

By the Committee on Health & Human Services Appropriations
and Representative Sanderson

1 A bill to be entitled
2 An act relating to implementing the fiscal year
3 1997-1998 General Appropriations Act in the
4 area of health and human services; providing
5 legislative intent; amending s. 216.292, F.S.;
6 authorizing the Department of Children and
7 Family Services and the Agency for Health Care
8 Administration to transfer general revenue
9 funds between them; providing for future
10 repeal; eliminating a provision authorizing the
11 Department of Children and Family Services to
12 transfer general revenue funds to the
13 Department of Revenue for child support
14 enforcement; eliminating a provision
15 authorizing the Agency for Health Care
16 Administration to transfer general revenue
17 funds and appropriate trust funds to the
18 Department of Elderly Affairs for
19 administrative support to implement the managed
20 long-term care waiver; amending s. 409.9115,
21 F.S.; specifying how the Agency for Health Care
22 Administration shall make payments for the
23 Medicaid disproportionate share program for
24 mental health hospitals; providing for future
25 repeal; amending s. 5, ch. 96-420, Laws of
26 Florida; requiring the Agency for Health Care
27 Administration to use a specified
28 disproportionate share formula, specified
29 audited financial data, and a specified
30 Medicaid per diem rate in fiscal year 1997-1998
31 for qualifying hospitals; providing for future

1 repeal; amending s. 409.9116, F.S.; altering
2 the formula for rural hospital disproportionate
3 share payments; providing for future repeal;
4 amending s. 216.181, F.S.; authorizing the
5 Department of Children and Family Services to
6 advance certain moneys for certain contract
7 services; providing for future repeal; amending
8 s. 624.91, F.S.; authorizing appropriation of
9 funds to the Florida Healthy Kids Corporation
10 to facilitate the provision of preventive
11 health care services to children at certain
12 sites; providing for future repeal; amending s.
13 10, ch. 96-420, Laws of Florida; directing the
14 Agency for Health Care Administration to
15 include health maintenance organization
16 recipients in the county billing for a
17 specified purpose; providing for future repeal;
18 providing severability; providing an effective
19 date.

20
21 Be It Enacted by the Legislature of the State of Florida:

22
23 Section 1. It is the intent of the Legislature that
24 the implementing and administering provisions of this act
25 apply to the fiscal year 1997-1998 General Appropriations Act
26 in the area of health and human services.

27 Section 2. In order to implement Specific
28 Appropriations 207 through 521 of the 1997-1998 General
29 Appropriations Act, subsection (1) of section 216.292, Florida
30 Statutes, 1996 Supplement, is amended to read:

31 216.292 Appropriations nontransferable; exceptions.--

1 (1)(a) Funds provided in the General Appropriations
2 Act or as otherwise expressly provided by law shall be
3 expended only for the purpose for which appropriated, except
4 that if deemed necessary such moneys may be transferred as
5 provided in subsections (3) and (4) when it is determined to
6 be in the best interest of the state. Appropriations for fixed
7 capital outlay may not be expended for any other purpose, and
8 appropriations may not be transferred between state agencies,
9 or between a state agency and the judicial branch, unless
10 specifically authorized by law.

11 (b) For the 1997-1998 ~~1996-1997~~ fiscal year only, the
12 Department of Children and Family ~~Health and Rehabilitative~~
13 Services and the Agency for Health Care Administration may
14 transfer general revenue funds as necessary to comply with any
15 provision of the General Appropriations Act that requires or
16 specifically authorizes the transfer of general revenue funds
17 between these two agencies. This paragraph is repealed on July
18 1, 1998 ~~1997~~.

19 ~~(c) For the 1996-1997 fiscal year only, the Department~~
20 ~~of Health and Rehabilitative Services may transfer general~~
21 ~~revenue funds as necessary from Specific Appropriation 480 of~~
22 ~~the 1996-1997 General Appropriations Act to the Department of~~
23 ~~Revenue for child support enforcement. This paragraph is~~
24 ~~repealed on July 1, 1997.~~

25 ~~(d) For the 1996-1997 fiscal year only, the Agency for~~
26 ~~Health Care Administration may transfer general revenue funds~~
27 ~~and appropriate trust funds from Specific Appropriation 250 of~~
28 ~~the 1996-1997 General Appropriations Act to the Department of~~
29 ~~Elderly Affairs for administrative support to implement the~~
30 ~~managed long-term care waiver. This paragraph is repealed on~~
31 ~~July 1, 1997.~~

1 Section 3. In order to implement Specific
2 Appropriation 257 of the 1997-1998 General Appropriations Act,
3 section 409.9115, Florida Statutes, 1996 Supplement, is
4 amended to read:

5 409.9115 Disproportionate share program for mental
6 health hospitals.--The Agency for Health Care Administration
7 ~~Department of Health and Rehabilitative Services~~ shall design
8 and implement a system of making mental health
9 disproportionate share payments to hospitals that qualify for
10 disproportionate share payments under s. 409.911. This system
11 of payments shall conform with federal requirements and shall
12 distribute funds in each fiscal year for which an
13 appropriation is made by making quarterly Medicaid payments.
14 Notwithstanding s. 409.915, counties are exempt from
15 contributing toward the cost of this special reimbursement for
16 patients.

17 (1) The following formula shall be used by the agency
18 ~~department~~ to calculate the total amount earned for hospitals
19 that participate in the mental health disproportionate share
20 program:

$$\begin{array}{c} \text{DSH} \\ \text{TAP} = (\dots\dots\dots) \times \text{TA} \\ \text{TDSH} \end{array}$$

26 Where:

27 TAP = total additional payment for a mental health
28 hospital.

29 DSH = total amount earned by a mental health hospital
30 under s. 409.911.

31

1 TDSH = sum of total amount earned by each hospital that
2 participates in the mental health hospital disproportionate
3 share program.

4 TA = total appropriation for the mental health hospital
5 disproportionate share program.

6
7 (2) In order to receive payments under this section, a
8 hospital must participate in the Florida Title XIX program and
9 must:

10 (a) Agree to serve all individuals referred by the
11 agency ~~department~~ who require inpatient psychiatric services,
12 regardless of ability to pay.

13 (b) Be certified or certifiable to be a provider of
14 Title XVIII services.

15 (c) Receive all of its inpatient clients from
16 admissions governed by the Baker Act as specified in chapter
17 394.

18 (3) For the 1997-1998 ~~1996-1997~~ fiscal year only, the
19 Agency for Health Care Administration shall make payments for
20 the Medicaid disproportionate share program for mental health
21 hospitals on a monthly basis. If the amounts appropriated for
22 the Medicaid disproportionate share program for mental health
23 hospitals are increased or decreased during the fiscal year
24 pursuant to the requirements of chapter 216, the required
25 adjustment shall be prorated over the remaining payment
26 periods. This subsection is repealed on July 1, 1998 ~~1997~~.

27 Section 4. Section 5 of chapter 96-420, Laws of
28 Florida, is amended to read:

29 Section 5. During the 1997-1998 ~~1996-1997~~ fiscal year,
30 the Agency for Health Care Administration shall use the
31 1992-1993 disproportionate share formula, the 1989 audited

1 financial data, and the Medicaid per diem rate as of January
2 1, 1992, for those hospitals that qualify for the hospital
3 disproportionate share program funded in Specific
4 Appropriation 233 240 of the 1997-1998 ~~1996-1997~~ General
5 Appropriations Act. This section is repealed on July 1, 1998
6 ~~1997~~.

7 Section 5. In order to implement Specific
8 Appropriation 226 of the 1997-1998 General Appropriations Act,
9 subsection (6) of section 409.9116, Florida Statutes, 1996
10 Supplement, is amended to read:

11 409.9116 Disproportionate share/financial assistance
12 program for rural hospitals.--In addition to the payments made
13 under s. 409.911, the Agency for Health Care Administration
14 shall administer a federally matched disproportionate share
15 program and a state-funded financial assistance program for
16 statutory rural hospitals. The agency shall make
17 disproportionate share payments to statutory rural hospitals
18 that qualify for such payments and financial assistance
19 payments to statutory rural hospitals that do not qualify for
20 disproportionate share payments. The disproportionate share
21 program payments shall be limited by and conform with federal
22 requirements. In fiscal year 1993-1994, available funds shall
23 be distributed in one payment, as soon as practicable after
24 the effective date of this act. In subsequent fiscal years,
25 funds shall be distributed quarterly in each fiscal year for
26 which an appropriation is made. Notwithstanding the provisions
27 of s. 409.915, counties are exempt from contributing toward
28 the cost of this special reimbursement for hospitals serving a
29 disproportionate share of low-income patients.

30 (6) For the 1997-1998 ~~1996-1997~~ fiscal year only, the
31 Agency for Health Care Administration shall use the following

1 formula for distribution of the funds in Specific
2 Appropriation 226 231 of the 1997-1998 ~~1996-1997~~ General
3 Appropriations Act for the disproportionate share/financial
4 assistance program for rural hospitals.

5 (a) The agency shall first determine a preliminary
6 payment amount for each rural hospital by allocating all
7 available state funds using the following formula:

8

$$9 \quad \text{PDAER} = (\text{TAERH} \times \text{TARH}) / \text{STAERH}$$

10

11 Where:

12 PDAER = preliminary distribution amount for each rural
13 hospital.

14 TAERH = total amount earned by each rural hospital.

15 TARH = total amount appropriated or distributed under
16 this section.

17 STAERH = sum of total amount earned by each rural
18 hospital.

19 (b) Federal matching funds for the disproportionate
20 share program shall then be calculated for those hospitals
21 that qualify for disproportionate share in paragraph (a).

22 (c) The state-funds-only payment amount is then
23 calculated for each hospital using the formula:

24

$$25 \quad \text{SFOER} = \text{Maximum value of (1) SFOL} - \text{PDAER or (2) 0}$$

26

27 Where:

28 SFOER = state-funds-only payment amount for each rural
29 hospital.

30 SFOL = state-funds-only payment level, which is set at
31 4 percent of TARH.

1 (d) The adjusted total amount allocated to the rural
2 disproportionate share program shall then be calculated using
3 the following formula:

$$4 \text{ ATARH} = (\text{TARH} - \text{SSFOER})$$

6
7 Where:

8 ATARH = adjusted total amount appropriated or
9 distributed under this section.

10 SSFOER = sum of the state-funds-only payment amount
11 calculated under paragraph (c) for all rural hospitals.

12 (e) The determination of the amount of rural
13 disproportionate share hospital funds is calculated by the
14 following formula:

$$15 \text{ TDAERH} = [(\text{TAERH} \times \text{ATARH}) / \text{STAERH}]$$

17
18 Where:

19 TDAERH = total distribution amount for each rural
20 hospital.

21 (f) Federal matching funds for the disproportionate
22 share program shall then be calculated for those hospitals
23 that qualify for disproportionate share in paragraph (e).

24 (g) State-funds-only payment amounts calculated under
25 paragraph (c) are then added to the results of paragraph (f)
26 to determine the total distribution amount for each rural
27 hospital.

28 (h) This subsection is repealed on July 1, 1998 ~~1997~~.

29 Section 6. In order to implement Specific
30 Appropriations 272 through 403 of the 1997-1998 General
31 Appropriations Act, paragraph (c) of subsection (14) of

1 section 216.181, Florida Statutes, 1996 Supplement, is amended
2 to read:

3 216.181 Approved budgets for operations and fixed
4 capital outlay.--

5 (14)

6 (c) For the 1997-1998 ~~1996-1997~~ fiscal year only,
7 funds appropriated to the Department of Children and Family
8 ~~Health and Rehabilitative~~ Services in Specific Appropriations
9 272 ~~304~~ through 403 ~~519~~ of the 1997-1998 ~~1996-1997~~ General
10 Appropriations Act may be advanced, unless specifically
11 prohibited in such General Appropriations Act, for those
12 contracted services that were approved for advancement by the
13 Comptroller in fiscal year 1993-1994, including those services
14 contracted on a fixed-price or unit cost basis. This paragraph
15 is repealed on July 1, 1998 ~~1997~~.

16 Section 7. In order to implement Specific
17 Appropriation 211 of the 1997-1998 General Appropriations Act,
18 paragraph (b) of subsection (3) of section 624.91, Florida
19 Statutes, 1996 Supplement, is amended to read:

20 624.91 The Florida Healthy Kids Corporation Act.--

21 (3) CORPORATION AUTHORIZATION, DUTIES, POWERS.--

22 (b) The Florida Healthy Kids Corporation shall phase
23 in a program to:

24 1. Organize school children groups to facilitate the
25 provision of preventive health care services to children and
26 to provide comprehensive health insurance coverage to
27 children;

28 2. Arrange for the collection of any family or
29 employer payment or premium, in an amount to be determined by
30 the board of directors, from all participant families or
31 employers to provide for payment for preventive health care

1 services or premiums for comprehensive insurance coverage and
2 for the actual or estimated administrative expenses incurred
3 during the period for which family or employer payments are
4 made;

5 3. Establish the administrative and accounting
6 procedures for the operation of the corporation;

7 4. Establish, with consultation from appropriate
8 professional organizations, standards for preventive health
9 services and providers and comprehensive insurance benefits
10 appropriate to children;

11 5. Establish eligibility criteria which children must
12 meet in order to participate in the program;

13 6. Establish procedures under which applicants to and
14 participants in the program may have grievances reviewed by an
15 impartial body and reported to the board of directors of the
16 corporation;

17 7. Establish participation criteria and, if
18 appropriate, contract with an authorized insurer, health
19 maintenance organization, or insurance administrator to
20 provide administrative services to the corporation;

21 8. Contract with authorized insurers or any provider
22 of health care services, meeting standards established by the
23 corporation, for the provision of comprehensive insurance
24 coverage and preventive health care services to participants;

25 9. Develop and implement a plan to publicize the
26 Florida Healthy Kids Corporation, the eligibility requirements
27 of the program, and the procedures for enrollment in the
28 program and to maintain public awareness of the corporation
29 and the program;

30 10. Secure staff necessary to properly administer the
31 corporation. Staff costs shall be funded from state and local

1 matching funds and such other private or public funds as
2 become available. The board of directors shall determine the
3 number of staff members necessary to administer the
4 corporation;

5 11. As appropriate, enter into contracts with local
6 school boards or other agencies to provide onsite information,
7 enrollment, and other services necessary to the operation of
8 the corporation; and

9 12. Provide a report on an annual basis to the
10 Governor, Insurance Commissioner, Commissioner of Education,
11 Senate President, Speaker of the House of Representatives, and
12 Minority Leaders of the Senate and the House of
13 Representatives.

14 13. For the 1997-1998 ~~1996-1997~~ fiscal year only,
15 funds may be appropriated to the Florida Healthy Kids
16 Corporation to organize school children groups to facilitate
17 the provision of preventive health care services to children
18 at sites in addition to those allowed in subparagraph 1. This
19 subparagraph is repealed on July 1, 1998 ~~1997~~.

20 Section 8. Section 10 of chapter 96-420, Laws of
21 Florida, is amended to read:

22 Section 10. For the purpose of implementing Specific
23 Appropriation 233 ~~240~~ of the 1997-1998 ~~1996-1997~~ General
24 Appropriations Act, and for the 1997-1998 ~~1996-1997~~ fiscal
25 year only, the Agency for Health Care Administration shall
26 include health maintenance organization recipients in the
27 county billing for inpatient hospital stays for the purpose of
28 shared costs with counties in accordance with the Florida
29 Statutes. This section is repealed on July 1, 1998 ~~1997~~.

30 Section 9. If any provision of this act or the
31 application thereof to any person or circumstance is held

611-101A-97

1 invalid, the invalidity shall not affect other provisions or
 2 applications of the act which can be given effect without the
 3 invalid provision or application, and to this end the
 4 provisions of this act are declared severable.

5 Section 10. This act shall take effect July 1, 1997,
 6 or in the event this act fails to become a law until after
 7 that date, it shall operate retroactively thereto.

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10 HOUSE SUMMARY

11 For the purpose of implementing the fiscal year 1997-1998
 12 General Appropriations Act in the area of health and
 13 human services: authorizes the Department of Children and
 14 Family Services and the Agency for Health Care
 15 Administration to transfer general revenue funds between
 16 them; eliminates a provision authorizing the Department
 17 of Children and Family Services to transfer general
 18 revenue funds to the Department of Revenue for child
 19 support enforcement; eliminates a provision authorizing
 20 the Agency for Health Care Administration to transfer
 21 general revenue funds and appropriate trust funds to the
 22 Department of Elderly Affairs for administrative support
 23 to implement the managed long-term care waiver; specifies
 24 how the Agency for Health Care Administration shall make
 25 payments for the Medicaid disproportionate share program
 26 for mental health hospitals; requires the Agency for
 27 Health Care Administration to use a specified
 28 disproportionate share formula, specified audited
 29 financial data, and a specified Medicaid per diem rate in
 30 fiscal year 1997-1998 for qualifying hospitals; alters
 31 the formula for rural hospital disproportionate share
 payments; authorizes the Department of Children and
 Family Services to advance certain moneys for certain
 contract services; authorizes appropriation of funds to
 the Florida Healthy Kids Corporation to facilitate the
 provision of preventive health care services to children
 at certain sites; and directs the Agency for Health Care
 Administration to include health maintenance organization
 recipients in the county billing for a specified purpose.