

**As Passed by the Senate**

**132nd General Assembly**

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**Am. S. B. No. 71**

**Senator Manning**

**Cosponsors: Senators Brown, Hoagland, Huffman, Yuko, Tavares, Hackett,  
Beagle, Burke, Coley, Dolan, Eklund, Hite, Obhof, O'Brien, Oelslager, Terhar,  
Wilson**

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**A BILL**

To amend the versions of sections 340.03 and 1  
340.041 of the Revised Code scheduled to take 2  
effect on July 1, 2017, to allow a board of 3  
alcohol, drug addiction, and mental health 4  
services to authorize its executive director to 5  
execute contracts valued at \$25,000 or less 6  
without the board's prior approval. 7

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That the versions of sections 340.03 and 8  
340.041 of the Revised Code scheduled to take effect on July 1, 9  
2017, be amended to read as follows: 10

**Sec. 340.03.** (A) Subject to rules issued by the director 11  
of mental health and addiction services after consultation with 12  
relevant constituencies as required by division (A)(10) of 13  
section 5119.21 of the Revised Code, each board of alcohol, drug 14  
addiction, and mental health services shall: 15

(1) Serve as the community addiction and mental health 16

planning agency for the county or counties under its 17  
jurisdiction, and in so doing it shall: 18

(a) Evaluate the need for facility services, addiction 19  
services, mental health services, and recovery supports; 20

(b) In cooperation with other local and regional planning 21  
and funding bodies and with relevant ethnic organizations, 22  
evaluate strengths and challenges and set priorities for 23  
addiction services, mental health services, and recovery 24  
supports. A board shall include treatment and prevention 25  
services when setting priorities for addiction services and 26  
mental health services. When a board sets priorities for 27  
addiction services, the board shall consult with the county 28  
commissioners of the counties in the board's service district 29  
regarding the services described in section 340.15 of the 30  
Revised Code and shall give priority to those services, except 31  
that those services shall not have a priority over services 32  
provided to pregnant women under programs developed in relation 33  
to the mandate established in section 5119.17 of the Revised 34  
Code. 35

(c) In accordance with guidelines issued by the director 36  
of mental health and addiction services under division (F) of 37  
section 5119.22 of the Revised Code, annually develop and submit 38  
to the department of mental health and addiction services a 39  
community addiction and mental health plan that addresses both 40  
of the following: 41

(i) The needs of all residents of the district currently 42  
receiving inpatient services in state-operated hospitals, the 43  
needs of other populations as required by state or federal law 44  
or programs, and the needs of all children subject to a 45  
determination made pursuant to section 121.38 of the Revised 46

Code; 47

(ii) The department's priorities for facility services, 48  
addiction services, mental health services, and recovery 49  
supports during the period for which the plan will be in effect. 50  
The department shall inform all of the boards of the 51  
department's priorities in a timely manner that enables the 52  
boards to know the department's priorities before the boards 53  
develop and submit the plans. 54

In alcohol, drug addiction, and mental health service 55  
districts that have separate alcohol and drug addiction services 56  
and community mental health boards, the alcohol and drug 57  
addiction services board shall submit a community addiction plan 58  
and the community mental health board shall submit a community 59  
mental health plan. Each board shall consult with its 60  
counterpart in developing its plan and address the interaction 61  
between the local addiction and mental health systems and 62  
populations with regard to needs and priorities in developing 63  
its plan. 64

The department shall approve or disapprove the plan, in 65  
whole or in part, in accordance with division (G) of section 66  
5119.22 of the Revised Code. Eligibility for state and federal 67  
funding shall be contingent upon an approved plan or relevant 68  
part of a plan. 69

If a board determines that it is necessary to amend an 70  
approved plan, the board shall submit a proposed amendment to 71  
the director. The director shall approve or disapprove all or 72  
part of the amendment in accordance with division (H) of section 73  
5119.22 of the Revised Code. 74

The board shall operate in accordance with the plan 75

approved by the department. 76

(d) Promote, arrange, and implement working agreements 77  
with social agencies, both public and private, and with judicial 78  
agencies. 79

(2) Investigate, or request another agency to investigate, 80  
any complaint alleging abuse or neglect of any person receiving 81  
addiction services, mental health services, or recovery supports 82  
from a community addiction services provider or community mental 83  
health services provider or alleging abuse or neglect of a 84  
resident receiving addiction services or with mental illness or 85  
severe mental disability residing in a residential facility 86  
licensed under section 5119.34 of the Revised Code. If the 87  
investigation substantiates the charge of abuse or neglect, the 88  
board shall take whatever action it determines is necessary to 89  
correct the situation, including notification of the appropriate 90  
authorities. Upon request, the board shall provide information 91  
about such investigations to the department. 92

(3) For the purpose of section 5119.36 of the Revised 93  
Code, cooperate with the director of mental health and addiction 94  
services in visiting and evaluating whether the certifiable 95  
services and supports of a community addiction services provider 96  
or community mental health services provider satisfy the 97  
certification standards established by rules adopted under that 98  
section; 99

(4) In accordance with criteria established under division 100  
(D) of section 5119.22 of the Revised Code, conduct program 101  
audits that review and evaluate the quality, effectiveness, and 102  
efficiency of addiction services, mental health services, and 103  
recovery supports provided by community addiction services 104  
providers and community mental health services providers under 105

contract with the board and submit the board's findings and 106  
recommendations to the department of mental health and addiction 107  
services; 108

(5) In accordance with section 5119.34 of the Revised 109  
Code, review an application for a residential facility license 110  
and provide to the department of mental health and addiction 111  
services any information about the applicant or facility that 112  
the board would like the department to consider in reviewing the 113  
application; 114

(6) Audit, in accordance with rules adopted by the auditor 115  
of state pursuant to section 117.20 of the Revised Code, at 116  
least annually all programs, addiction services, mental health 117  
services, and recovery supports provided under contract with the 118  
board. In so doing, the board may contract for or employ the 119  
services of private auditors. A copy of the fiscal audit report 120  
shall be provided to the director of mental health and addiction 121  
services, the auditor of state, and the county auditor of each 122  
county in the board's district. 123

(7) Recruit and promote local financial support for 124  
addiction services, mental health services, and recovery 125  
supports from private and public sources; 126

(8) In accordance with guidelines issued by the department 127  
as necessary to comply with state and federal laws pertaining to 128  
financial assistance, approve fee schedules and related charges 129  
or adopt a unit cost schedule or other methods of payment for 130  
addiction services, mental health services, and recovery 131  
supports provided by community addiction services providers and 132  
community mental health services providers that have contracted 133  
with the board under section 340.036 of the Revised Code; 134

(9) Submit to the director and the county commissioners of 135  
the county or counties served by the board, and make available 136  
to the public, an annual report of the addiction services, 137  
mental health services, and recovery supports under the 138  
jurisdiction of the board, including a fiscal accounting; 139

(10) Establish a method for evaluating referrals for 140  
court-ordered treatment and affidavits filed pursuant to section 141  
5122.11 of the Revised Code in order to assist the probate 142  
division of the court of common pleas in determining whether 143  
there is probable cause that a respondent is subject to court- 144  
ordered treatment and whether alternatives to hospitalization 145  
are available and appropriate; 146

(11) Designate the treatment services, provider, facility, 147  
or other placement for each person involuntarily committed to 148  
the board pursuant to Chapter 5122. of the Revised Code. The 149  
board shall provide the least restrictive and most appropriate 150  
alternative that is available for any person involuntarily 151  
committed to it and shall assure that the list of addiction 152  
services, mental health services, and recovery supports 153  
submitted and approved in accordance with division (B) of 154  
section 340.08 of the Revised Code are available to severely 155  
mentally disabled persons residing within its service district. 156  
The board shall establish the procedure for authorizing payment 157  
for the services and supports, which may include prior 158  
authorization in appropriate circumstances. In accordance with 159  
section 340.037 of the Revised Code, the board may provide 160  
addiction services and mental health services directly to a 161  
severely mentally disabled person when life or safety is 162  
endangered and when no community addiction services provider or 163  
community mental health services provider is available to 164  
provide the service. 165

(12) Ensure that housing built, subsidized, renovated, 166  
rented, owned, or leased by the board or a community addiction 167  
services provider or community mental health services provider 168  
has been approved as meeting minimum fire safety standards and 169  
that persons residing in the housing have access to appropriate 170  
and necessary services, including culturally relevant services, 171  
from a community addiction services provider or community mental 172  
health services provider. This division does not apply to 173  
residential facilities licensed pursuant to section 5119.34 of 174  
the Revised Code. 175

(13) Establish a mechanism for obtaining advice and 176  
involvement of persons receiving addiction services, mental 177  
health services, or recovery supports on matters pertaining to 178  
services and supports in the alcohol, drug addiction, and mental 179  
health service district; 180

(14) Perform the duties required by rules adopted under 181  
section 5119.22 of the Revised Code regarding referrals by the 182  
board or community mental health services providers under 183  
contract with the board of individuals with mental illness or 184  
severe mental disability to class two residential facilities 185  
licensed under section 5119.34 of the Revised Code and effective 186  
arrangements for ongoing mental health services for the 187  
individuals. The board is accountable in the manner specified in 188  
the rules for ensuring that the ongoing mental health services 189  
are effectively arranged for the individuals. 190

(B) Each board of alcohol, drug addiction, and mental 191  
health services shall establish such rules, operating 192  
procedures, standards, and bylaws, and perform such other duties 193  
as may be necessary or proper to carry out the purposes of this 194  
chapter. 195

(C) A board of alcohol, drug addiction, and mental health services may receive by gift, grant, devise, or bequest any moneys, lands, or property for the benefit of the purposes for which the board is established, and may hold and apply it according to the terms of the gift, grant, or bequest. All money received, including accrued interest, by gift, grant, or bequest shall be deposited in the treasury of the county, the treasurer of which is custodian of the alcohol, drug addiction, and mental health services funds to the credit of the board and shall be available for use by the board for purposes stated by the donor or grantor.

(D) No member or employee of a board of alcohol, drug addiction, and mental health services shall be liable for injury or damages caused by any action or inaction taken within the scope of the member's official duties or the employee's employment, whether or not such action or inaction is expressly authorized by this section or any other section of the Revised Code, unless such action or inaction constitutes willful or wanton misconduct. Chapter 2744. of the Revised Code applies to any action or inaction by a member or employee of a board taken within the scope of the member's official duties or employee's employment. For the purposes of this division, the conduct of a member or employee shall not be considered willful or wanton misconduct if the member or employee acted in good faith and in a manner that the member or employee reasonably believed was in or was not opposed to the best interests of the board and, with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct was unlawful.

(E) The meetings held by any committee established by a board of alcohol, drug addiction, and mental health services shall be considered to be meetings of a public body subject to



section 121.22 of the Revised Code.	227
<u>(F)(1) A board of alcohol, drug addiction, and mental</u>	228
<u>health services may establish a rule, operating procedure,</u>	229
<u>standard, or bylaw to allow the executive director of the board</u>	230
<u>to execute both of the following types of contracts valued at</u>	231
<u>twenty-five thousand dollars or less, as determined by the</u>	232
<u>board, on behalf of the board without the board's prior</u>	233
<u>approval:</u>	234
<u>(a) Emergency contracts for clinical services or recovery</u>	235
<u>support services;</u>	236
<u>(b) Standard service contracts pertaining to the board's</u>	237
<u>operations.</u>	238
<u>(2) If a board establishes a rule, operating procedure,</u>	239
<u>standard, or bylaw under division (F)(1) of this section, both</u>	240
<u>of the following shall be the case:</u>	241
<u>(a) The board shall define the scope of contracts</u>	242
<u>described in divisions (F)(1)(a) and (b) of this section in that</u>	243
<u>rule, operating procedure, standard, or bylaw.</u>	244
<u>(b) The board shall disclose the existence of a contract</u>	245
<u>executed pursuant to the rule, operating procedure, standard, or</u>	246
<u>bylaw at the first board meeting that occurs after the contract</u>	247
<u>was executed and ensure that a record of that disclosure is</u>	248
<u>included in the written minutes of that meeting.</u>	249
<b>Sec. 340.041.</b> In addition to such other duties as may be	250
lawfully imposed, the executive director of a board of alcohol,	251
drug addiction, and mental health services shall:	252
(A) Serve as executive officer of the board and, subject	253
to the prior approval of the board for each contract, <u>except</u>	254

<u>contracts, if any, to which division (F) of section 340.03 of</u>	255
<u>the Revised Code applies, execute contracts on its behalf;</u>	256
(B) Supervise addiction services, mental health services,	257
recovery supports, and facilities provided, operated,	258
contracted, or supported by the board to the extent of	259
determining that services, supports, and facilities are being	260
administered in conformity with this chapter and rules of the	261
director of mental health and addiction services;	262
(C) Provide consultation to community addiction services	263
providers and community mental health services providers;	264
(D) Recommend to the board the changes necessary to	265
increase the effectiveness of addiction services, mental health	266
services, and recovery supports and other matters necessary or	267
desirable to carry out this chapter;	268
(E) Employ and remove from office such employees and	269
consultants in the classified civil service and, subject to the	270
approval of the board, employ and remove from office such other	271
employees and consultants as may be necessary for the work of	272
the board, and fix their compensation and reimbursement within	273
the limits set by the salary schedule and the budget approved by	274
the board;	275
(F) Encourage the development and expansion of preventive,	276
treatment, and consultative services, as well as recovery	277
supports, in the fields of addiction services and mental health	278
services with emphasis on continuity of care;	279
(G) Prepare for board approval an annual report of the	280
addiction services, mental health services, recovery supports,	281
and facilities under the jurisdiction of the board, including a	282
fiscal accounting of all services and supports;	283

(H) Conduct such studies as may be necessary and	284
practicable for the promotion of mental health, promotion of	285
addiction services, and the prevention of mental illness,	286
emotional disorders, and addiction;	287
(I) Authorize the county auditor, or in a joint-county	288
district the county auditor designated as the auditor for the	289
district, to issue warrants for the payment of board obligations	290
approved by the board, provided that all payments from funds	291
distributed to the board by the department of mental health and	292
addiction services are in accordance with the budget submitted	293
pursuant to section 340.08 of the Revised Code, as approved by	294
the department of mental health and addiction services.	295
<b>Section 2.</b> That the existing versions of sections 340.03	296
and 340.041 of the Revised Code scheduled to take effect on July	297
1, 2017, are hereby repealed.	298
<b>Section 3.</b> Sections 1 and 2 of this act take effect on	299
July 1, 2017.	300