



Ohio Revised Code

Section 340.036 Authority of board to contract for services and supports.

Effective: September 30, 2025

Legislation: House Bill 96

(A) Subject to division (B) of this section and rules adopted by the director of behavioral health after consultation with relevant constituencies as required by division (A)(10) of section 5119.21 of the Revised Code, each board of alcohol, drug addiction, and mental health services shall enter into contracts with all of the following:

- (1) Public and private facilities for the operation of facility services;
- (2) Community addiction services providers for addiction services and recovery supports;
- (3) Community mental health services providers for mental health services and recovery supports.

(B) No board shall do any of the following:

- (1) Contract with a residential facility required to be licensed under section 5119.34 of the Revised Code unless the facility is so licensed;
- (2) Contract with a community addiction services provider or community mental health services provider for certifiable services and supports unless the certifiable services and supports are certified under section 5119.36 of the Revised Code;
- (3) Contract with a community addiction services provider or community mental health services provider for recovery supports that are required by the director to meet quality criteria or core competencies unless the recovery supports meet the criteria or competencies.

(C) When a board contracts with a community addiction services provider or community mental health services provider for addiction services, mental health services, or recovery supports, all of the following apply:



(1) The board shall consider both of the following:

(a) The cost effectiveness and quality of the provider's services and supports;

(b) Continuity of care.

(2) The board may review cost elements, including salary costs, of the services and supports.

(3) The board may establish, in a way that is most effective and efficient in meeting local needs, a utilization review process as part of the contract.

(4) The board may contract with a government entity, for-profit entity, or nonprofit entity. Any such entity may be faith-based.

(D) If a party to a contract entered into under this section proposes not to renew the contract or proposes substantial changes in contract terms, the other party shall be given written notice at least one hundred twenty days before the expiration date of the contract. During the first sixty days of this one-hundred-twenty-day period, both parties shall attempt to resolve any dispute through good faith collaboration and negotiation in order to continue to provide services and supports to persons in need. If the dispute has not been resolved sixty days before the expiration date of the contract, either party may notify the director of the unresolved dispute. The director may require both parties to submit the dispute to another entity with the cost to be shared by the parties. Not later than twenty days before the expiration date of the contract or a later date to which both parties agree, the other entity shall issue to the parties and director recommendations on how the dispute may be resolved. The director shall adopt rules establishing the procedures of this dispute resolution process.

(E) Section 307.86 of the Revised Code does not apply to contracts entered into under this section.