

HOUSE OF REPRESENTATIVES STAFF FINAL BILL ANALYSIS

BILL #: CS/HB 479 Substance Abuse Service Providers

SPONSOR(S): Health & Human Services Committee, Caruso

TIED BILLS: IDEN./SIM. **BILLS:** SB 704

FINAL HOUSE FLOOR ACTION: 113 Y's 0 N's **GOVERNOR'S ACTION:** Pending

SUMMARY ANALYSIS

CS/HB 479 passed the House on March 7, 2022, as SB 704.

The Department of Children and Families (DCF) administers a statewide system of safety-net services for substance abuse and mental health (SAMH) prevention, treatment, and recovery. It serves children and adults who are otherwise unable to obtain these services.

DCF licenses substance abuse treatment providers. The bill requires licensure applicants to include in the application the names and locations of any recovery residences to which the applicant plans to refer patients or from which the applicant plans to accept patients. The bill also requires current licensees to report the same information to DCF by July 1, 2022, and must report any changes in referral information to DCF within 30 business days. The bill authorizes DCF to issue administrative fines of \$1,000 per violation of this reporting requirement and suspend or revoke a service provider's license for repeat violations.

Florida law allows voluntary certification of recovery residences and recovery residence administrators by one of two DCF-designated private certification entities. Certified recovery residence administrators (CRRAs) are responsible for overall management of a recovery residence, as well as supervision of residents and staff. The administrators are currently prohibited from managing more than three recovery residences at any given time.

The bill requires recovery residence administrators, as part of the certification process, to demonstrate the ability to effectively and appropriately respond to the needs of residents, maintain residence standards, and meet all other current statutory certification requirements. Under the bill, a CRA who demonstrates such ability is permitted to actively manage more than 50 residents at once, instead of three residences, if the CRA provides written justification to the credentialing entity and the credentialing entity approves the request. However, the bill prohibits a CRA from managing more than 100 residents under any circumstances.

Current law establishes statutory rights for individuals receiving substance abuse services from any service provider, including the right to possess clothing and other personal effects. Service providers are permitted to take only temporary custody of an individual's personal effects, and may do so only when medically necessary or for safety reasons. The bill requires service providers to return any personal effects taken from an individual to that individual upon discharge, even if the discharge is against medical advice.

Contingency management is a type of behavioral therapy used as part of substance abuse treatment in which individuals are rewarded for evidence of positive behavioral change. Every three years, DCF must create a state master plan for delivering and financing substance abuse and mental health services throughout the state, including funding priorities developed by regions of the state. Currently, the master plan does not include a requirement for such regional funding priorities to include contingency management programs. The bill requires DCF to include regionally approval funding recommendations for contingency management programs in the triennial plan's regional funding priorities component.

The bill has an insignificant, indeterminate, positive fiscal impact on DCF and no fiscal impact on local governments.

Subject to the Governor's veto powers, the effective date of the bill is upon becoming a law.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Background

Substance Abuse

Approximately 1.1 million Floridians have a substance use disorder.¹ Substance abuse refers to the harmful or hazardous use of psychoactive substances, including alcohol and illicit drugs.² Substance use disorders occur when the chronic use of alcohol or drugs causes significant impairment, such as health problems, disability, and failure to meet major responsibilities at work, school, or home.³ Repeated drug use leads to changes in the brain's structure and function that can make a person more susceptible to developing a substance use disorder.⁴ Brain imaging studies of persons with substance use disorders show physical changes in areas of the brain that are critical to judgment, decision making, learning and memory, and behavior control.⁵

According to the Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition, a diagnosis of substance use disorder is based on evidence of impaired control, social impairment, risky use, and pharmacological criteria.⁶ The most common substance use disorders in the United States are from the use of alcohol, tobacco, cannabis, stimulants, hallucinogens, and opioids.⁷

Substance Abuse Treatment in Florida

DCF administers a statewide system of safety-net services for substance abuse and mental health (SAMH) prevention, treatment, and recovery.

District Substance Abuse Plans

Every three years, DCF must create a state master plan for the delivery and financing of publicly funded, community-based substance abuse and mental health services throughout the state.⁸ The master plan outlines statewide and region-specific priorities developed with stakeholder input and based on current trends and conditions related to behavioral health services in Florida.⁹

DCF uses the master plan to guide statewide quality improvement initiatives and develop policy and budget recommendations.¹⁰ The master plan has several components, including a district (regional) component which details how substance abuse and mental health services will be provided in the service district and district funding priorities.¹¹ District funding priorities must include approval by the district for expenditures which are subject to state payment, such as salaries, contracted facilities and services, and operations costs.¹²

¹ Substance Abuse and Mental Health Administration, *Behavioral Health Barometer, Florida, Volume 6*, (2020), https://www.samhsa.gov/data/sites/default/files/reports/rpt32826/Florida-BH-Barometer_Volume6.pdf (last visited March 7, 2022).

² World Health Organization, *Substance Abuse*, http://www.who.int/topics/substance_abuse/en/ (last visited March 7, 2022).

³ Substance Abuse and Mental Health Services Administration, *Substance Use Disorders*, <http://www.samhsa.gov/disorders/substance-use> (last visited March 7, 2022).

⁴ National Institute on Drug Abuse, *Drugs, Brains, and Behavior: The Science of Addiction*, <https://www.drugabuse.gov/publications/drugs-brains-behavior-science-addiction/drug-abuse-addiction> (last visited March 7, 2022).

⁵ Id.

⁶ *Supra*, note 4.

⁷ Id.

⁸ Section 394.75, F.S.

⁹ Department of Children and Families Substance Abuse and Mental Health Triennial Plan Update Fiscal Year 2020 -2021 (Jan. 1, 2022), <https://www.myflfamilies.com/service-programs/samh/publications/docs/SAMH%20Triennial%20Master%20Plan%20Update%2012-21.pdf> (last visited March 7, 2022).

¹⁰ Id.

¹¹ *Supra*, note 8.

¹² Section 394.76, F.S.

Current law is silent as to whether contingency management programs should be regionally approved and part of the district funding priorities component of the master plan.

Treatment

DCF provides treatment for substance abuse through a community-based provider system that offers detoxification, treatment and recovery support for adolescents and adults affected by substance misuse, abuse or dependence:¹³

- **Detoxification Services:** Detoxification services use medical and clinical procedures to assist individuals and adults as they withdraw from the physiological and psychological effects of substance abuse.¹⁴
- **Treatment Services:** Treatment services¹⁵ include a wide array of assessment, counseling, case management, and support services that are designed to help individuals who have lost their abilities to control their substance use on their own and require formal, structured intervention and support. Some of these services may also be offered to the family members of the individual in treatment.¹⁶
- **Recovery Support:** Recovery support services, including transitional housing, life skills training, parenting skills, and peer-based individual and group counseling, are offered during and following treatment to further assist individuals in their development of the knowledge and skills necessary to maintain their recovery.¹⁷

Contingency management is a type of behavioral therapy in which individuals are reinforced (rewarded) for evidence of positive behavioral change.¹⁸ Contingency management may be used as part of substance use treatment and gives individuals in treatment monetary-based reinforcement as a reward for negative drug tests.¹⁹ Studies have shown that incentive-based interventions, such as contingency management, are highly effective in increasing treatment retention and promoting abstinence from drug use.²⁰

There are two types of incentive-based interventions:²¹

- **Voucher-Based Reinforcement (VBR):** Used with adults who abuse opioids, VBR patients receive vouchers for every drug-free urine sample provided. The voucher has monetary value, like a gift card, which can be exchanged for goods and services which are consistent with a drug-free lifestyle. The vouchers increase in value over time as more drug-free urine samples are provided.

¹³ Department of Children and Families, *Treatment for Substance Abuse*, <https://www.myflfamilies.com/service-programs/samh/substance-abuse.shtml> (last visited March 7, 2022).

¹⁴ Id.

¹⁵ Id. Research indicates that persons who successfully complete substance abuse treatment have better post-treatment outcomes related to future abstinence, reduced use, less involvement in the criminal justice system, reduced involvement in the child protective system, employment, increased earnings, and better health.

¹⁶ *Supra*, note 13.

¹⁷ Id.

¹⁸ Petry, Nancy M, Contingency management: what it is and why psychiatrists should want to use it (May 2011), <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3083448/#:~:text=Contingency%20management%20refers%20to%20a,evidence%20of%20positive%20behavioural%20change>. (last visited March 7, 2022)

¹⁹ Id.

²⁰ National Institute on Drug Abuse, *Contingency Management Interventions/Motivational Incentives*, <https://nida.nih.gov/publications/principles-drug-addiction-treatment-research-based-third-edition/evidence-based-approaches-to-drug-addiction-treatment/behavioral-therapies/contingency-management-interventions-motivational-incentives> (last visited March 7, 2022). See also Petry, Nancy M., Effect of prize-based incentives on outcomes in stimulant abusers in outpatient psychosocial treatment programs: a national drug abuse treatment clinical trials network study (Oct. 2005), <https://pubmed.ncbi.nlm.nih.gov/16203960/> (last visited Feb. 23, 2022) and Prendergast, Michael, Contingency management for treatment of substance use disorders: a meta-analysis (Nov. 2006), <https://pubmed.ncbi.nlm.nih.gov/17034434/> (last visited March 7, 2022).

²¹ Id.

- **Prize Incentives Contingency Management (PICM):** Similar to VBR, PICM provides chances to win cash prizes instead of vouchers.

Substance Abuse Service Provider Licensure

DCF regulates substance abuse treatment by licensing service providers and individual service components under ch. 397, F.S., and rule 65D-30, F.A.C. Licensed service components include a continuum of substance abuse prevention,²² intervention,²³ and clinical treatment services.²⁴ DCF uses a tier-based system of classifying violations and may issue administrative fines of up to \$500 for violations committed by a licensee.²⁵

Clinical treatment is a professionally directed, deliberate, and planned regimen of services and interventions that are designed to reduce or eliminate the misuse of drugs and alcohol and promote a healthy, drug-free lifestyle.²⁶ “Clinical treatment services” include, but are not limited to, the following licensable service components:²⁷

- Addictions receiving facility;
- Day or night treatment;
- Day or night treatment with community housing;
- Detoxification;
- Intensive inpatient treatment;
- Intensive outpatient treatment;
- Medication-assisted treatment for opiate addiction;
- Outpatient treatment; and
- Residential treatment.

Applicants for licensure as a substance abuse service provider must submit an application to DCF and include, at a minimum:²⁸

- Information establishing the name and address of the applicant service provider and its director, and also of each member, owner, officer, and shareholder, if any;
- Information establishing the competency and ability of the applicant service provider and its director to carry out the requirements of ch. 397, F.S.;
- Proof satisfactory to the DCF of the applicant service provider’s financial ability and organizational capability to operate in accordance with ch. 397, F.S.;
- Proof of liability insurance coverage in amounts set by the DCF by rule;
- Sufficient information to conduct background screening for all owners, directors, chief financial officers, and clinical supervisors as provided in s. 397.4073, F.S.;

²² Section 397.311(26)(c), F.S. Prevention is a process involving strategies that are aimed at the individual, family, community, or substance and that preclude, forestall, or impede the development of substance use problems and promote responsible lifestyles. See also, Department of Children and Families, *Substance Abuse: Prevention*, <https://www.myflfamilies.com/service-programs/samh/prevention/index.shtml> (last visited March 7, 2022). Substance abuse prevention is best accomplished through the use of ongoing strategies such as increasing public awareness and education, community-based processes and evidence-based practices. These prevention programs are focused primarily on youth, and, in recent years, have shifted to the local level, giving individual communities the opportunity to identify their own unique prevention needs and develop action plans in response. This community focus allows prevention strategies to have a greater impact on behavioral change by shifting social, cultural and community environments.

²³ Section 397.311(26)(b), F.S. Intervention is structured services directed toward individuals or groups at risk of substance abuse and focused on reducing or impeding those factors associated with the onset or the early stages of substance abuse and related problems.

²⁴ Section 397.311(25), F.S.

²⁵ Section 397.415, F.S.

²⁶ *Supra*, note 24.

²⁷ Section 397.311(25)(a), F.S.

²⁸ Section 397.403, F.S.

- Proof of satisfactory fire, safety, and health inspections, and compliance with local zoning ordinances;²⁹
- A comprehensive outline of the proposed services, including sufficient detail to evaluate compliance with clinical and treatment best practices, for:
 - Any new applicant; or
 - Any licensed service provider adding a new licensable service component.
- Proof of the ability to provide services in accordance with the DCF rules; and
- Any other information that the DCF finds necessary to determine the applicant's ability to carry out its duties under this chapter and applicable rules.

Current law does not require applicants for licensure as a substance abuse provider or current licensees to include the names and locations of any recovery residence to which the applicant plans to refer patients and from which the applicant plans to receive patients, and no penalty exists for such action.

Rights of Individuals Receiving Substance Abuse Treatment

Current law establishes statutory rights for individuals receiving substance abuse services, including the right to dignity, non-discriminatory services, quality services, confidentiality, counsel, and habeas corpus.³⁰ Specifically, an individual is entitled to the right to possess clothing and other personal effects.³¹ Service providers are permitted to take only temporary custody of an individual's personal effects, and may do so only when medically necessary or for safety reasons. Providers must document both the reason for taking custody and a list of personal effects taken in the patient's clinical record.³² Service providers who violate these rights are liable for damages, unless acting in good faith, reasonably, and without negligence.³³

Current law does not require substance abuse service providers to return any personal effects taken from an individual to that individual upon discharge, even if the discharge is against medical advice.

Recovery Residences

Recovery residences (also known as "sober homes" or "sober living homes") are alcohol- and drug-free living environments for individuals in recovery who are attempting to maintain abstinence from alcohol and drugs.³⁴ These residences offer no formal treatment (though they may mandate or strongly encourage attendance at 12-step groups) and are self-funded through resident fees.³⁵

Section 397.311(37), F.S., defines a recovery residence as a residential dwelling unit, or other form of group housing, offered or advertised through any means, including oral, written, electronic, or printed means, by any person or entity as a residence that provides a peer-supported, alcohol-free, and drug-free living environment.

Recovery residences can be located in single-family and two-family homes, duplexes, and apartment complexes. Most recovery residences are located in single-family homes, zoned in residential neighborhoods.³⁶

²⁹ Service providers operating under a regular annual license shall have 18 months from the expiration date of their regular license within which to meet local zoning requirements. Applicants for a new license must demonstrate proof of compliance with zoning requirements prior to the department issuing a probationary license.

³⁰ Section 397.501, F.S.

³¹ Section 397.501(5), F.S.

³² *Id.*

³³ Section 397.501(10), F.S.

³⁴ Douglas L. Polcin, Ed.D., MFT, and Diane Henderson, B.A., *A Clean and Sober Place to Live: Philosophy, Structure, and Purported Therapeutic Factors in Sober Living Houses*, 40(2) *J Psychoactive Drugs* 153–159 (June 2008).

³⁵ *Id.*

³⁶ Hearing before the Subcommittee on the Constitution and Civil Justice of the Committee on the Judiciary, House of Representatives, One Hundred Fifteenth Congress, Sept. 28, 2018, <https://www.govinfo.gov/content/pkg/CHRG-115hrg33123/html/CHRG->

DCF publishes a list of all certified recovery residences and recovery residence administrators on its website.³⁷ As of January 2022, there are 449 certified recovery residences in Florida.³⁸

Recovery Residence Certification

Florida has a voluntary certification program for recovery residences and recovery residence administrators.³⁹ Under the voluntary certification program, two DCF-approved credentialing entities administer certification programs and issue certificates: the Florida Association of Recovery Residences certifies the recovery residences and the Florida Certification Board (FCB) certifies recovery residence administrators.⁴⁰

Certified recovery residence administrators (CRRAs) are individuals responsible for the overall management of a recovery residence, as well as the supervision of residents and paid or volunteer staff.⁴¹ Prior to obtaining certification, CRA applicants must successfully undergo a level 2 background screening pursuant to ch. 435, F.S.⁴² Additionally, the FCB currently requires CRRAs to:⁴³

- Hold at least a high school diploma, GED, or equivalent;
- Undergo 10 hours of on-the-job supervision of the applicant's performance of related recovery residence administrator, manager, or residential management services within a recovery residence setting;
- Obtain three professional letters of recommendation;
- Pass an exam administered by the FCB;
- Complete 10 hours of continuing education annually; and
- Apply for certification renewal annually.

Current law does not require recovery residence administrator certification applicants to demonstrate the ability to effectively and appropriately respond to the needs of residents, maintain residence standards, and meet all other current statutory certification requirements.

Current law prohibits CRRAs from, among other things, actively managing more than three recovery residences at any given time; however, there is no limit on the number of residents a CCRA can manage.⁴⁴

Patient Referrals

While certification is voluntary, Florida law incentivizes certification. Since 2016, Florida has prohibited licensed substance abuse service providers from referring patients to a recovery residence unless the recovery residence holds a valid certificate of compliance and is actively managed by a certified

[115hrg33123.htm](#). See also The National Council for Behavioral Health, *Building Recovery: State Policy Guide for Supporting Recovery Housing* (2017), https://www.thenationalcouncil.org/wp-content/uploads/2018/05/18_Recovery-Housing-Toolkit_5.3.2018.pdf?dof=375ateTbd56 (last visited March 7, 2022).

³⁷ Section 397.4872, F.S.

³⁸ Department of Children and Families, *Recovery Residence Administrators and Recovery Residences*, <https://www.myflfamilies.com/service-programs/samh/recovery-residence/> (last visited March 7, 2022).

³⁹ Sections 397.487–397.4872, F.S.

⁴⁰ The DCF, *Recovery Residence Administrators and Recovery Residences*, available at <https://www.myflfamilies.com/service-programs/samh/recovery-residence/> (last visited March 7, 2022).

⁴¹ The Florida Certification Board (The FCB), *Certified Recovery Residence Administrator (CRA)*, available at <https://flcertificationboard.org/certifications/certified-recovery-residence-administrator/> (last visited March 7, 2022).

⁴² Section 397.4871(5), F.S.

⁴³ The FCB, *Certification Guidelines: Credential Standards and Requirements Table: Certified Recovery Residence Administrator (CRA)*, p. 4-5, available at <https://flcertificationboard.org/wp-content/uploads/CRA-Standards-and-Requirements-Tables-January-2020.pdf> (last visited March 7, 2022).

⁴⁴ Section 397.4871(6)-(8), F.S.

recovery residence administrator.⁴⁵ Violators of this prohibition are subject to an administrative fine of \$1,000 per occurrence.⁴⁶ Current law allows certain exceptions to this prohibition:⁴⁷

- Referrals made by a licensed service provider under contract with a behavioral health managing entity.⁴⁸
- Referrals made by a recovery residence to a licensed service provider when the recovery residence or its owners, directors, operators, or employees do not benefit, directly or indirectly, from the referral.
- Referrals made before July 1, 2018, by a licensed service provider to that licensed service provider's wholly owned subsidiary.
- Referrals of patients to or from a recovery residence with no direct or indirect financial relationship or other referral relationship with the licensed service provider and that is democratically operated by its residents pursuant to a charter from an entity recognized by Congress, and where the residence or any resident of the residence does not directly or indirectly receive a benefit.

Effect of the Bill

Substance Abuse Service Provider Licensure

The bill requires substance abuse service provider license applicants to include the names and locations of any recovery residence to which the applicant plans to refer patients and from which the applicant plans to receive patients.

Under the bill, by July 1, 2022, current licensees must report to DCF the names and locations of any recovery residence to which the licensee has referred patients or from which the licensee has received patients. Current licensees must also report any changes to such information to DCF no more than 30 business days after the change. Licensed service providers who violate this requirement will be subject to an administrative fine of \$1,000 per occurrence. The bill authorizes DCF to suspend or revoke a service provider's license for repeat violations of reporting requirements.

Rights of Individuals Receiving Substance Abuse Treatment

The bill requires substance abuse service providers to return any personal effects taken from an individual to that individual upon discharge, even if the discharge is against medical advice.

Recovery Residence Certification

The bill requires recovery residence administrators, as part of the certification application process, to demonstrate the ability to effectively and appropriately respond to the needs of residents, maintain residence standards, and meet all other current statutory certification requirements.

Under the bill, a CRRRA who demonstrates such ability is permitted to actively manage more than 50 residents at once only if the CRRRA provides written justification to the credentialing entity and the credentialing entity approves the request. However, the bill prohibits a CRRRA from managing more than 100 residents under any circumstances.

District Substance Abuse Plans

⁴⁵ Section 397.4873(1), F.S.

⁴⁶ Section 397.4873(6), F.S.

⁴⁷ Section 397.4873(2), F.S.

⁴⁸ DCF contracts for behavioral health services through regional systems of care called behavioral health managing entities. The seven managing entities, in turn, contract with and oversee local service providers for the delivery of mental health and substance abuse services throughout the state. See Department of Children and Families, *Managing Entities*, <http://www.dcf.state.fl.us/service-programs/samh/managing-entities/index.shtml> (last visited March 7, 2022).

The bill requires the triennial DCF substance abuse and mental health master plan to include approval for contingency management programs in the plan's district funding priorities component. Such programs provide participants with noncash incentives, subject to value limitations set by DCF or the federal government, for positive progress in substance abuse recovery.

The bill is effective upon becoming a law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

DCF may see an indeterminate, insignificant, increase in revenue if licensed service providers are required to pay fines for failing to timely report the names and locations of each recovery residence to which the service provider has referred patients to, or from which patients were received.⁴⁹

2. Expenditures:

DCF may see an indeterminate, insignificant, increase in expenditures associated with updates to its licensure system, the cost of which can be absorbed within current resources.⁵⁰

DCF may also see an indeterminate increase in expenditures associated with an increase in workload related to investigation and prosecution of service providers who fail to report the patient referral information required by the bill.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

⁴⁹ Department of Children and Families, Agency Analysis of 2022 House Bill 479, p. 4 (Nov. 24, 2021).

⁵⁰ Id.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Licensed service providers who commit certain violations will be subject to fines, which could have an economic impact on such providers.

Recovery residence administrators may currently manage up to 3 recovery residences at any time. The bill removes this limitation and instead authorizes an administrator to manage 50 to 100 residents instead of 3 residences. A recovery residence whose administrator currently manages more residents than the administrator is approved to manage under the bill (50 or 100 residents) may need to reduce the number of residents or employ additional administrator(s) at a cost to the organization. Additionally, administrators who currently manage less than 50 residents may increase the number of residents managed, or reduce the number of administrators needed, resulting in a positive economic impact to the organization.

D. FISCAL COMMENTS:

None.