

**The Florida Senate**  
**COMMITTEE MEETING EXPANDED AGENDA**  
**APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND**  
**HUMAN SERVICES**  
**Senator Garcia, Chair**  
**Senator Smith, Vice Chair**

**MEETING DATE:** Wednesday, October 7, 2015  
**TIME:** 10:00 a.m.—12:00 noon  
**PLACE:** *James E. "Jim" King, Jr. Committee Room, 401 Senate Office Building*

**MEMBERS:** Senator Garcia, Chair; Senator Smith, Vice Chair; Senators Abruzzo, Bean, Benacquisto, Grimsley, Richter, and Sobel

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TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	Status Report on Children's Medical Services and the Early Steps Program		Presented
2	Update on Low-Income Pool		Presented
Other Related Meeting Documents			

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# Children's Medical Services



**Florida Senate**  
**Appropriations Subcommittee on Health and Human Services**  
**October 7, 2015**

# CMS Mission



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Protect, promote and improve the health of all people in Florida, especially children with special health care needs and their families.

# EARLY STEPS

3

**(IDEA, PART C)**

# Early Steps: Overview

4

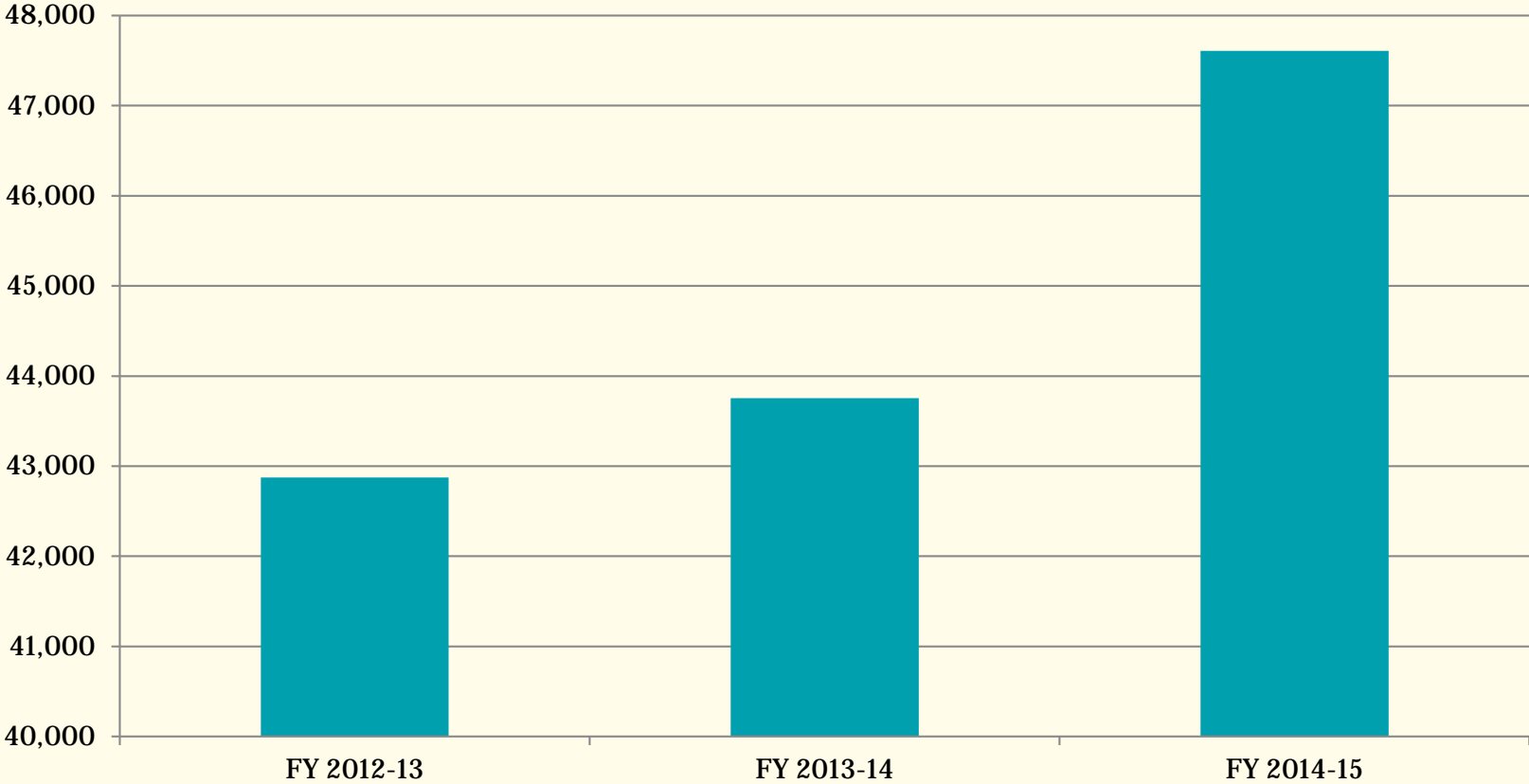
- Age Eligibility – Birth to age 36 months
- Financial Eligibility – No limits
- Clinical Eligibility – Developmental delay or a condition likely to result in developmental delay
- Purpose – Early Steps provides services to families to enhance their child's development

# Early Steps: Referrals



5

## Children Referred to Early Steps

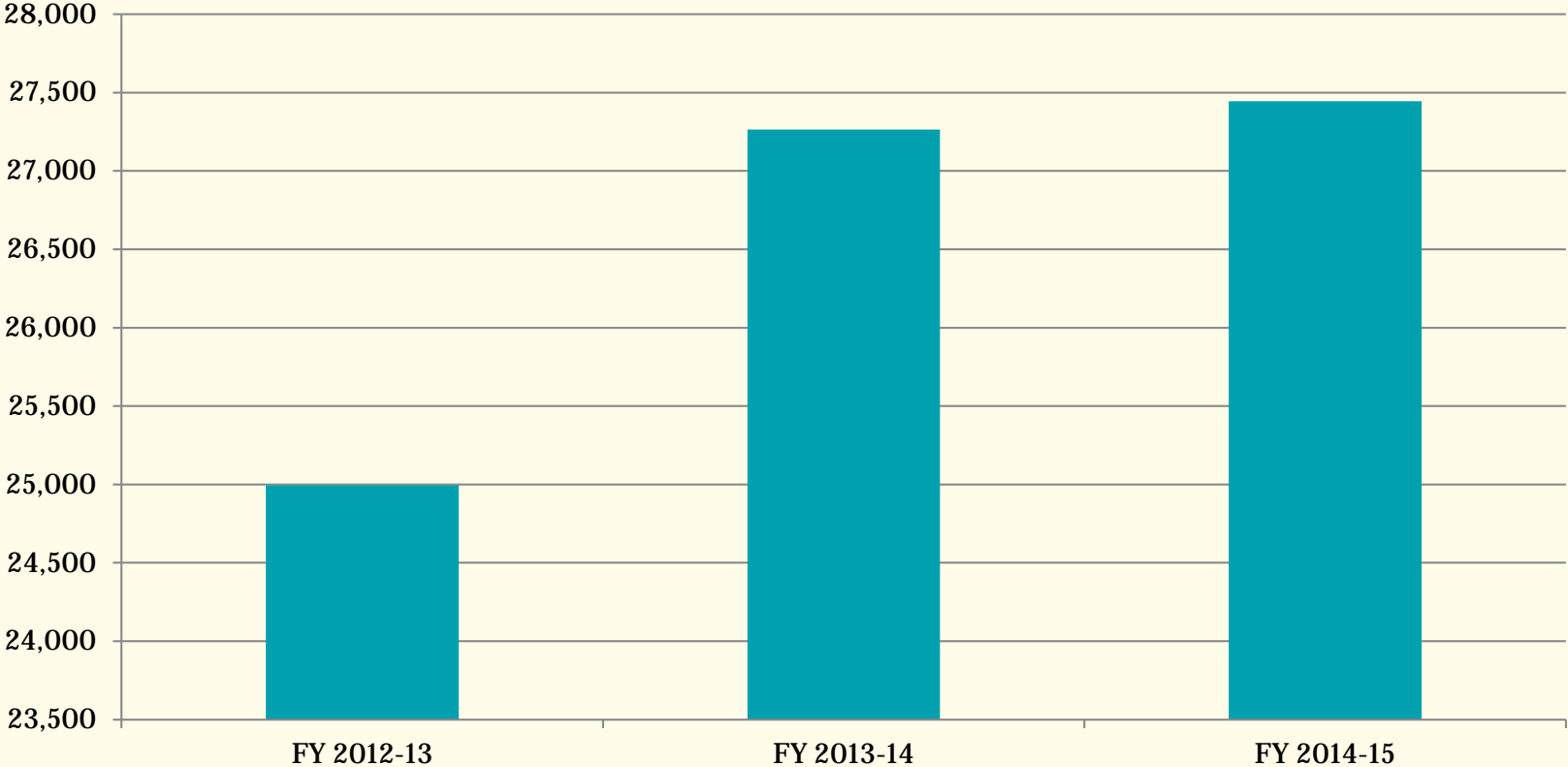


# Early Steps: Enrollment



6

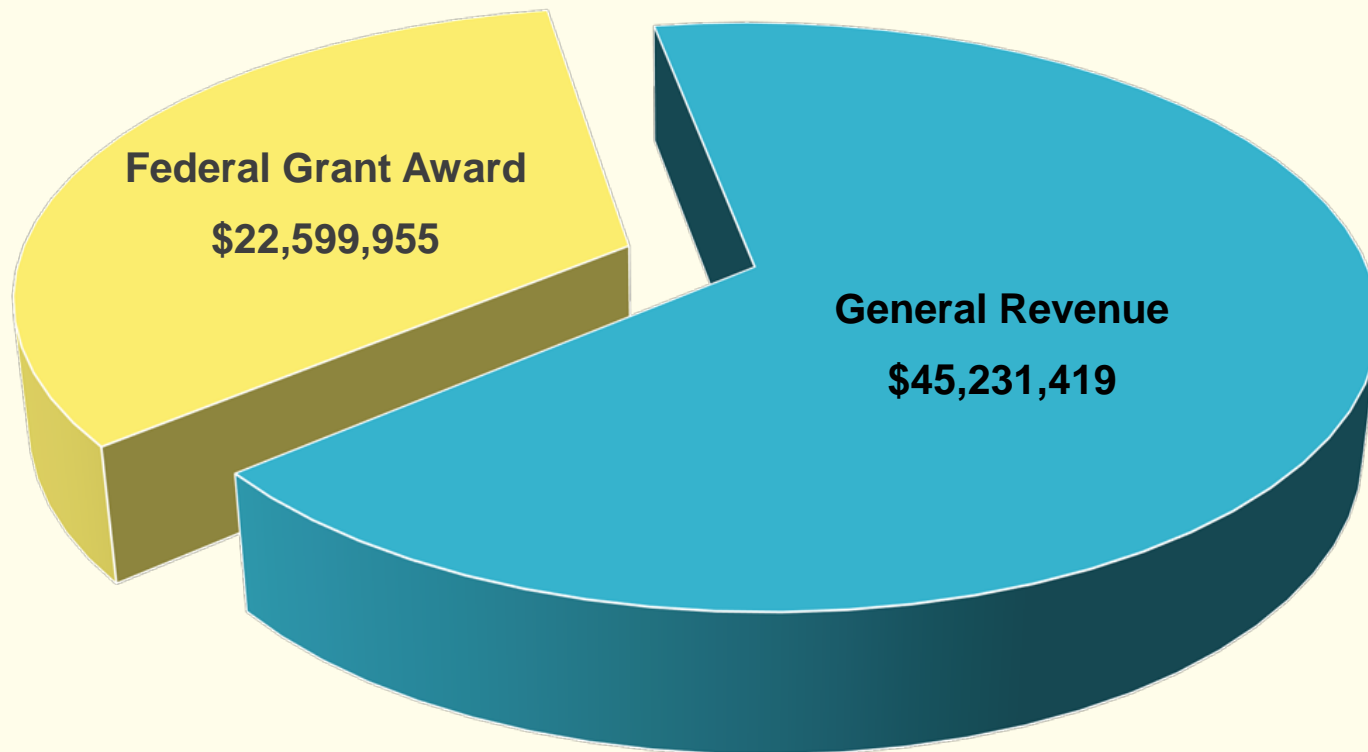
## Children with an IFSP



# Early Steps: FY 15/16 Appropriation

7

FY 2015-2016 – Total Budget \$67,831,374





# Early Steps: FY 15/16 Budget



8

• Local Early Steps Contracts (LES)	\$ 59,398,967
• DOH Personnel	\$ 479,372
• Medicaid State Match	\$ 4,923,916
• Data Management	\$ 858,565
• Expenses	\$ 80,554
• DOE Position	\$ 90,000
• Non-recurring	\$ <u>2,000,000</u>
<b>Total</b>	<b>\$ 67,831,374</b>

# Early Steps: 7 Month Progress

9

- Discontinued use of Third Party Administrator (TPA)
- Executed contracts with LES providers
- Budget controls and enhanced contract management in place
- Collaboration with LES providers

# Early Steps: Future Priorities

10

- Competitively procure LES provider agreements
- Data system enhancements to measure outcomes
- FICCIT Leadership
- Continuing collaboration with LES providers to improve care



# CMS Managed Care Plan

11

**(TITLES XIX AND XXI)**

# CMS Plan: Overview

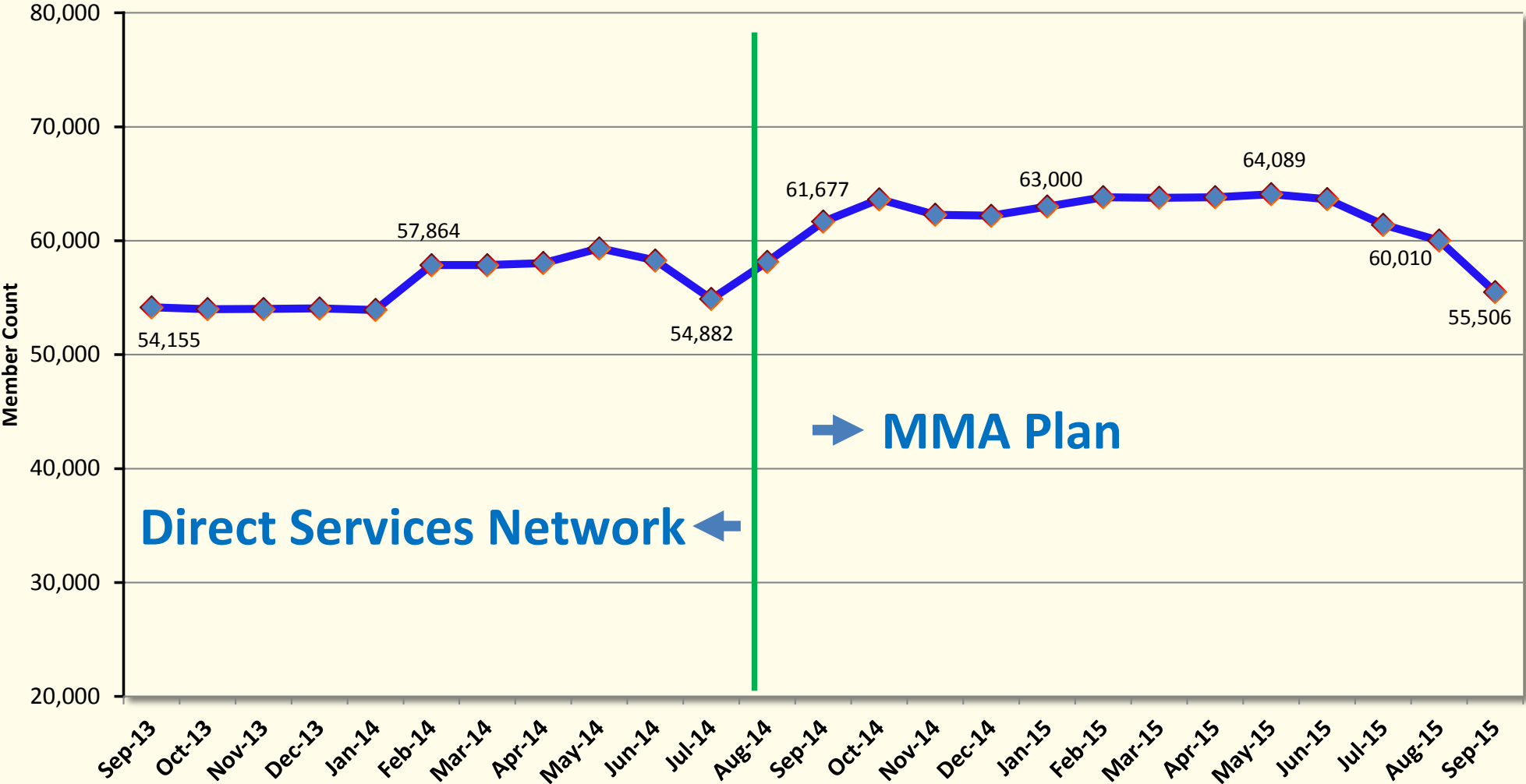
12

- Age Eligibility
  - Medicaid – birth up to age 21
  - KidCare – birth through age 18
- Financial Eligibility
  - Medicaid – under age 1, 200% FPL; 1 through 18, 133% FPL; 19 through 20, 19% FPL
  - KidCare -- 133 to 200% of FPL
- Clinical Eligibility
  - Have chronic and serious physical, developmental, behavioral, or emotional conditions
  - Require health care and related services of a type or amount beyond that which is generally required by children

# CMS Plan: Medicaid Enrollment



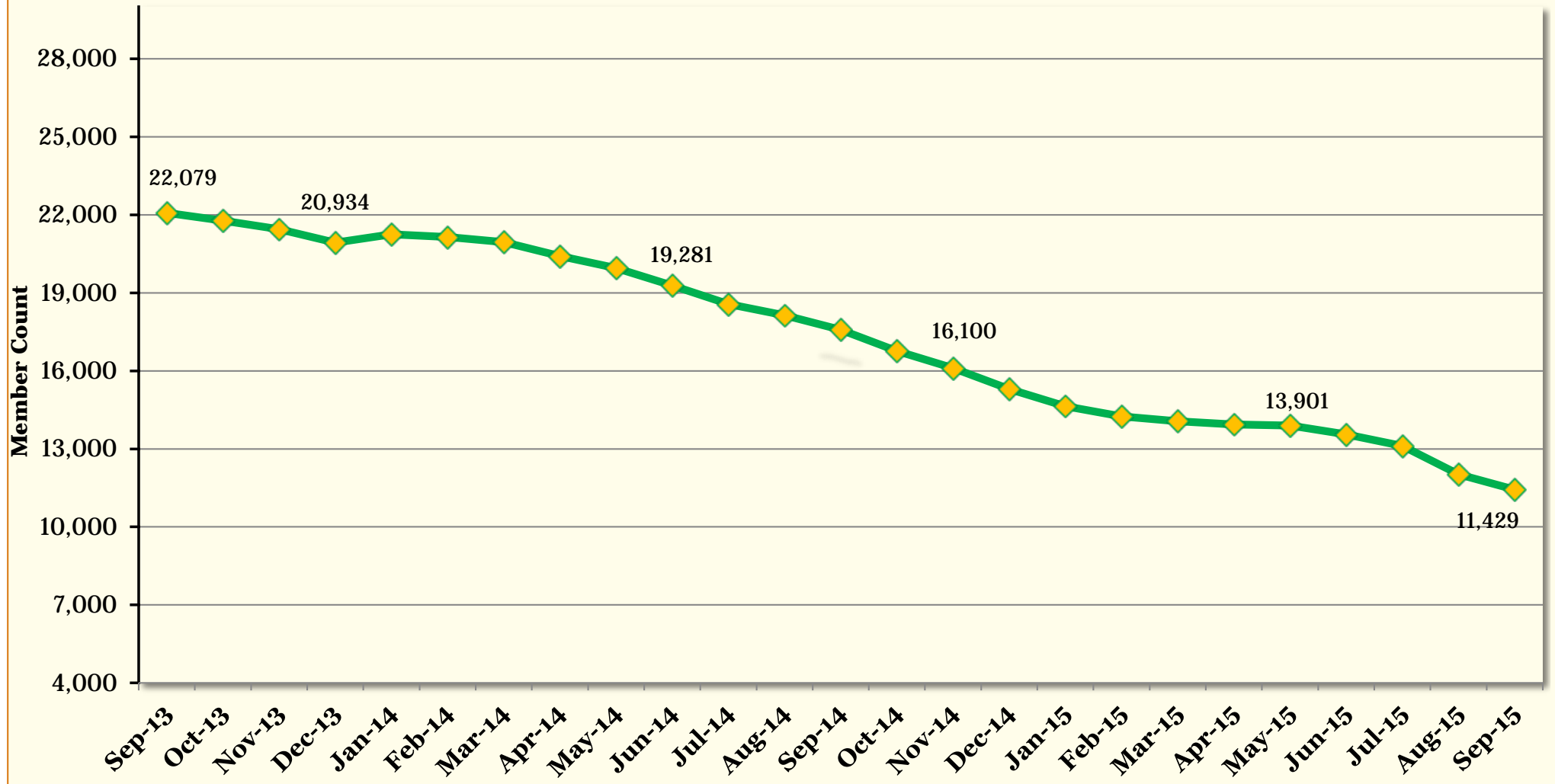
13



# CMS Plan: KidCare Enrollment



14

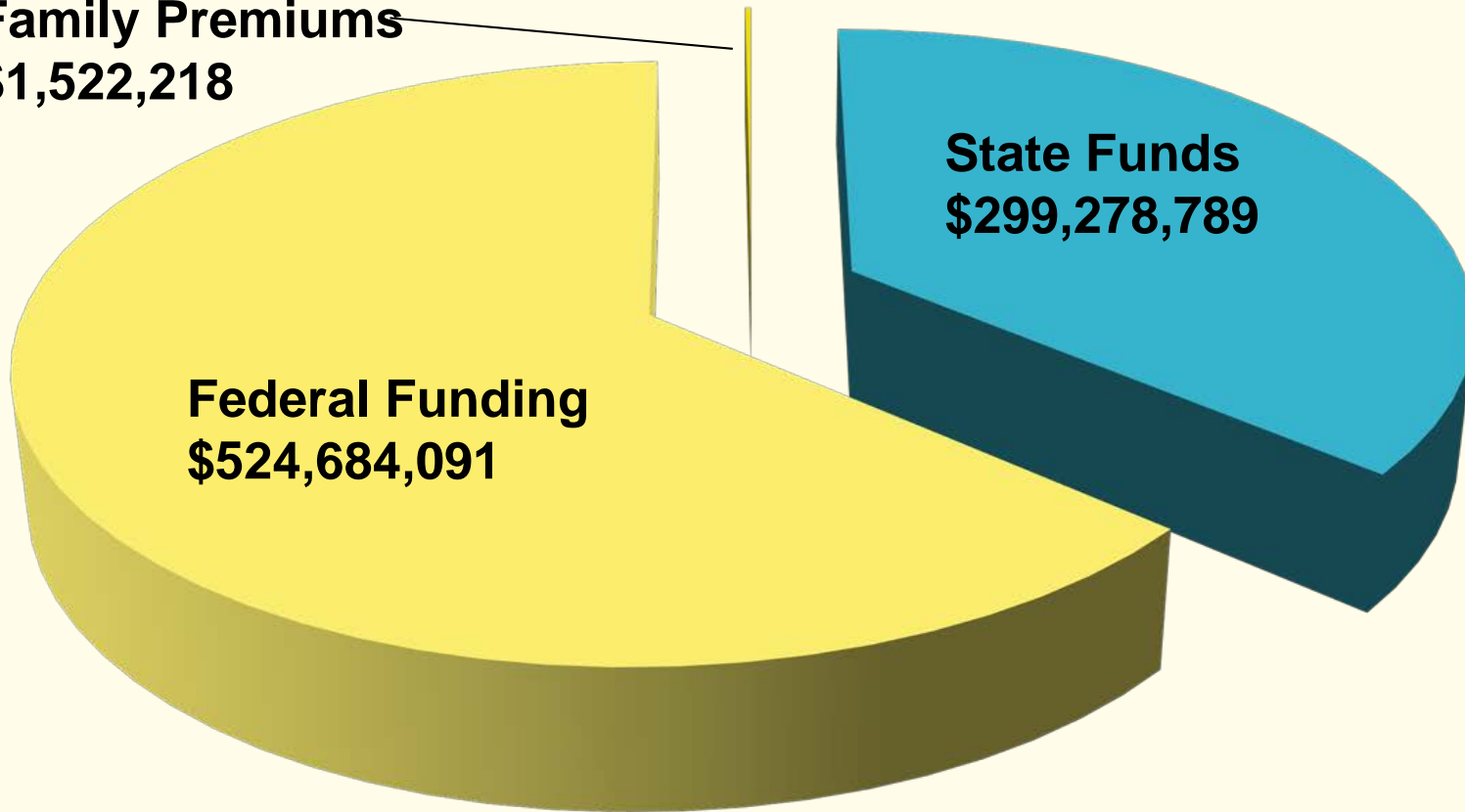


# CMS Plan: Appropriation

15

**FY 2015-2016 - Total Budget \$825,485,098**

**Family Premiums**  
**\$1,522,218**



**State Funds**  
**\$299,278,789**

**Federal Funding**  
**\$524,684,091**



# CMS Plan: 7 Month Progress

16

- Accreditation
- Independent analysis of administrative Per Member Per Month (PMPM)
- Independent analysis of TPA PMPM
- Technical Advisory Panel
- Primary Care Agreements
- Administrative Efficiencies
- Clinical eligibility determinations

# CMS Plan: Clinical Eligibility Screening



17

- New screening tool deployed May 4, 2015
- Rule challenge filed June 25, 2015
- Final Order issued September 22, 2015
  - Clinical eligibility by Department ceased
  - Clinical eligibility required for enrollment
- Current status
  - 100% of Medicaid enrollees processed
  - 52% of KidCare enrollees processed

# CMS Plan: Future Priorities



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- Rulemaking for clinical eligibility
- Continued administrative efficiencies
- Transparency with budget
- Continued review of legacy systems and practices

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June 23, 2015

Justin Senior  
State of Florida, Agency for Health Care Administration  
2727 Mahan Drive, Mail Stop 8  
Tallahassee, FL 32308

Dear Mr. Senior:

I am writing to memorialize our discussions to date on Florida's request to extend the authorities for the Low Income Pool (LIP) component of the state's Managed Medical Assistance section 1115 demonstration (11-W-00206/4). As a result of these discussions, we have agreed in principle to an approach to the duration (two years) and size of the LIP as well as the methods for distributing LIP funding that are consistent with the principles articulated in our April 14, 2015, and May 21, 2015, letters. These principles specifically establish that 1) uncompensated care pool funding should not pay for costs that would be covered in a Medicaid expansion, 2) Medicaid payments should support services provided to Medicaid beneficiaries and low-income uninsured individuals, and 3) provider payment should promote provider participation and access, and should support plans in managing and coordinating care.

Specifically, CMS and Florida have agreed in principle on the terms below:

- The LIP will be authorized for Demonstration Year 10 (DY 10, July 1, 2015, through June 30, 2016), subject to a total spending limit of \$1 billion for the combined federal and state shares of expenditures. This funding will be distributed as described in the Florida House Health Care Appropriations and Florida Senate Health and Human Services Appropriations conference document (dated Monday, June 16, 2015).<sup>1</sup> This funding level and distribution methodology are consistent with our May 21, 2015, letter, which said we were preliminarily prepared to authorize a \$1 billion (federal and state) LIP for Demonstration Year 10 and that the state could, as a transitional measure, use distribution methodologies similar to current methodologies to support our shared goal of maintaining stability of providers during this transition. The distribution methodology for Year 10 is largely similar to the method formally proposed by the state on May 26, 2015 but with a total pool size of \$1 billion.
- The LIP will also be authorized in DY 11 (July 1, 2016 through June 30, 2017), the final year of the current demonstration. Total LIP funding in DY 11 shall be subject to a total

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<sup>1</sup> Available at

[http://flsenate.gov/PublishedContent/Session/2015A/Appropriations/Documents/Medicaid\\_Conference\\_Report.pdf](http://flsenate.gov/PublishedContent/Session/2015A/Appropriations/Documents/Medicaid_Conference_Report.pdf)

spending limit of \$608 million for the combined federal and state shares of expenditures. For DY 11, LIP funding will not be distributed in the same manner as in DY 10, but will instead be distributed based on the volume of provider uncompensated care and the principles set out in CMS's May 21, 2015 letter, in accordance with a CMS-approved 2016 LIP Reimbursement and Funding Methodology Document (RFMD). Prior to October 31, 2015, Florida will submit a 2016 LIP RFMD to CMS for approval, and CMS will work with Florida towards approval by December 31, 2015. Florida may not claim federal financial participation for LIP payments in DY 11 until after a revised RFMD is approved by CMS.

In our May 21 letter we noted that Florida has options under state plan authority to increase payment rates and obtain additional federal matching dollars, which could increase access to care and promote provider participation. We understand that the state budget, passed by the Legislature on June 19, includes a plan to increase hospital payment rates by approximately \$200 million (federal and state) which would be effectuated through a state plan amendment outside of the 1115 demonstration. It is our further understanding that the Appropriations Committee conference document referenced above provides approximately \$400 million in general revenue for the state share of this rate increase (and to support other customary adjustments to hospital payment rates), and that the increased rates are expected to affect both fee for service and managed care payments.

Subject to comments CMS receives during the federal comment period (which will conclude on June 27, 2015), CMS looks forward to drafting special terms and conditions that reflect the elements described above and to reaching final agreement. We believe a temporary extension of the LIP to allow time to finalize the special terms and conditions may be necessary, and you may request such an extension. Any amounts made available to Florida under a temporary extension of the previous LIP demonstration after July 1, 2015, will be deducted from the \$1 billion spending limit for Demonstration Year 10.

We look forward to working with you further on these topics as part of our effort to reach a final agreement on the demonstration amendment to extend LIP.

Sincerely,

/s/

Vikki Wachino  
Director

cc: Jackie Glaze, Associate Regional Administrator, Region IV



# THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

## COMMITTEES:

Communications, Energy, and Public Utilities, *Chair*  
Agriculture  
Appropriations  
Appropriations Subcommittee on Health  
and Human Services  
Health Policy  
Transportation

## JOINT COMMITTEES:

Joint Administrative Procedures Committee  
Joint Legislative Budget Commission

## SENATOR DENISE GRIMSLEY

*Deputy Majority Leader*  
21st District

October 1, 2015

The Honorable Rene Garcia, Chair  
Senate Committee Health & Human Services Appropriations  
Room 201, The Capitol  
404 S. Monroe Street  
Tallahassee, Florida 32399-1100

Dear Chair Garcia:

I respectfully request permission to be excused from our committee meeting on October 7, 2015.  
I have a previous commitment in my district to attend.

Sincerely,

A handwritten signature in cursive script that reads "Denise Grimsley".

Denise Grimsley  
Senator, District 21

cc: Scarlet Pigott, Staff Director

DG/mm

## REPLY TO:

- 205 South Commerce Avenue, Suite A, Sebring, Florida 33870 (863) 386-6016
- 212 East Stuart Avenue, Lake Wales, Florida 33853 (863) 679-4847
- 306 Senate Office Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5021

Senate's Website: [www.flsenate.gov](http://www.flsenate.gov)

**ANDY GARDINER**  
President of the Senate

**GARRETT RICHTER**  
President Pro Tempore

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

10/07/15 Meeting Date

Bill Number (if applicable)

Topic CHILDREN'S MEDICAL SERVICES

Amendment Barcode (if applicable)

Name JENNIFER TSCHETTER

Job Title CHIEF OPERATING OFFICER, DOH

Address 4052 TRAIL GARDEN Street

Phone 215-4343

TCH City FL State 32399 Zip

Email JENNIFER.TSCHETTER@FLHEALTH.GOV

Speaking: [ ] For [ ] Against [x] Information

Waive Speaking: [ ] In Support [ ] Against (The Chair will read this information into the record.)

Representing DEPARTMENT OF HEALTH

Appearing at request of Chair: [x] Yes [ ] No

Lobbyist registered with Legislature: [x] Yes [ ] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

10/7/15

Meeting Date

Bill Number (if applicable)

Topic LIP Update

Amendment Barcode (if applicable)

Name Justin Senior

Job Title Medicaid Director

Address 2727 Mahan Drive

Phone 850-412-3626

Street

Tallahassee

FL

32303

Email

City

State

Zip

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Agency for Health Care Administration

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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S-001 (10/14/14)



THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

10/21/18  
Meeting Date

\_\_\_\_\_  
Bill Number (if applicable)

Topic Grant Program

\_\_\_\_\_  
Amendment Barcode (if applicable)

Name Molly McKinstry

Job Title Deputy Secretary of Health Quality Assurance

Address 2727 Mahan Drive Phone 850-412-3626

Street

Tallahassee

City

FL

State

32303

Zip

Email \_\_\_\_\_

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Agency for Health Care Administration

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/14/14)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

9/7/15  
Meeting Date

Bill Number (if applicable)

Topic CMS

Amendment Barcode (if applicable)

Name LOUIS ST. PETERY

Job Title PEDIATRICIAN

Address 1132 LEE AVENUE  
Street

Phone 850-294-4309

TALLAHASSEE FL 32302  
City State Zip

Email LSPETERY@GMAIL.COM

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing SELF

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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# CourtSmart Tag Report

**Room:** SB 401

**Case:**

**Type:**

**Caption:** Appropriations Subcommittee on Health and Human Services

**Judge:**

**Started:** 10/7/2015 10:03:10 AM

**Ends:** 10/7/2015 11:15:41 AM

**Length:** 01:12:32

**10:03:09 AM** Meeting called to order  
**10:04:57 AM** Roll Call  
**10:05:18 AM** Opening Remarks - Chair Garcia  
**10:06:04 AM** Tab 1 - Status Report on Children's Medical Services and the Early Steps Program  
**10:06:24 AM** Jennifer Tschetter, Chief Operating Officer, Department of Health  
**10:49:47 AM** Tab 2 - Update on Low-Income Pool  
**10:50:05 AM** Justin Senior, Deputy Secretary for Medicaid, Agency for Health Care Administration  
**11:06:50 AM** Molly McKinstry, Deputy Secretary for Health Quality Assurance, Agency for Health Care Administration  
**11:11:14 AM** Public Testimony  
**11:11:26 AM** Louis St. Petery, Pediatrician  
**11:13:15 AM** Closing Remarks - Chair Garcia  
**11:14:31 AM** Adjourned