029 TF)**

- ❖ This funding request is for the operational costs post transition of FSFN to the Cloud environment.

**Florida Department of Children and Families  
Fiscal Year 2018-19 LBR Initiatives**

**Increase Capacity of Professional Staff to Better Meet the Needs of  
Vulnerable Floridians**

Initiatives	GR	Trust Fund	Total
ACCESS Florida System Strategic Initiatives	\$ 14,214,226	\$ 54,961,104	\$69,175,330
Federal Information Security and Privacy for Minimum Acceptable Risk Standards for Exchanges (MARS-E)	\$ 485,965	\$ 4,014,035	\$4,500,000



## Florida Department of Children and Families Fiscal Year 2018-19 LBR Initiatives

### Increase Capacity of Professional Staff to Better Meet the Needs of Vulnerable Floridians

#### **ACCESS Florida System Strategic Initiatives - \$69,175,330 (\$14,214,226 NR GR and \$54,961,104 NR TF)**

- ❖ The funding request will allow the Department to implement initiatives for work started in state fiscal year 2017-2018 and begin and implement projected Year 2 work and continue its overall goal of completing its strategic approach for a phased system completion.

#### **Federal Information Security and Privacy for Minimum Acceptable Risk Standards for Exchanges (MARS-E) - \$4,500,000 (90/10 funding)**

- ❖ This funding request is for MARS-E 2.0, the information security and privacy requirements for the Department to connect to the Federal Data Services Hub (FDSH). Funding this compliance effort will allow the Department continued authorization to connect to the Federally Facilitated Marketplace (FFM) and the FDSH to obtain data needed to provide eligibility determination for public assistance programs.

# Florida Department of Children and Families

## Schedule VIII B-2 Priority Listing for Possible Reduction in the Event of Revenue Shortfalls for FY 2018-19

Program Activity	GR Reduction	State Trust Fund Reduction	Federal Reduction (SSBG, TANF, FGTF)	FY 18-19 Total Reduction	FY 17-18 FTE Reduction
BASE PROJECT REDUCTION	(\$100,000)			(\$100,000)	
REDUCE ELECTRONIC BENEFIT TRANSFER	(\$500,000)		(\$500,000)	(\$1,000,000)	
SEXUALLY VIOLENT PREDATOR PROGRAM REDUCTION	(\$500,000)			(\$500,000)	
OFFICE OF THE SECRETARY	(\$595,064)		(\$100,089)	(\$695,153)	(11.00)
INFORMATION TECHNOLOGY SERVICES REDUCTION	(\$2,275,036)	(\$129,407)		(\$2,404,443)	(35.00)
ASSISTANT SECRETARY FOR ADMINISTRATION	(\$1,745,261)	(\$419,546)		(\$2,164,807)	(30.00)
FAMILY SAFETY REDUCTION - OFFICE OF CHILD WELFARE	(\$3,391,575)		(\$1,385,030)	(\$4,776,605)	
COMMUNITY SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES PROGRAM OFFICE REDUCTION	(\$749,450)	(\$12,715)	(\$1,352,998)	(\$2,115,163)	
SHERIFF PROTECTIVE INVESTIGATION REDUCTION	(\$3,783,006)		(\$1,854,943)	(\$5,637,949)	
REDUCE ACCESS ELIGIBILITY	(\$25,711,149)		(\$26,432,260)	(\$52,143,409)	(888.00)
REDUCE ACCESS CALL CENTERS	(\$9,446,305)		(\$14,916,635)	(\$24,362,940)	(457.00)
REDUCE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) CASH ASSISTANCE PAYMENTS	(\$24,925,388)		(\$3,639,676)	(\$28,565,064)	
REDUCE CHILDREN'S BAKER ACT	(\$7,273,886)			(\$7,273,886)	
COMMUNITY BASED CARE (CBC) REDUCTION	(\$42,371,979)	(\$1,319,473)	(\$56,145,040)	(\$99,836,492)	
SUBSTANCE ABUSE AND MENTAL HEALTH MANAGING ENTITIES REDUCTION	(42,371,479)	(\$292,250)		(\$42,663,729)	



# Florida Department of Children and Families

## Schedule VIII B-2 Priority Listing for Possible Reduction in the Event of Revenue Shortfalls for FY 2018-19

### **Base Project Reduction – \$100,000 GR**

- ❖ Reduction would result in the elimination of a contract which provides services for a children's crisis stabilization unit, establishing children's treatment capacity for acute mentally ill children and adolescents.

### **Reduce Electronic Benefit Transfer – \$500,000 GR and \$500,000 TF**

- ❖ Reduction would eliminate funding added to the Electronic Benefit Transfer (EBT) contract to account for the additional caseload in the event of a Disaster SNAP program.
- ❖ This would impact the ability to provide one-time increase for Florida residents who do not qualify for SNAP, but in the event of a natural disaster such as hurricanes, flooding, tornadoes, etc., would be eligible for these benefits.

### **Sexually Violent Predator Program Reduction – \$500,000 GR**

- ❖ Reduction would result in a decrease to the Sexually Violent Predator Program which provides sex offender treatment to individuals committed under The Involuntary Civil Commitment of Sexually Violent Predators Act, section 394.910, F. S.

### **Office of the Secretary – \$595,064 GR and \$100,089 TF**

- ❖ Reduction would result in a decrease of 11 FTE within the Executive Leadership Office of the Secretary.
- ❖ This would reduce or eliminate several critical processes within the Office of the Secretary such as the ability to respond to requests from the media and the public, maintain confidentiality requirements, preparing cases for closure, preparing and finalizing required reports, maintaining quality assurance/improvement processes, initiate, conduct, supervise, and coordinate investigations, promote accountability, integrity, and efficiency, and provide necessary appeal hearings.



## Florida Department of Children and Families

### Schedule VIII B-2 Priority Listing for Possible Reduction in the Event of Revenue Shortfalls for FY 2018-19

#### **Information Technology Services Reduction – \$2,275,036 GR and \$129,407 TF**

- ❖ Reduction would result in a decrease of 35 FTE within the Office of Information Technology.
- ❖ This would impact the Department's ability to provide support and timely response to technology issues related to systems, connectivity, and communication technology that are depended on statewide by child protective investigators and other workers in child welfare and public assistance programs.

#### **Assistant Secretary for Administration – \$1,745,261 GR and \$419,546 TF**

- ❖ Reduction would result in a decrease of 30 FTE within the Assistant Secretary for Administration office.
- ❖ This would reduce and eliminate several critical processes within the Assistant Secretary for Administration office and will impact the ability to monitor provider compliance, eliminate the Department's ability to maximize Medicare and Medicaid reimbursements, and impact the ability to provide Human Resource support and guidance on issues dealing with employee misconduct, disciplinary actions, career service grievances and activities related to the state's collective bargaining agreements.

#### **Office of Child Welfare – \$3,391,575 GR and \$1,385,030 TF**

- ❖ Reduction would decrease funding for the Office of Child Welfare.
- ❖ These reductions impact services provided to families, the ability to provide assistance to qualified employees in taking on the additional expenses of adopting a special needs child from the foster care system which could result in fewer children finding permanency in the form of adoption, the number of prospective parent referrals sent to community-based care lead agencies, the ability to provide supervision of social work interns during internship with the department or one of its contracted providers, and would eliminate some capacity in the Suncoast region for the placement of children who have been removed due to abuse or neglect.



## Florida Department of Children and Families

### Schedule VIII B-2 Priority Listing for Possible Reduction in the Event of Revenue Shortfalls for FY 2018-19

#### **Community Substance Abuse and Mental Health Services Program Office Reduction – \$749,450 GR, \$1,352,998 TANF, and \$12,715 TF**

- ❖ Reduction would result in a decrease of funding for training and evaluation services for the Program Office as well as community mental health services and community substance abuse services.

#### **Sheriff Protective Investigation Reduction – \$3,783,006 GR, \$874,386 SSBG, and \$980,557 TANF**

- ❖ Reduction would result in a decrease to the Sheriff's Child Protective Investigations grant agreements.
- ❖ This would result in reduced staffing and increased caseload sizes and will impact the ability to conduct timely and thorough child abuse investigations and impact the safety of the children investigated in Broward, Hillsborough, Pasco, Pinellas, Manatee, and Seminole counties.

#### **Reduce ACCESS Eligibility – \$25,711,149 GR, \$1,894,535 TANF, and \$24,537,725 TF**

- ❖ Reduction would result in a decrease of 888 FTE (27%) within the Economic Self-Sufficiency program which determines eligibility for food, cash, and medical assistance.
- ❖ This would significantly reduce the ability for customers to access benefits timely and accurately, and critically impact the effectiveness of controls on legitimate eligibility for benefits. Vulnerable children, families, and elderly would wait longer to receive food, cash, and medical assistance, adding to the stressors that impact physical and mental health, quality of family life, and self-sufficiency.

#### **Reduce Call Centers – \$9,446,305 GR, \$868,807 TANF, and \$14,047,828 TF**

- ❖ Reduction would eliminate the entire operation of the ACCESS call centers that provide information to millions of inquiring callers yearly and processes changes for the 4.8 million people receiving food, cash, and medical assistance each month.
- ❖ This would impact customers ability to reach the Department and would force them to seek DCF lobbies for assistance to answer questions, receive explanations of benefit status or report changes impacting benefits.



## Florida Department of Children and Families

### Schedule VIII B-2 Priority Listing for Possible Reduction in the Event of Revenue Shortfalls for FY 2018-19

#### **Reduce Temporary Assistance for Needy Families (TANF) Cash Assistance Payments – \$24,925,388 GR and \$3,639,676 TANF**

- ❖ Reduction would result in a decrease of funding to the Temporary Cash Assistance program which provides cash assistance to families in four eligibility categories: Relative Caregiver, Child only Cases, Families with Adult, and Unemployed Parent.
- ❖ This would reduce the average amount per month per case by \$46.98 which would be a significant loss to families in need. Any reduction in this program could result in a penalty to our Temporary Assistance for Needy Families Block Grant if the State fails to meet the grant program Maintenance of Effort requirement.

#### **Reduce Children's Baker Act – \$7,273,886 GR**

- ❖ Reduction would result in a decrease to the funding for children's Baker Act services.
- ❖ This would result in a decrease in the delivery of acute care services in traditional Baker Act Receiving Facilities as well as mobile crisis emergency support services. A reduction in Baker Act services to children may result in increased utilization of higher levels of care, such as hospitals and residential treatment centers which are much costlier and restrictive.

#### **Community Based Care (CBC) Reduction – \$42,371,979 GR, \$1,319,473 CWTTF, \$3,100,620 SSBG, \$8,964,022 TANF, and \$44,080,398 TF**

- ❖ Reduction would result in a decrease to the funding of Community Based Care Lead Agencies for dependency case management, licensed foster homes, licensed residential group care, adoption incentive benefits, and pre-services and in-service training.
- ❖ This would result in higher case manager caseloads and additional turnover resulting in case managers not seeing children in care every 30 days and not moving children from foster care to a permanent family arrangement within 12 months, impacting the safety and well-being of children in care. This would also reduce the number of foster homes and group homes that are available for placement of children, requiring children to remain in emergency shelters longer. Reducing adoption incentive benefits could result in fewer children finding permanency.



## Florida Department of Children and Families

### Schedule VIII B-2 Priority Listing for Possible Reduction in the Event of Revenue Shortfalls for FY 2018-19

#### **Substance Abuse and Mental Health Managing Entities Reduction – \$42,371,479 GR and \$292,250 TF**

- ❖ Reduction would result in a decrease to the funding of the seven behavioral health managing entities for administrative costs, mental health services, and substance abuse services.
- ❖ This would eliminate behavioral health service delivery and may increase the usage of hospital emergency departments. In addition to service reduction, the MEs will have to decrease their administrative capacity which will result in personnel lay-offs, reductions in training, reduced capacity to manage utilizations, and other administrative cuts. Any reduction in this program could result in a penalty to the Substance Abuse and Mental Health Block Grants if the State fails to meet its Maintenance of Effort requirement.





# Medicaid Enterprise Systems (MES) Transition

Beth Kidder

Deputy Secretary for Medicaid

Presented to

House Health Care Appropriations  
Subcommittee

October 25, 2017



# Florida Medicaid – Annual Systems Transactions

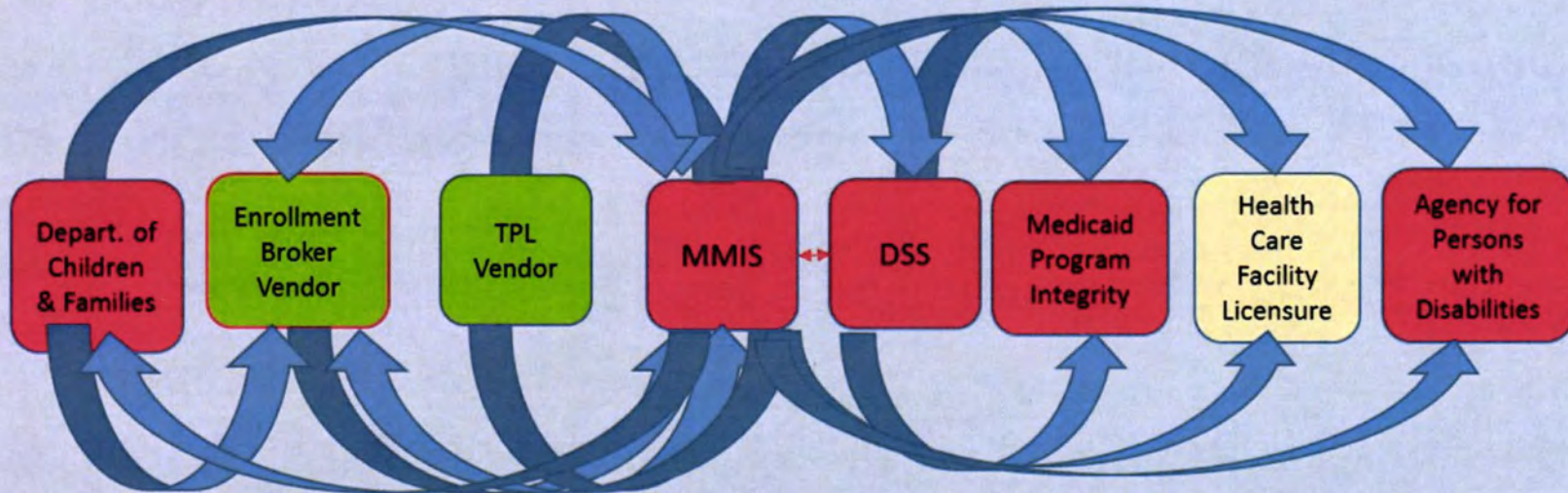
<b><i>Eligibles</i></b>	<ul style="list-style-type: none"><li>• 11.6 million recipient eligibility transactions</li><li>• 2.3 million enrollments in health plans</li></ul>
<b><i>Providers</i></b>	<ul style="list-style-type: none"><li>• 65,000 provider enrollment applications</li><li>• 450,000 provider calls</li></ul>
<b><i>Payments</i></b>	<ul style="list-style-type: none"><li>• 730,000 payments<ul style="list-style-type: none"><li>• includes more than 60,000,000 individual recipient per member per month capitation payments</li></ul></li></ul>
<b><i>Other Activities</i></b>	<ul style="list-style-type: none"><li>• 60 million fee-for-service and 120 million encounter claims</li><li>• Hundreds of public reports</li><li>• 1,000 unique data queries</li></ul>





# Current Medicaid Systems

## Medicaid Enterprise As-Is: Interface through Data Exchange



- Arrows in this graphic indicate current data exchange (SFTP)
- Boxes in this graphic indicate separate systems

- System funded with enhanced FFP
- System funded without enhanced FFP
- System state funded

# The Medicaid Program: System Requirements

- State Medicaid programs must maintain systems to:
  - Serve as the official file of Medicaid eligible recipients and Medicaid providers.
  - Perform Medicaid provider enrollment and managed care provider registration.
  - Process and pay claims for services provided.
  - Process encounter data for Medicaid recipients enrolled in health plans.
  - Interface with other systems (eligibility, enrollment broker, prior authorization vendors)
- Medicaid programs must have these systems certified by federal CMS and must have advance approval when procuring or building these systems in order to secure federal funding.





# Federally Required System Architecture

- Federal CMS has always dictated the architecture of state Medicaid program's systems through federal rule as conditions and standards for federal approval of enhanced funding.
  - 90% federal funding
- CMS required architecture has changed over time to include different requirements and components:
  - Began with Medicaid Management Information Systems (MMIS)
  - Then added Fiscal Agent (FA)
  - Then added Decision Support Services (DSS)
  - And now, **the Medicaid Enterprise**



# History of the Florida Medicaid System

- In the past, the system was generally re-procured as one monolithic system either as a takeover of the old system or as a contract to build a new system to replace the old system.
- The State would get a “package deal” with all components from the winning vendor.
  - Vs. selecting the “best for Florida” for each individual component
- Florida has had six Medicaid systems vendors in 40 years:
  - Original system & two new systems
  - Two takeovers





# History of Florida Medicaid System

Medicaid Information System/ Fiscal Agent (FA)	First Health: New System	1978-1983
Medicaid Information System/ Fiscal Agent (FA)	EDS: Takeover	1984-1990
Medicaid Management Information System (MMIS) / Fiscal Agent (FA)	Consultec: New System	1991-1996
Decision Support System (DSS)	Consultec: New System	1991-1996
MMIS/ DSS/ FA	Unisys: Takeover	1997-2002
MMIS/ DSS/ FA	ACS: Takeover	2003-2008
MMIS/ DSS/ FA	EDS now DXC: New System	2008-2018
NEW CMS STRATEGY: Medicaid Enterprise System	MES Modular Approach	2017-2022



## Re-procurement Timelines and Costs

- For each new vendor there was a period of Design, Development, and Implementation
- Funding was provided for both the retiring and new vendor during that period and through contract implementation.
- For example: The current vendor began operations July 2008
  - Request for Proposals released in 2005
  - Contract Executed May 2006
  - Vendor went live July 2008
  - Retiring vendor and new vendor were both under contract and received payment from 2006 through June 2008





# Current Required Architecture: Medicaid Enterprise System (MES)

- As Florida Medicaid began the process to re-procure the current system, federal CMS updated their conditions and standards and notified the Agency of changes needed to the procurement strategy:
  - Move to Medicaid Enterprise System
  - Focus on modularity and interoperability, and
  - Mandate that states perform or contract for planning and oversight functions related to their systems



# Medicaid Enterprise Systems: Required Conditions & Standards

Current CMS conditions require:

- **Modularity Standard** - Use a modular, flexible approach to systems development; the separation of business rules from core programming; and the availability of business rules in both human and machine-readable formats.
- **Leverage Condition** - Promote sharing, leverage, and reuse of Medicaid technologies and systems within and among states, lowering overall costs.
- **Interoperability Condition** - Ensure seamless coordination and integration with public health agencies and human services programs.



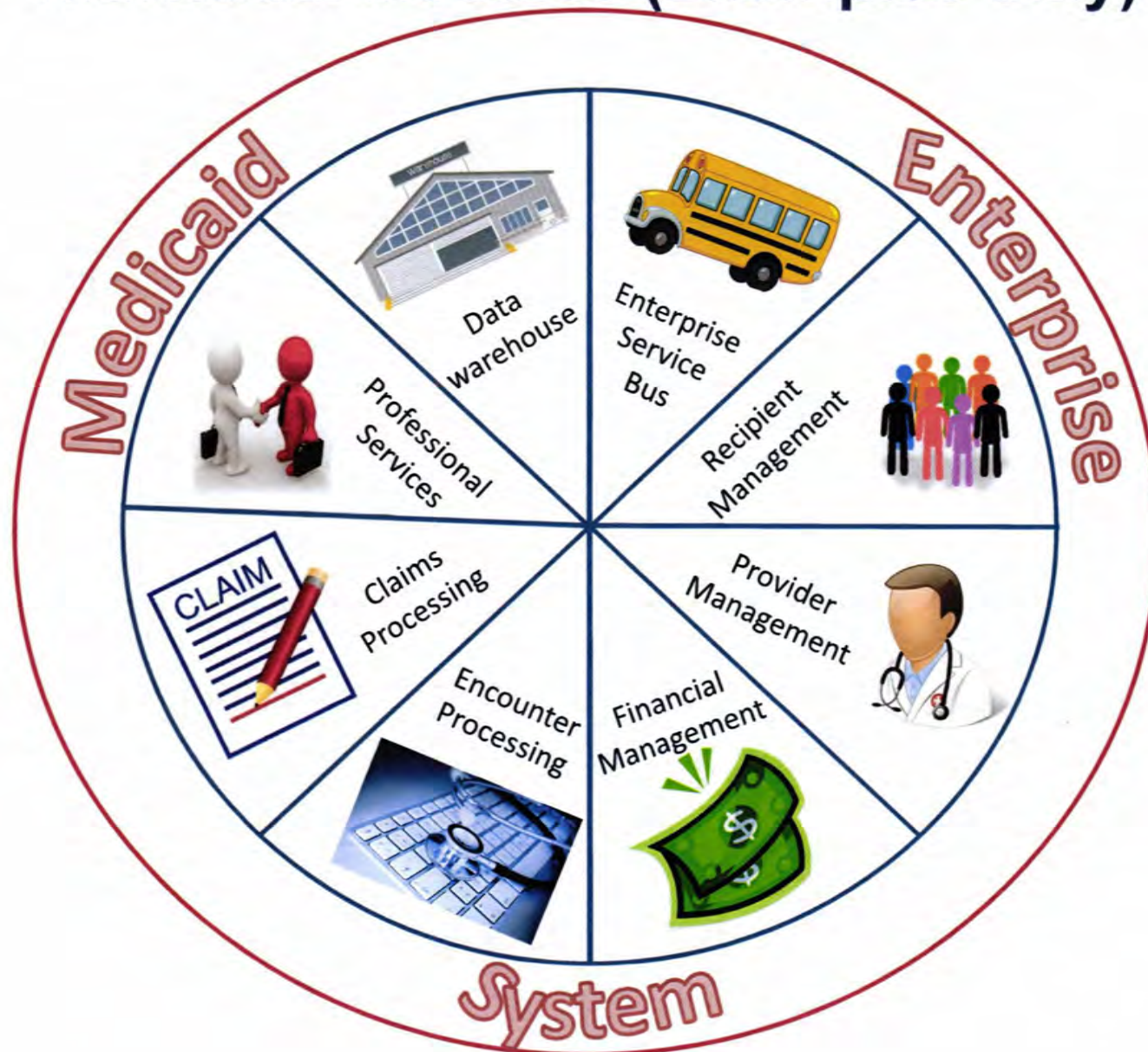


# Medicaid System Replacement under the MES Architecture – Benefits

- Incorporate the “best for Florida” for each modular system component
- Improve programmatic decision making by utilizing advanced statistical analytics
- Enhance data analytics to prevent and detect fraud
- Identify ways to reduce cost through project management
- Leverage proven systems with other state agencies

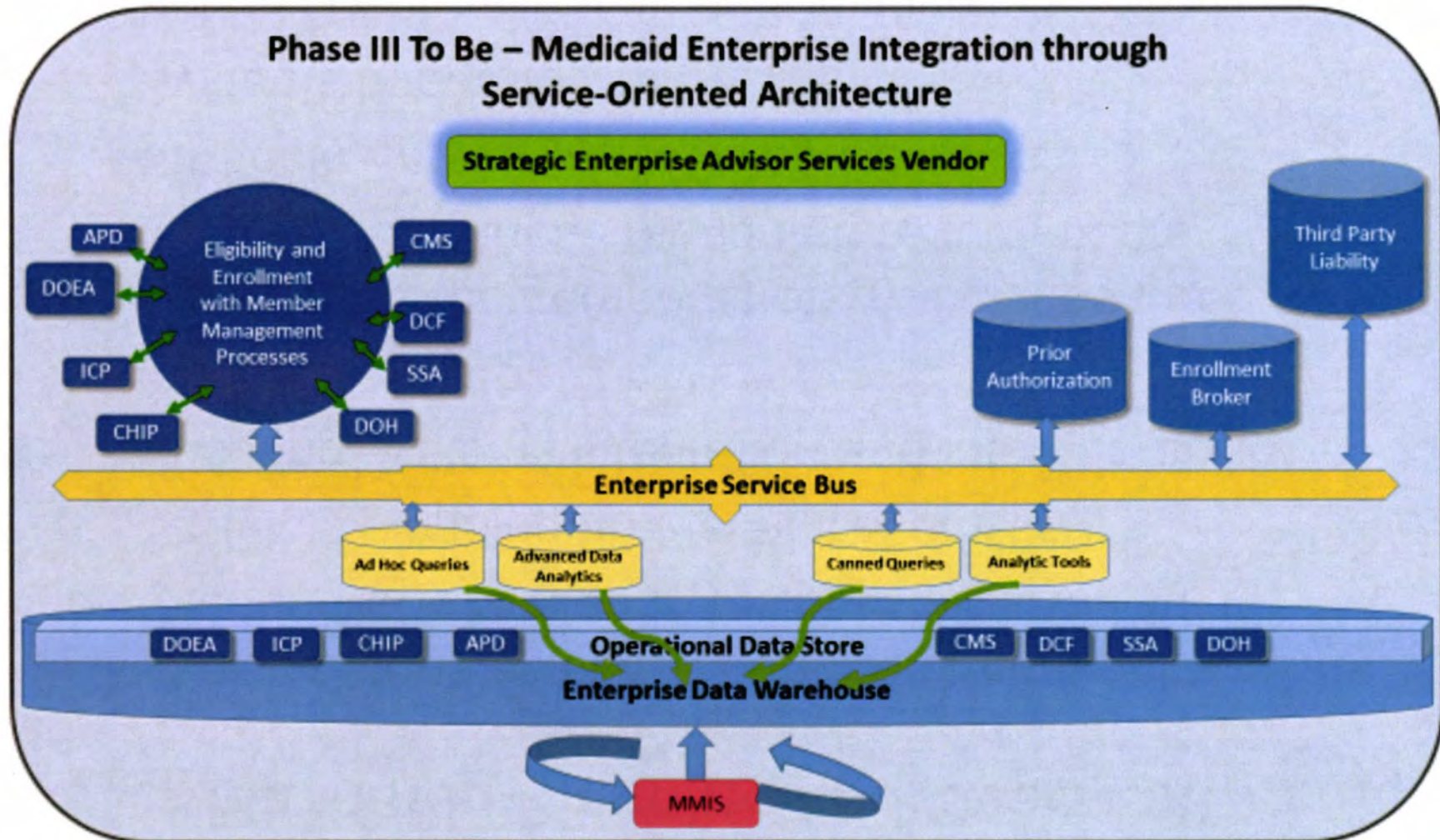


# Medicaid Enterprise System: Made up of Individual Modules (Examples only)





# Medicaid Enterprise System



# Mandated Planning and Oversight

- CMS also mandates states perform or contract for certain functions related to their systems, including:
  - Strategic planning and technical advice
  - Ensuring systems integration and interoperability
  - Independent project review
- The Agency's procurement strategy includes three contracts to fulfill these mandated requirements:
  - Strategic Enterprise Advisory Services
  - Systems Integrator
  - Independent Validation and Verification
    - Also mandated by the Agency for State Technology





# Historical vs. MES Procurement Process

- The traditional MMIS re-procurement process was generally one monolithic procurement to secure a vendor to either take over the old system or as a contract to build an new system to replace the old system.
- Under the MES model, the process is iterative and takes place in multiple phases, requiring multiple incremental funding requests.



# How do we get there: Phase 1

## MES: Phase 1

Activity	Status	Cost (17/18 thru 23/24)
<p>✓ Procure a Strategic Enterprise Advisory Services (SEAS) vendor to provide ongoing strategic, technical advisory, and programmatic services. SEAS vendor is prohibited from bidding on other modules.</p>	<p>Procurement Complete, contact executed and implementation began October 2017</p>	<p>\$ 40,100,000</p>
<p>✓ Procure Independent Verification and Validation (IV&amp;V) services to provide independent and unbiased perspective on the progress of the MES development. IV &amp; V vendor is prohibited from bidding on other modules.</p>	<p>Procurement Complete, contract purchase order process is being established</p>	<p>\$ 12,929,492</p>



## How do we get there: Phase 2

### MES: Phase 2

<i>Activity</i>	<i>Status</i>	<i>Cost (17/18 thru 23/24)</i>
Extend the existing fiscal agent contract for two years beyond the current expiration date of June 30, 2018, to ensure continued operation during the transition period	Pending	Pending negotiation
Procure a Systems Integrator vendor to ensure interoperability between Medicaid systems and operate for 5 years	Pending	Estimate \$29,000,000
Procure an Enterprise Service Bus platform to modernize communications between systems and operate for 5 years	Pending	Estimate \$28,500,000
Procure Enterprise Data Warehouse and advanced analytic services and operate for 5 years	Pending	Estimate \$57,500,000





# MES: How do we get there: Phase 3 & 4

<i>MES: Phase 3</i>		
<i>Activity</i>	<i>Status</i>	<i>Cost (estimate 19/20)</i>
Integrate current FMMIS/DSS interfaces with the MES through the new Enterprise Service Bus, based on a strategic plan developed by the Agency.	Pending	Estimate: based on similar activities in current system: \$3,000,000

<b>MES: Phase 4</b>		
<i>Activity</i>	<i>Status</i>	<i>Cost (19/20 thru 23/24)</i>
Over time, replace functions currently provided by the FMMIS and other systems using modules, based on a strategic plan developed the Agency.	Pending	Estimate: based on other states' costs and on similar activities in current system: \$54,000,000

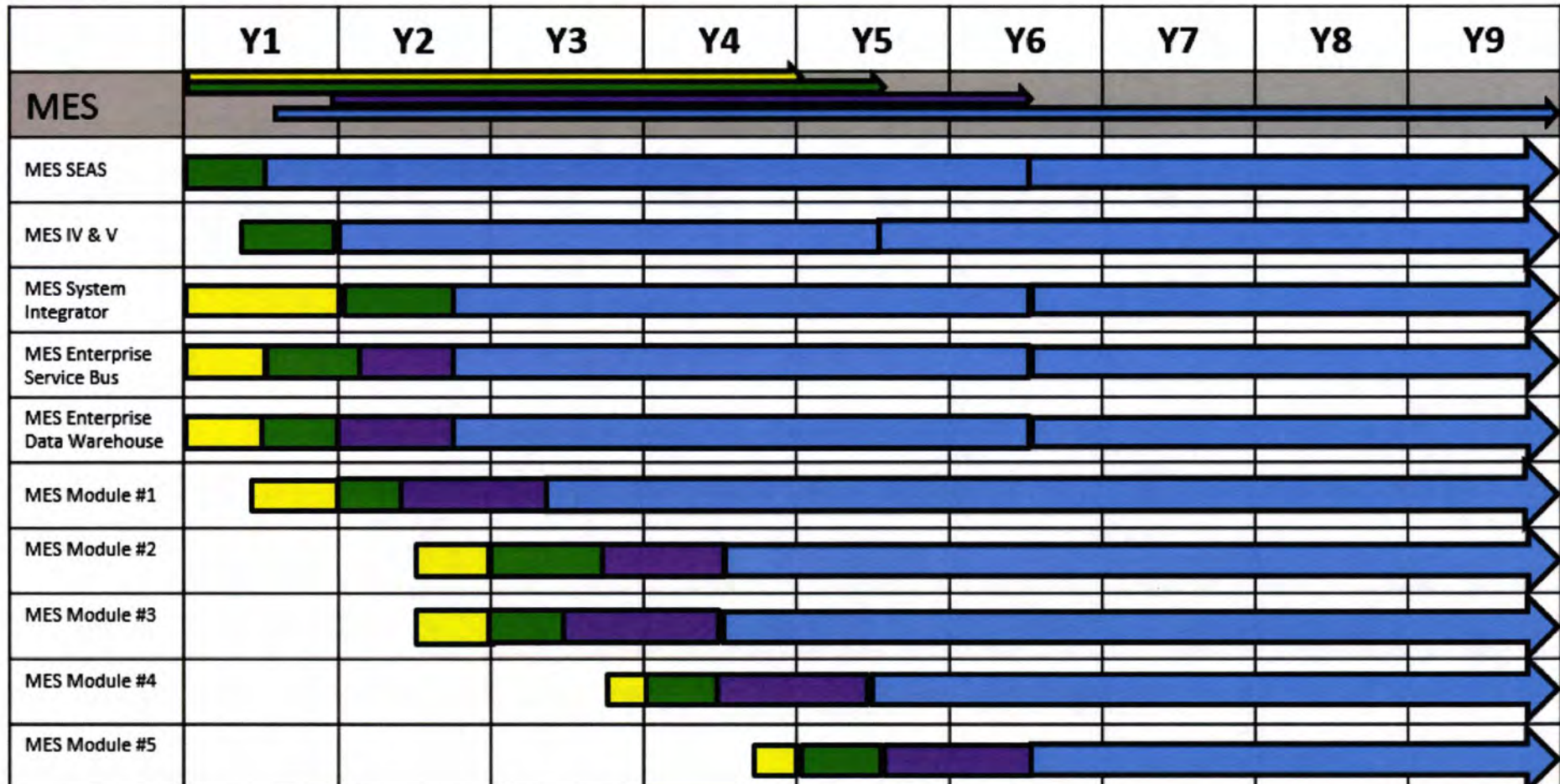




# Traditional MMIS vs. MES Procurement Process



= Planning
  = Solicitation
  = DDI
  = Operations





# Current vs. Future Costs

## Cost associated with current fiscal agent/ MMIS contract

<i>Component</i>	<i>Cost</i>	<i>Recurrence</i>
Design, Develop, Implement (DDI)	\$52 million	Costs occurred between May 2006 and June 2008
Base Operating Cost/ 5- year contract	\$308 million	Cost spread over 5 years of initial contract
<b><u>Total Base</u></b>	<b><u>\$360 million</u></b>	Total Costs 2006 through 2012/2013 (initial 5 year period). \$82.2 million in state share

## Estimated costs associated with new Medicaid Enterprise System

<i>Component</i>	<i>Cost</i>	<i>Recurrence</i>
DDI (includes projected 5 modules)	\$62 million	Costs spread over 7 years, as modules are implemented, then end.
Base Operating Cost/ 5 year contract (includes System Integrator)	\$112 million	Costs spread over 5 year contract; with contract renewal or re procurement, costs would continue for second 5 year period
SEAS/IV & V/ Legal	\$55 million	Costs spread over 7 year contract; with contract renewal or re procurement, costs would continue for second 5 year period
<b><u>Total Base</u></b>	<b><u>\$229 million</u></b>	Total costs through 2023/2024 (initial 5 year operational period). \$43 million in state share.



# Future Cost by State Fiscal Year

SFY	Total	FFP	State	Notes
17/18	\$ 7,496,308	\$ 6,646,677	\$ 849,631	Planning Phase
18/19	\$ 25,231,488	\$ 22,078,339	\$ 3,153,149	Solicitation and DDI for SI/ESB/EDW
19/20	\$ 38,301,488	\$ 32,871,339	\$ 5,430,149	EDW Operational - cost reduction for DXC
20/21	\$ 38,788,616	\$ 32,934,754	\$ 5,853,862	Module #1 Operational
21/22	\$ 41,288,616	\$ 34,509,754	\$ 6,778,862	Module #2 Operational
22/23	\$ 40,801,488	\$ 33,771,339	\$ 7,030,149	Modules #3 and #4 Operational
23/24	\$ 37,301,488	\$ 30,321,339	\$ 6,980,149	Module #5 Operational
<b>Total</b>	<b>\$ 229,209,492</b>	<b>\$ 193,133,543</b>	<b>\$ 36,075,949</b>	



# Future Cost by State Fiscal Year: Items Included in 2018-2019 LBR

<i>MES Contracted Services for Budget Requests</i>	<i>% FFP</i>	<i>18/19</i>	<i>FFP</i>	<i>State</i>
Strategic Advisor Vendor	90%	\$ 6,500,000	\$ 5,850,000	\$ 650,000
<b>Infrastructure Phase</b>				
System Integrator*	90%	\$ 4,000,000	\$ 3,600,000	\$ 400,000
Enterprise Service Bus - DDI *	90%	\$ 3,000,000	\$ 2,700,000	\$ 300,000
Enterprise Services Bus - Operations*	75%	\$ 2,000,000	\$ 1,500,000	\$ 500,000
Enterprise Data Warehouse - DDI **	90%	\$ 5,000,000	\$ 4,500,000	\$ 500,000
Enterprise Data Warehouse - Operations**	75%	\$ -		
IV&V Vendor	90%	\$ 2,051,488	\$ 1,846,339	\$ 205,149
Legal Counsel	50%	\$ 750,000	\$ 375,000	\$ 375,000
FMMIS Support - Key Bus. Area Decoupling-DDI	90%	\$ 1,500,000	\$ 1,350,000	\$ 150,000
FMMIS Support-Key Bus. Area Decoupling-Hardware	75%	\$ 200,000	\$ 150,000	\$ 50,000
FMMIS Support-DCF Replacement System Interfaces	90%	\$ 230,000	\$ 207,000	\$ 23,000
<b>Totals</b>		<b>\$ 25,231,488</b>	<b>\$ 22,078,339</b>	<b>\$ 3,153,149</b>
*scaled up from Wyoming estimates				
** used CSG estimates				

