



ASSOCIATED INDUSTRIES OF FLORIDA

The Voice of Florida Business Since 1920



2009 SESSION PRIORITIES



ASSOCIATED INDUSTRIES OF FLORIDA

COUNCILS



The Councils of Associated Industries bring together unique sectors of the business community in order to develop and promote issues vital to those respective industries. The following pages represent the 2009 Legislative Agendas for each of the eight councils within AIF.

Governmental Outsourcing

Associated Industries of Florida's Governmental Outsourcing Council (GOC) has worked for the past four years to create a more stable business environment for companies contracting with the State of Florida that provide human services related to mental health, substance abuse, child welfare, or juvenile justice.

The State of Florida currently spends over \$7 billion per year on outsourced health and human services contracts, with both for-profit and not-for-profit companies throughout the state. This is a significant portion of the state's economy, and outsourcing allows the state to provide essential services to citizens in need. Given the current fiscal environment, the initiatives proposed by the GOC would save the state millions of dollars while more efficiently and accountably providing these needed services.



*Governmental Outsourcing
Council Lobbyist:
Peter Harris*

Council Priorities

For the 2009 Legislative Session, the GOC has proposed significant legislation that would ensure accountability, eliminate duplication, and improve efficiencies, thereby lowering the costs associated with providing services and maximizing the use of state dollars. Specifically, the legislation requires state agencies procuring services in the affected areas to:

- **Provide a list of mandated requirements, forms, and other monitoring requirements that are satisfied through accreditation by appropriate national accreditation organizations to the Legislature on an annual basis;**
- **Coordinate with other state agencies that provide funding to the same provider and designate a lead agency to ensure that monitoring activities are coordinated. They will also be required to develop a common monitoring protocol with minimum standards; and**
- **Develop a master list of core required documents for contract monitoring that is readily accessible to providers.**

Additionally, the proposed legislation would require that outsourcing contracts contain provisions that:

- **Require agencies to negotiate a contract amendment with the service provider to increase the maximum obligation amount or unit price to offset any material adverse financial impact of changes requested by the agency;**
- **Ensure that payment will be made on all items not under dispute and that in no event will payment be withheld on undisputed issues pending the resolution of disputed issues;**
- **Provide that any dispersed funds remaining unexpended during the contract term be authorized revenue for the purposes of cash flow, program expansion and development, or administrative costs; and**
- **Provide for cost of living increases subject to legislative appropriation.**

Council Position

The GOC supports efforts to create a more accountable, efficient and sustainable business climate for all business entities providing essential services to the state. Clarifying the requirements of procurement outcomes and contract management provisions will create a more stable environment for business and a more efficient use of the state's limited financial resources.