

By Representatives Frankel, Wise, Lynn, Flanagan, Brennan, Bloom, Murman, Jacobs, Greene, Spratt, Melvin, Casey, Brown, D. Prewitt, Chestnut, Hafner, Sindler, Lacasa, Betancourt, Heyman, Merchant, Fischer, Ritter, Warner, Sanderson, Effman, (Additional Sponsors on Last Printed Page)

1 A bill to be entitled
2 An act relating to maximization of federal
3 funding for children and families; creating s.
4 409.9072, F.S.; requiring the Agency for Health
5 Care Administration to provide for
6 certification of Medicaid matching funds for
7 services to children and families provided
8 through certain privatization projects of the
9 Department of Children and Family Services;
10 requiring agency and department preapproval of
11 such projects; providing project requirements;
12 providing for reimbursement on a
13 fee-for-service or capitation basis; providing
14 certain department responsibilities;
15 authorizing the agency to apply for federal
16 waivers; requiring the department to provide
17 for certification of certain local funds for
18 services to children and families under Title
19 IV-E of the Social Security Act; requiring
20 return of locally generated funds; providing
21 for reimbursement of state or federal
22 disallowances; amending s. 409.912, F.S.;
23 authorizing agency contracts for child welfare
24 privatization projects approved by the
25 department; providing for funding; providing an
26 effective date.

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28 Be It Enacted by the Legislature of the State of Florida:

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30 Section 1. Section 409.9072, Florida Statutes, is
31 created to read:

1 409.9072 Medicaid certification of match program and
2 provider agreements for Office of Family Safety and
3 Preservation privatization projects.--

4 (1) Subject to any limitations provided for in the
5 General Appropriations Act, the Agency for Health Care
6 Administration, in compliance with appropriate federal
7 authorities, shall develop mechanisms to allow for
8 certification of match for covered Medicaid services which are
9 provided by the Office of Family Safety and Preservation of
10 the Department of Children and Family Services, and its
11 privatization projects as authorized in s. 409.1671.

12 (a) The certification of match shall apply only to
13 services provided to Medicaid-eligible children and their
14 families. The Office of Family Safety and Preservation and its
15 privatization projects shall be responsible for identifying
16 local and state dollars which are eligible for federal match
17 and shall work with the agency to establish mechanisms to
18 appropriately designate these funds as matching dollars for
19 eligible Medicaid services. Any state-appropriated or local
20 funds certified pursuant to this section shall be for services
21 to children who are eligible for Medicaid and who receive
22 protective services, emergency shelter, foster care, or
23 adoption services from the Office of Family Safety and
24 Preservation. Any state-appropriated or local funds certified
25 pursuant to this section may also be used for allowable
26 administrative activities. The agency is authorized to develop
27 additional Medicaid-reimbursable services to be provided to
28 this population within the availability of the additional
29 funds generated through the certification process.

30 (b) Privatization projects designated by the Office of
31 Family Safety and Preservation must be preapproved by the

1 Department of Children and Family Services and the agency to
2 participate in any certification of match effort. Other public
3 agencies may participate in certification of match projects
4 with the prior approval of the department and the agency. A
5 privatization project must demonstrate that it has the
6 clinical and administrative capability to provide
7 Medicaid-covered services in accordance with the state
8 Medicaid plan and shall agree to:

9 1. Be responsible for verifying that children and
10 their families are Medicaid-eligible at the time services are
11 provided.

12 2. Develop and maintain the financial records needed
13 to document the appropriate use of state and federal funds.

14 3. Comply with all state and federal Medicaid laws,
15 rules, regulations, and policies which regulate Medicaid
16 services.

17 4. Be responsible for reimbursing the cost of any
18 state or federal disallowance that results from failure to
19 comply with state or federal Medicaid laws, rules, or
20 regulations.

21 (2) Privatization projects may receive Medicaid
22 reimbursement for these services either on a fee-for-service
23 basis or a capitation basis. The agency shall develop all
24 Medicaid capitation methodologies and apply standards of care
25 developed by the department. With the agency's approval, the
26 department shall develop provisions for monitoring service
27 delivery, ensuring appropriate provider networks in accordance
28 with s. 409.906, and analysis of administrative and service
29 cost ratios. These capitated privatization projects are exempt
30 from the requirements of chapter 641.

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1 (3) For privatization projects which operate on a
2 fee-for-service basis, the privatization project may assign a
3 qualified organization to serve as a gatekeeper, which may be
4 responsible for the authorization of all mental health and
5 substance abuse services for children enrolled in the
6 privatization projects. With the approval of the agency, the
7 department shall develop quality of care standards for the
8 providers who deliver these services. The privatization
9 project may also provide case management services to
10 coordinate care and linkages with Medicaid-enrolled providers
11 and other agencies.

12 (4) The agency is authorized to request and implement
13 any federal waivers necessary to implement this section.

14 Section 2. Title IV-E revenues generated by local
15 public entities.--

16 (1) Subject to any limitations provided for in the
17 General Appropriations Act, the Department of Children and
18 Family Services, in compliance with appropriate federal
19 authorities, shall develop policies and procedures to allow
20 for certification of local funds which have been publicly
21 appropriated or generated in other ways for services to the
22 department's clients or administrative activities.

23 (2) Any federal Title IV-E reimbursement above those
24 anticipated in the General Appropriations Act, and received as
25 a result of matching funds generated at the district level,
26 and all reimbursements generated as a result of local publicly
27 appropriated funds shall be returned to the district that
28 generated those funds.

29 (3) The department shall be responsible for
30 reimbursing the cost of any state or federal disallowances.

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1 Section 3. Paragraph (d) is added to subsection (3) of
2 section 409.912, Florida Statutes, 1996 Supplement, to read:
3 409.912 Cost-effective purchasing of health care.--The
4 agency shall purchase goods and services for Medicaid
5 recipients in the most cost-effective manner consistent with
6 the delivery of quality medical care. The agency shall
7 maximize the use of prepaid per capita and prepaid aggregate
8 fixed-sum basis services when appropriate and other
9 alternative service delivery and reimbursement methodologies,
10 including competitive bidding pursuant to s. 287.057, designed
11 to facilitate the cost-effective purchase of a case-managed
12 continuum of care. The agency shall also require providers to
13 minimize the exposure of recipients to the need for acute
14 inpatient, custodial, and other institutional care and the
15 inappropriate or unnecessary use of high-cost services.

16 (3) The agency may contract with:

17 (d) An entity that provides behavioral health care,
18 through a child welfare privatization project approved by the
19 Department of Children and Family Services, to Medicaid
20 recipients enrolled in the MediPass program. Payments may be
21 made on a prepaid capitation or fixed-sum basis. The entity
22 may provide such prepaid services either directly or through
23 arrangements with other providers.

24 Section 4. State administrative costs.--The Department
25 of Children and Family Services and the Agency for Health Care
26 Administration may withhold sufficient funds from federal
27 revenues earned to cover the costs of the additional
28 infrastructure needed to implement the provisions of this act.

29 Section 5. This act shall take effect July 1, 1997.
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HOUSE SUMMARY

Requires the Agency for Health Care Administration to provide for certification of matching funds for Medicaid services to children and families provided through privatization projects of the Office of Family Safety and Preservation of the Department of Children and Family Services. Requires the agency and department to preapprove such projects, and provides project requirements. Provides for reimbursement on a fee-for-service or capitation basis. Provides department responsibilities relating to ensuring provision of services and quality of care and analyzing costs. Authorizes the agency to apply for federal waivers and to contract for behavioral health care services provided through an approved privatization project. Requires the department to provide for certification of certain local funds for services to children and families under Title IV-E of the Social Security Act. Requires return of locally generated funds to the district that generated them. Provides responsibility of the department for reimbursement of the cost of any state or federal disallowances. Authorizes the department and agency to withhold funds from federal revenues earned, to implement the act.

ADDITIONAL SPONSORS

Horan, Ritchie, Logan, Dennis, Turnbull, Byrd, Wasserman
Schultz and Culp