

House Bill 787

By: Representatives Setzler of the 35<sup>th</sup>, Dempsey of the 13<sup>th</sup>, and Houston of the 170<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 1 of Title 37 of the Official Code of Georgia Annotated, relating to  
2 governing and regulation of mental health, so as to provide that any changes by the  
3 Department of Behavioral Health and Developmental Disabilities to allocation rates or  
4 formulas for providers must have legislative ratification; to provide that provider contracts  
5 include certain requirements; to provide for related matters; to repeal conflicting laws; and  
6 for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Chapter 1 of Title 37 of the Official Code of Georgia Annotated, relating to governing and  
10 regulation of mental health, is amended by adding new Code sections to Article 1, relating  
11 to general provisions, to read as follows:

12 "37-1-7.

13 (a) Any change to allocation rates or formulas proposed by the department shall be  
14 submitted by the department to the General Assembly and shall become effective only  
15 when ratified by joint resolution of the General Assembly. The power of the department  
16 to revise such allocation rates or formulas shall be deemed to be dependent upon such  
17 ratification.

18 (b) If the General Assembly does not approve revised allocation rates or formulas in  
19 accordance with this Code section, then the current allocation rates or formulas shall  
20 remain in effect.

21 (c) This Code section shall apply to provider rates, rate models, rate structures, formula  
22 based compensation, or other allocation rates or methods for services provided to  
23 consumers on behalf of or at the direction of the department which affect more than 50  
24 percent of a program budget of the department, as contained in an Appropriations Act.

25 37-1-8.

26 Any contract entered into or renewed on or after July 1, 2012, by the department with a  
27 contractor which provides services to consumers on behalf of or at the direction of the  
28 department shall contain the following provisions:

29 (1) No subcontractor or employee of the contractor shall be prohibited from continuing  
30 to provide services to a client which was not placed with the subcontractor or employee  
31 by the contractor if such subcontractor or employee discontinues its subcontract or  
32 employment with the contractor; and

33 (2) All subcontractors and employees of the contractor that provide services on behalf  
34 of the contractor pursuant to the contract with the department shall be compensated in a  
35 manner that is consistent with the cost model established by the department for  
36 subcontractors and employees with respect to rates, direct and indirect costs, hourly  
37 wages, and benefits."

38

## **SECTION 2.**

39 All laws and parts of laws in conflict with this Act are repealed.