

1 A bill to be entitled
2 An act relating to health care; providing an
3 important state interest; amending ss. 154.301,
4 154.302, 154.304, 154.306, 154.308, 154.309,
5 154.31, 154.3105, 154.312, 154.314, and
6 154.316, F.S., relating to health care
7 responsibility for indigents; revising short
8 title; revising definitions; limiting the
9 maximum amount a county may be required to pay
10 an out-of-county hospital; providing hospitals
11 additional time to notify counties of admission
12 or treatment of out-of-county patients;
13 revising language and conforming references;
14 providing penalties; amending s. 154.504, F.S.;
15 limiting applicability of copayments under the
16 Primary Care for Children and Families
17 Challenge Grant Program; amending s. 198.30,
18 F.S.; requiring certain reports of estates of
19 decedents to be provided to the Agency for
20 Health Care Administration; amending ss.
21 240.4075 and 240.4076, F.S., relating the
22 Nursing Student Loan Forgiveness Program, the
23 Nursing Student Loan Forgiveness Trust Fund,
24 and the nursing scholarship program;
25 transferring powers, duties, and functions with
26 respect thereto from the Department of Health
27 to the Department of Education; creating ss.
28 381.0022 and 402.115, F.S.; authorizing the
29 Department of Health and the Department of
30 Children and Family Services to share
31 confidential and exempt information; amending

1 s. 381.004, F.S., relating to HIV testing;
2 providing a penalty and increasing existing
3 penalties; amending s. 383.04, F.S.; requiring
4 an effective and recommended prophylactic to be
5 instilled in the eyes of newborns; amending s.
6 384.34, F.S., relating to sexually
7 transmissible diseases; providing a penalty and
8 increasing existing penalties; amending s.
9 409.903, F.S.; providing Medicaid eligibility
10 standards for certain persons; conforming
11 references; amending s. 409.910, F.S.; revising
12 Medicaid third-party liability payment
13 requirements; revising requirements for payment
14 of attorney's fees; amending s. 409.912, F.S.,
15 relating to purchase of Medicaid services;
16 deleting duplicate language relating to
17 demonstration projects; authorizing competitive
18 negotiations for home health services;
19 authorizing establishment of parenteral/enteral
20 pharmacy services providers; requiring
21 establishment of an outpatient specialty
22 services pilot project; providing definitions;
23 providing criteria for participation; requiring
24 evaluation and a report to the Governor and
25 Legislature; eliminating a prohibition on
26 certain contracts with federally qualified
27 health centers; amending s. 414.028, F.S.;
28 revising membership of local WAGES coalitions;
29 amending s. 414.28, F.S.; reclassifying the
30 priority of certain claims filed against the
31 estate of a public assistance recipient;

1 amending s. 641.386, F.S.; correcting a cross
2 reference; amending s. 766.101, F.S.; including
3 a committee of the Department of Health in the
4 definition of "medical review committee" for
5 purposes of certain immunity from liability;
6 naming the Carl S. Lytle, M.D., Memorial Health
7 Facility in Marion County; repealing s. 383.05,
8 F.S., relating to a requirement that the
9 Department of Health offer a prophylactic for
10 the eyes of newborns free to certain persons;
11 providing effective dates.

12
13 Be It Enacted by the Legislature of the State of Florida:

14
15 Section 1. The Legislature finds that the provisions
16 of this act which amend ss. 154.301 through 154.316, Florida
17 Statutes, fulfill the important state interest of promoting
18 the legislative intent of the Florida Health Care
19 Responsibility Act, as that intent is expressed in s. 154.302,
20 Florida Statutes.

21 Section 2. Section 154.301, Florida Statutes, is
22 amended to read:

23 154.301 Short title.--Sections 154.301-154.316 may be
24 cited as "The Florida Health Care Responsibility Act ~~of 1988.~~"

25 Section 3. Section 154.302, Florida Statutes, is
26 amended to read:

27 154.302 Legislative intent.--The Legislature finds
28 that certain hospitals provide a disproportionate share of
29 charity care for persons who are indigent, and not able to pay
30 their medical bills, and ~~who are~~ not eligible for
31 government-funded programs. The burden of absorbing the cost

1 of this uncompensated charity care is borne by the hospital,
2 the private pay patients, and, many times, by the taxpayers in
3 the county when the hospital is subsidized by tax revenues.
4 The Legislature further finds that it is inequitable for
5 hospitals and taxpayers of one county to be expected to
6 subsidize the care of out-of-county indigent persons. Finally,
7 the Legislature declares that the state and the counties must
8 share the responsibility of assuring that adequate and
9 affordable health care is available to all Floridians.
10 Therefore, it is the intent of the Legislature to place the
11 ultimate financial obligation for the out-of-county hospital
12 care of qualified indigent patients on the county in which the
13 indigent patient resides.

14 Section 4. Section 154.304, Florida Statutes, is
15 amended to read:

16 154.304 Definitions.--As used in this part, the term
17 ~~For the purpose of this act:~~

18 (1) "Agency" means the Agency for Health Care
19 Administration.

20 (1) ~~"Board" means the Health Care Board as established~~
21 ~~in chapter 408.~~

22 (2) "Certification determination procedures" means the
23 process used by the county of residence or the agency
24 ~~department~~ to determine a person's county of residence.

25 (3) "Certified resident" means a United States citizen
26 or lawfully admitted alien who has been certified as a
27 resident of the county by a person designated by the county
28 governing body to provide certification determination
29 procedures for the county in which the patient resides; by the
30 agency department if such county does not make a determination
31 of residency within 60 days after ~~of~~ receiving a certified

1 letter from the treating hospital; or by the agency department
2 if the hospital appeals the decision of the county making such
3 determination.

4 (4) "Charity care obligation" means the minimum amount
5 of uncompensated charity care as reported to the agency ~~for~~
6 ~~Health Care Administration~~, based on the hospital's most
7 recent audited actual experience, which must be provided by a
8 participating hospital or a regional referral hospital before
9 the hospital is eligible to be reimbursed by a county under
10 ~~the provisions of this part act~~. That amount shall be the
11 ratio of uncompensated charity care days compared to total
12 acute care inpatient days, which shall be equal to or greater
13 than 2 percent.

14 (5) "Department" means the Department of Health.

15 (6) "Eligibility determination procedures" means the
16 process used by a county or the agency department to evaluate
17 a person's financial eligibility, eligibility for state-funded
18 or federally funded programs, and the availability of
19 insurance, in order to document a person as a qualified
20 indigent for the purpose of this part act.

21 (7) "Hospital," ~~for the purposes of this act,~~ means an
22 establishment as defined in s. 395.002 and licensed by the
23 agency department which qualifies as either a participating
24 hospital or as a regional referral hospital pursuant to this
25 section; except that, hospitals operated by the department
26 shall not be considered participating hospitals for purposes
27 of this part act.

28 (8) "Participating hospital" means a hospital which is
29 eligible to receive reimbursement under the provisions of this
30 part act because it has been certified by the agency board as
31 having met its charity care obligation and has either:

1 (a) A formal signed agreement with a county or
2 counties to treat such county's indigent patients; or

3 (b) Demonstrated to the agency board that at least 2.5
4 percent of its uncompensated charity care, as reported to the
5 agency board, is generated by out-of-county residents.

6 (9) "Qualified indigent person" or "qualified indigent
7 patient" means a person who has been determined pursuant to s.
8 154.308 to have an average family income, for the 12 months
9 preceding the determination, which is below 100 percent of the
10 federal nonfarm poverty level; who is not eligible to
11 participate in any other government program that ~~which~~
12 provides hospital care; who has no private insurance or has
13 inadequate private insurance; and who does not reside in a
14 public institution as defined under the medical assistance
15 program for the needy under Title XIX of the Social Security
16 Act, as amended.

17 (10) "Regional referral hospital" means any hospital
18 that ~~which~~ is eligible to receive reimbursement under the
19 provision of this part ~~act~~ because it has met its charity care
20 obligation and it meets the definition of teaching hospital as
21 defined in s. 408.07.

22 Section 5. Section 154.306, Florida Statutes, is
23 amended to read:

24 154.306 Financial responsibility for certified
25 residents who are qualified indigent patients treated at an
26 out-of-county participating hospital or regional referral
27 hospital.--Ultimate financial responsibility for treatment
28 received at a participating hospital or a regional referral
29 hospital by a qualified indigent patient who is a certified
30 resident of a county in the State of Florida, but is not a
31 resident of the county in which the participating hospital or

1 regional referral hospital is located, ~~is shall be~~ the
2 obligation of the county of which the qualified indigent
3 patient is a resident. Each county shall ~~is directed to~~
4 reimburse participating hospitals or regional referral
5 hospitals as provided for in this part act, and shall provide
6 or arrange for indigent eligibility determination procedures
7 and resident certification determination procedures as
8 provided for in rules developed to implement this part act.
9 The agency department, or any county determining eligibility
10 of a qualified indigent, shall provide to the county of
11 residence, upon request, a copy of any documents, forms, or
12 other information, as determined by rule, which may be used in
13 making an eligibility determination.

14 (1) A county's financial obligation for each certified
15 resident who qualifies as an indigent patient under this part
16 act, and who has received treatment at an out-of-county
17 hospital, shall not exceed 45 days per county fiscal year at a
18 rate of payment equivalent to 100 percent of the per diem
19 reimbursement rate currently in effect for the out-of-county
20 hospital under the medical assistance program for the needy
21 under Title XIX of the Social Security Act, as amended, except
22 that those counties that are at their 10-mill cap on October
23 1, 1991, shall reimburse hospitals for such services at not
24 less than 80 percent of the hospital Medicaid per diem.
25 However, nothing in this section shall preclude a hospital
26 that which has a formal signed agreement with a county to
27 treat such county's indigents from negotiating a higher or
28 lower per diem rate with the county. ~~in addition,~~ No county
29 shall be required ~~by this act~~ to pay more than the equivalent
30 of \$4 per capita in the county's fiscal year. The agency
31 ~~department~~ shall calculate and certify to each county by March

1 1 of each year, the maximum amount the county may be required
2 to pay ~~under this act~~ by multiplying the most recent official
3 state population estimate for the total population of the
4 county by \$4 per capita. Each county shall certify to the
5 agency department within 60 days after ~~of~~ the end of the
6 county's fiscal year, or upon reaching the \$4 per capita
7 threshold, should that occur before the end of the fiscal
8 year, the amount of reimbursement it paid to all out-
9 of-county hospitals under this part act. The maximum amount a
10 county may be required to pay to out-of-county hospitals for
11 care provided to qualified indigent residents may be reduced
12 by up to one-half, provided that the amount not paid has or is
13 being spent for in-county hospital care provided to qualified
14 indigent residents.

15 (2) No county shall be required to pay for any
16 elective or nonemergency admissions or services at an
17 out-of-county hospital for a qualified indigent who is a
18 certified resident of the county if ~~when~~ the county provides
19 funding for such services and the services are available at a
20 local hospital in the county where the indigent resides; or
21 the out-of-county hospital has not obtained prior written
22 authorization and approval for such hospital admission or
23 service, provided that the resident county has established a
24 procedure to authorize and approve such admissions.

25 (3) The county where the indigent resides shall, in
26 all instances, be liable for the cost of treatment provided to
27 a qualified indigent patient at an out-of-county hospital for
28 any emergency medical condition which will deteriorate from
29 failure to provide such treatment if ~~and when~~ such condition
30 is determined and documented by the attending physician to be
31 of an emergency nature; provided that the patient has been

1 certified to be a resident of such county pursuant to s.
2 154.309.

3 (4) No county shall be liable for payment for
4 treatment of a qualified indigent who is a certified resident
5 and has received services at an out-of-county participating
6 hospital or regional referral hospital, until such time as
7 that hospital has documented to the agency board and the
8 agency board has determined that it has met its charity care
9 obligation based on the most recent audited actual experience.

10 Section 6. Section 154.308, Florida Statutes, is
11 amended to read:

12 154.308 Determination of patient's eligibility;
13 spend-down program.--

14 (1) The agency department, pursuant to s. 154.3105,
15 shall adopt rules which provide statewide eligibility
16 determination procedures, forms, and criteria which shall be
17 used by all counties for determining whether a person
18 financially qualifies as indigent for the purposes of this
19 part act.

20 (a) The criteria used to determine eligibility must
21 ~~shall~~ be uniform statewide and ~~shall~~ include, at a minimum,
22 which assets, if any, may be included in the determination,
23 which verification of income shall be required, which
24 categories of persons shall be eligible, and any other
25 criteria which may be determined as necessary.

26 (b) The methodology for determining ~~by which to~~
27 ~~determine~~ financial eligibility must ~~shall also~~ be uniform
28 statewide such that any county or the state could determine
29 whether a person is ~~would be~~ a qualified indigent ~~under this~~
30 act.

31

1 (2) Determination of financial eligibility as a
2 qualified indigent may occur either prior to a person's
3 admission to a participating ~~hospital~~ or a regional referral
4 hospital or subsequent to such admission.

5 (3) Determination of whether a hospital patient not
6 already determined eligible meets or does not meet eligibility
7 standards to financially qualify as indigent ~~for the purpose~~
8 ~~of this act~~ shall be made within 60 days following
9 notification by the hospital requesting a determination of
10 indigency, by certified letter, to the county known or
11 believed to be the county of residence or to the agency
12 ~~department~~. If, for any reason, the county or agency
13 ~~department~~ is unable to determine a patient's eligibility
14 within the allotted timeframe, the hospital shall be notified
15 in writing of the reason or reasons.

16 (4) A patient determined eligible as a qualified
17 indigent ~~for the purpose of this act~~ subsequent to his or her
18 admission to a participating hospital or a regional referral
19 hospital shall be considered to have been qualified upon
20 admission. Such determination shall be made by a person
21 designated by the governing board of the county to make such a
22 determination or by the agency department.

23 (5) Notwithstanding any other provision of this part
24 ~~within this act~~, any county may establish thresholds of
25 financial eligibility ~~to qualify indigents under this act~~
26 which are less restrictive than 100 percent of the federal
27 poverty line. However, a ~~no~~ county may not establish
28 eligibility thresholds which are more restrictive than 100
29 percent of the federal poverty line.

30 (6) Notwithstanding any other provision of this part
31 ~~act~~, there is hereby established a spend-down program for

1 persons who would otherwise qualify as qualified indigent
 2 persons, but whose average family income, for the 12 months
 3 preceding the determination, is between 100 percent and 150
 4 percent of the federal poverty level. The agency ~~department~~
 5 shall adopt, by rule, procedures for the spend-down program.
 6 The rule shall require that in order to qualify ~~for the~~
 7 ~~spend-down program~~, a person must have incurred bills for
 8 hospital care which would otherwise have qualified for payment
 9 under this part. This subsection does not apply to persons
 10 who are residents of counties that are at their 10-mill cap on
 11 October 1, 1991.

12 Section 7. Section 154.309, Florida Statutes, is
 13 amended to read:

14 154.309 Certification of county of residence.--

15 (1) The agency ~~department~~, pursuant to s. 154.3105,
 16 shall adopt rules for certification determination procedures
 17 which provide criteria to be used for determining a qualified
 18 indigent's county of residence. Such criteria must ~~shall~~
 19 include, at a minimum, how and to what extent residency shall
 20 be verified and how a hospital shall be notified of a
 21 patient's certification or the inability to certify a patient.

22 (2) In all instances, the county known or thought to
 23 be the county of residence shall be given first opportunity to
 24 certify a resident. If the county known or thought to be the
 25 county of residence fails to, or is unable to, make such
 26 determination within 60 days following written notification by
 27 a hospital, the agency ~~department~~ shall determine residency
 28 utilizing the same criteria required by rule as the county,
 29 and the agency's ~~department's~~ determination of residency shall
 30 be binding on the county of residence. The county determined
 31 as the residence of any qualified indigent ~~under this act~~

1 shall be liable to reimburse the treating hospital pursuant to
2 s. 154.306. If, for any reason, a county or the agency
3 ~~department~~ is unable to determine an indigent's residency, the
4 hospital shall be notified in writing of such reason or
5 reasons.

6 Section 8. Section 154.31, Florida Statutes, is
7 amended to read:

8 154.31 Obligation of participating hospital or
9 regional referral hospital.--As a condition of participation
10 ~~accepting the procedures of this act,~~ each participating
11 hospital or regional referral hospital in Florida shall be
12 obligated to admit for emergency treatment all Florida
13 residents, without regard to county of residence, who meet the
14 eligibility standards established pursuant to s. 154.308 and
15 who meet the medical standards for admission to such
16 institutions. If the agency department determines that a
17 participating hospital or a regional referral hospital has
18 failed to meet the requirements of this section, the agency
19 ~~department~~ may impose an administrative fine, not to exceed
20 \$5,000 per incident, and suspend the hospital from eligibility
21 for reimbursement under ~~the provisions of this part act.~~

22 Section 9. Section 154.3105, Florida Statutes, is
23 amended to read:

24 154.3105 Rules.--Rules governing the Health Care
25 Responsibility Act ~~of 1988~~ shall be developed by the agency
26 ~~department~~ based on recommendations of a work group consisting
27 of equal representation by the agency department, the hospital
28 industry, and the counties. County representatives to this
29 work group shall be appointed by the Florida Association of
30 Counties. Hospital representatives to this work group shall
31 be appointed by the associations representing those hospitals

1 which best represent the positions of the hospitals most
2 likely to be eligible for reimbursement. Rules governing ~~the~~
3 ~~various aspects of this part act~~ shall be adopted by the
4 agency department. Such rules shall address, at a minimum:

5 (1) ~~Eligibility determination procedures and criteria.~~

6 (2) ~~Certification determination procedures and methods~~
7 ~~of notification to hospitals.~~

8 Section 10. Section 154.312, Florida Statutes, is
9 amended to read:

10 154.312 Procedure for settlement of disputes.--All
11 disputes among counties, ~~the board,~~the agency department, a
12 participating hospital, or a regional referral hospital shall
13 be resolved ~~by order as provided in chapter 120. Hearings held~~
14 ~~under this provision shall be conducted in the same manner as~~
15 provided in ss. 120.569 and 120.57, except that the presiding
16 officer's order shall be final agency action. Cases filed
17 under chapter 120 may combine all disputes between parties.
18 Notwithstanding any other provisions of this part, if when a
19 county alleges that a residency determination or eligibility
20 determination made by the agency department is incorrect, the
21 burden of proof shall be on the county to demonstrate that
22 such determination is, in light of the total record, not
23 supported by the evidence.

24 Section 11. Section 154.314, Florida Statutes, is
25 amended to read:

26 154.314 Certification of the State of Florida.--

27 (1) In the event payment for the costs of services
28 rendered by a participating hospital or a regional referral
29 hospital is not received from the responsible county within 90
30 days of receipt of a statement for services rendered to a
31 qualified indigent who is a certified resident of the county,

1 or if the payment is disputed and said payment is not received
2 from the county determined to be responsible within 60 days of
3 the date of exhaustion of all administrative and legal
4 remedies ~~as provided in chapter 120~~, the hospital shall
5 certify to the Comptroller the amount owed by the county.

6 (2) The Comptroller shall have no ~~not~~ longer than 45
7 days from the date of receiving the hospital's certified
8 notice to forward the amount delinquent to the appropriate
9 hospital from any funds due to the county under any
10 revenue-sharing or tax-sharing fund established by the state,
11 except as otherwise provided by the State Constitution. The
12 Comptroller shall provide the Governor and the fiscal
13 ~~appropriations and finance and tax~~ committees in the House of
14 Representatives and the Senate with a quarterly accounting of
15 the amounts certified by hospitals as owed by counties and the
16 amount paid to hospitals out of any revenue or tax sharing
17 funds due to the county.

18 Section 12. Section 154.316, Florida Statutes, is
19 amended to read:

20 154.316 Hospital's responsibility to notify of
21 admission of indigent patients.--

22 (1) Any hospital admitting or treating any
23 out-of-county patient who may qualify as indigent under this
24 part act shall, within 30 ~~10~~ days after admitting or treating
25 such patient, notify the county known, or thought to be, the
26 county of residency of such admission, or such hospital
27 forfeits its right to reimbursement.

28 (2) It shall be the responsibility of any
29 participating hospital or regional referral hospital to
30 initiate any eligibility or certification determination
31 procedures with any appropriate state or county agency which

1 can determine financial eligibility or certify an indigent as
2 a resident under this part act.

3 Section 13. Subsection (1) of section 154.504, Florida
4 Statutes, is amended to read:

5 154.504 Eligibility and benefits.--

6 (1) Any county or counties may apply for a primary
7 care for children and families challenge grant to provide
8 primary health care services to children and families with
9 incomes of up to 150 percent of the federal poverty level.
10 Participants shall pay no monthly premium for participation,
11 but shall be required to pay a copayment at the time a service
12 is provided. Copayments may be paid from sources other than
13 the participant, including, but not limited to, the child's or
14 parent's employer, or other private sources. Copayments shall
15 not be applicable for patients receiving services from health
16 care providers practicing under the provisions of s. 766.1115.

17 Section 14. Section 198.30, Florida Statutes, is
18 amended to read:

19 198.30 Circuit judge to furnish department with names
20 of decedents, etc.--Each circuit judge of this state shall, on
21 or before the 10th day of every month, notify the department
22 of the names of all decedents; the names and addresses of the
23 respective personal representatives, administrators, or
24 curators appointed; the amount of the bonds, if any, required
25 by the court; and the probable value of the estates, in all
26 estates of decedents whose wills have been probated or
27 propounded for probate before the circuit judge or upon which
28 letters testamentary or upon whose estates letters of
29 administration or curatorship have been sought or granted,
30 during the preceding month; and such report shall contain any
31 other information which the circuit judge may have concerning

1 the estates of such decedents. In addition, a copy of this
2 report shall be provided to the Agency for Health Care
3 Administration.A circuit judge shall also furnish forthwith
4 such further information, from the records and files of the
5 circuit court in regard to such estates, as the department may
6 from time to time require.

7 Section 15. Section 240.4075, Florida Statutes, is
8 amended to read:

9 240.4075 Nursing Student Loan Forgiveness Program.--

10 (1) To encourage qualified personnel to seek
11 employment in areas of this state in which critical nursing
12 shortages exist, there is established the Nursing Student Loan
13 Forgiveness Program. The primary function of the program is
14 to increase employment and retention of registered nurses and
15 licensed practical nurses in nursing homes and hospitals in
16 the state and in state-operated medical and health care
17 facilities, birth centers, federally sponsored community
18 health centers and teaching hospitals by making repayments
19 toward loans received by students from federal or state
20 programs or commercial lending institutions for the support of
21 postsecondary study in accredited or approved nursing
22 programs.

23 (2) To be eligible, a candidate must have graduated
24 from an accredited or approved nursing program and have
25 received a Florida license as a licensed practical nurse or a
26 registered nurse or a Florida certificate as an advanced
27 registered nurse practitioner.

28 (3) Only loans to pay the costs of tuition, books, and
29 living expenses shall be covered, at an amount not to exceed
30 \$4,000 for each year of education towards the degree obtained.

31

1 (4) Receipt of funds pursuant to this program shall be
2 contingent upon continued proof of employment in the
3 designated facilities in this state. Loan principal payments
4 shall be made by the Department of Education ~~Health~~ directly
5 to the federal or state programs or commercial lending
6 institutions holding the loan as follows:

7 (a) Twenty-five percent of the loan principal and
8 accrued interest shall be retired after the first year of
9 nursing;

10 (b) Fifty percent of the loan principal and accrued
11 interest shall be retired after the second year of nursing;

12 (c) Seventy-five percent of the loan principal and
13 accrued interest shall be retired after the third year of
14 nursing; and

15 (d) The remaining loan principal and accrued interest
16 shall be retired after the fourth year of nursing.

17
18 In no case may payment for any nurse exceed \$4,000 in any
19 12-month period.

20 (5) There is created the Nursing Student Loan
21 Forgiveness Trust Fund to be administered by the Department of
22 Education ~~Health~~ pursuant to this section and s. 240.4076 and
23 department rules. The Comptroller shall authorize
24 expenditures from the trust fund upon receipt of vouchers
25 approved by the Department of Education ~~Health~~. All moneys
26 collected from the private health care industry and other
27 private sources for the purposes of this section shall be
28 deposited into the Nursing Student Loan Forgiveness Trust
29 Fund. Any balance in the trust fund at the end of any fiscal
30 year shall remain therein and shall be available for carrying
31 out the purposes of this section and s. 240.4076.

1 (6) In addition to licensing fees imposed under
2 chapter 464, there is hereby levied and imposed an additional
3 fee of \$5, which fee shall be paid upon licensure or renewal
4 of nursing licensure. Revenues collected from the fee imposed
5 in this subsection shall be deposited in the Nursing Student
6 Loan Forgiveness Trust Fund of the Department of Education
7 ~~Health~~ and will be used solely for the purpose of carrying out
8 the provisions of this section and s. 240.4076. Up to 50
9 percent of the revenues appropriated to implement this
10 subsection may be used for the nursing scholarship program
11 established pursuant to s. 240.4076.

12 (7)(a) Funds contained in the Nursing Student Loan
13 Forgiveness Trust Fund which are to be used for loan
14 forgiveness for those nurses employed by hospitals, birth
15 centers, and nursing homes must be matched on a
16 dollar-for-dollar basis by contributions from the employing
17 institutions, except that this provision shall not apply to
18 state-operated medical and health care facilities, county
19 health departments, federally sponsored community health
20 centers, or teaching hospitals as defined in s. 408.07.

21 (b) All Nursing Student Loan Forgiveness Trust Fund
22 moneys shall be invested pursuant to s. 18.125. Interest
23 income accruing to that portion of the trust fund not matched
24 shall increase the total funds available for loan forgiveness
25 and scholarships. Pledged contributions shall not be eligible
26 for matching prior to the actual collection of the total
27 private contribution for the year.

28 (8) The Department of Education ~~Health~~ may solicit
29 technical assistance relating to the conduct of this program
30 from the Department of Health ~~Education~~.

31

1 (9) The Department of Education ~~Health~~ is authorized
2 to recover from the Nursing Student Loan Forgiveness Trust
3 Fund its costs for administering the Nursing Student Loan
4 Forgiveness Program.

5 (10) The Department of Education ~~Health~~ may adopt
6 rules necessary to administer this program.

7 (11) This section shall be implemented only as
8 specifically funded.

9 Section 16. Section 240.4076, Florida Statutes, is
10 amended to read:

11 240.4076 Nursing scholarship program.--

12 (1) There is established within the Department of
13 Education ~~Health~~ a scholarship program for the purpose of
14 attracting capable and promising students to the nursing
15 profession.

16 (2) A scholarship applicant shall be enrolled as a
17 full-time or part-time student in the upper division of an
18 approved nursing program leading to the award of a
19 baccalaureate or any advanced registered nurse practitioner
20 degree or be enrolled as a full-time or part-time student in
21 an approved program leading to the award of an associate
22 degree in nursing or a diploma in nursing.

23 (3) A scholarship may be awarded for no more than 2
24 years, in an amount not to exceed \$8,000 per year. However,
25 registered nurses pursuing an advanced registered nurse
26 practitioner degree may receive up to \$12,000 per year.
27 Beginning July 1, 1998, these amounts shall be adjusted by the
28 amount of increase or decrease in the consumer price index for
29 urban consumers published by the United States Department of
30 Commerce.

31

1 (4) Credit for repayment of a scholarship shall be as
2 follows:

3 (a) For each full year of scholarship assistance, the
4 recipient agrees to work for 12 months at a health care
5 facility in a medically underserved area as approved by the
6 Department of ~~Education~~ Health. Scholarship recipients who
7 attend school on a part-time basis shall have their employment
8 service obligation prorated in proportion to the amount of
9 scholarship payments received.

10 (b) Eligible health care facilities include
11 state-operated medical or health care facilities, county
12 health departments, federally sponsored community health
13 centers, or teaching hospitals as defined in s. 408.07. The
14 recipient shall be encouraged to complete the service
15 obligation at a single employment site. If continuous
16 employment at the same site is not feasible, the recipient may
17 apply to the department for a transfer to another approved
18 health care facility.

19 (c) Any recipient who does not complete an appropriate
20 program of studies or who does not become licensed shall repay
21 to the Department of ~~Education~~ Health, on a schedule to be
22 determined by the department, the entire amount of the
23 scholarship plus 18 percent interest accruing from the date of
24 the scholarship payment. Moneys repaid shall be deposited into
25 the Nursing Student Loan Forgiveness Trust Fund established in
26 s. 240.4075. However, the department may provide additional
27 time for repayment if the department finds that circumstances
28 beyond the control of the recipient caused or contributed to
29 the default.

30 (d) Any recipient who does not accept employment as a
31 nurse at an approved health care facility or who does not

1 complete 12 months of approved employment for each year of
 2 scholarship assistance received shall repay to the Department
 3 of Education ~~Health~~ an amount equal to two times the entire
 4 amount of the scholarship plus interest accruing from the date
 5 of the scholarship payment at the maximum allowable interest
 6 rate permitted by law. Repayment shall be made within 1 year
 7 of notice that the recipient is considered to be in default.
 8 However, the department may provide additional time for
 9 repayment if the department finds that circumstances beyond
 10 the control of the recipient caused or contributed to the
 11 default.

12 (5) Scholarship payments shall be transmitted to the
 13 recipient upon receipt of documentation that the recipient is
 14 enrolled in an approved nursing program. The Department of
 15 Education ~~Health~~ shall develop a formula to prorate payments
 16 to scholarship recipients so as not to exceed the maximum
 17 amount per academic year.

18 (6) The Department of Education ~~Health~~ shall adopt
 19 rules, including rules to address extraordinary circumstances
 20 that may cause a recipient to default on either the school
 21 enrollment or employment contractual agreement, to implement
 22 this section and may solicit technical assistance relating to
 23 the conduct of this program from the Department of Health
 24 ~~Education~~.

25 (7) The Department of Education ~~Health~~ is authorized
 26 to recover from the Nursing Student Loan Forgiveness Trust
 27 Fund its costs for administering the nursing scholarship
 28 program.

29 Section 17. All statutory powers, duties and
 30 functions, records, rules, personnel, property, and unexpended
 31 balances of appropriations, allocations, or other funds, of

1 the Department of Health relating to the Nursing Student Loan
2 Forgiveness Program and the Nursing Student Loan Forgiveness
3 Trust Fund, as created in s. 240.4075, Florida Statutes, and
4 the Nursing scholarship program, as created in s. 240.4076,
5 Florida Statutes, are transferred by a type two transfer, as
6 provided for in s. 20.06(2), Florida Statutes, from the
7 Department of Health to the Department of Education. Such
8 transfer shall take effect July 1, 1998. Any rules adopted by
9 or for the Department of Health for the administration and
10 operation of the Nursing Student Loan Forgiveness Program, the
11 Nursing Student Loan Forgiveness Trust Fund, and the nursing
12 scholarship program are included in such transfer.

13 Section 18. Section 381.0022, Florida Statutes, is
14 created to read:

15 381.0022 Sharing confidential or exempt
16 information.--Notwithstanding any other provision of law to
17 the contrary, the Department of Health and the Department of
18 Children and Family Services may share confidential or exempt
19 information on clients served by both agencies. Information
20 so exchanged remains confidential or exempt as provided by
21 law.

22 Section 19. Subsection (6) of section 381.004, Florida
23 Statutes, is amended to read:

24 381.004 Testing for human immunodeficiency virus.--

25 (6) PENALTIES.--

26 (a) Any violation of this section by a facility or
27 licensed health care provider shall be a ground for
28 disciplinary action contained in the facility's or
29 professional's respective licensing chapter.

30 (b) Any person who violates the confidentiality
31 provisions of this section and s. 951.27 commits a felony of

1 the third misdemeanor of the first degree, punishable as
2 provided in ss. ~~s.~~775.082, ~~or s.~~775.083, 775.084, and
3 775.0877(7).

4 (c) Any person who obtains information that identifies
5 an individual who has a sexually transmissible disease
6 including human immunodeficiency virus or acquired
7 immunodeficiency syndrome, who knew or should have known the
8 nature of the information and maliciously, or for monetary
9 gain, disseminates this information or otherwise makes this
10 information known to any other person, except by providing it
11 either to a physician or nurse employed by the department or
12 to a law enforcement agency, commits a felony of the third
13 degree, punishable as provided in ss. 775.082, 775.083,
14 775.084, and 775.0877(7).

15 Section 20. Section 383.04, Florida Statutes, is
16 amended to read:

17 383.04 Prophylactic required for eyes of
18 infants.--Every physician, midwife, or other person in
19 attendance at the birth of a child in the state is required to
20 instill or have instilled into the eyes of the baby within 1
21 hour after birth an effective prophylactic recommended by the
22 Committee on Infectious Diseases of the American Academy of
23 Pediatrics ~~a 1-percent fresh solution of silver nitrate (with~~
24 ~~date of manufacture marked on container), two drops of the~~
25 ~~solution to be dropped into each eye after the eyelids have~~
26 ~~been opened, or some equally effective prophylactic approved~~
27 ~~by the Department of Health, for the prevention of neonatal~~
28 ~~blindness from ophthalmia neonatorum.~~ This section shall not
29 apply to cases where the parents shall file with the
30 physician, midwife, or other person in attendance at the birth
31 of a child written objections on account of religious beliefs

1 contrary to the use of drugs. In such case the physician,
2 midwife, or other person in attendance shall maintain a record
3 that such measures were or were not employed and attach
4 thereto any written objection.

5 Section 21. Section 384.34, Florida Statutes, is
6 amended to read:

7 384.34 Penalties.--

8 (1) Any person who violates the provisions of s.
9 384.24(1) commits a misdemeanor of the first degree,
10 punishable as provided in s. 775.082 or s. 775.083.

11 (2) Any person who violates the provisions of s.
12 384.26 or s. 384.29 commits a felony of the third ~~misdemeanor~~
13 ~~of the first~~ degree, punishable as provided in ss.s.775.082,
14 or s.775.083, 775.084, and 775.0877(7).

15 (3) Any person who maliciously disseminates any false
16 information or report concerning the existence of any sexually
17 transmissible disease commits a felony of the third ~~is guilty~~
18 ~~of a misdemeanor of the second~~ degree, punishable as provided
19 in ss.s.775.082, or s.775.083, 775.084, and 775.0877(7).

20 (4) Any person who violates the provisions of the
21 department's rules pertaining to sexually transmissible
22 diseases may be punished by a fine not to exceed \$500 for each
23 violation. Any penalties enforced under this subsection shall
24 be in addition to other penalties provided by this act.

25 (5) Any person who violates the provisions of s.
26 384.24(2) commits a felony of the third degree, punishable as
27 provided in ss. 775.082, 775.083, 775.084, and 775.0877(7).

28 (6) Any person who obtains information that identifies
29 an individual who has a sexually transmissible disease, who
30 knew or should have known the nature of the information and
31 maliciously, or for monetary gain, disseminates this

1 information or otherwise makes this information known to any
2 other person, except by providing it either to a physician or
3 nurse employed by the Department of Health or to a law
4 enforcement agency, commits a felony of the third degree,
5 punishable as provided in ss. 775.082, 775.083, 775.084, and
6 775.0877(7).

7 Section 22. Section 402.115, Florida Statutes, is
8 created to read:

9 402.115 Sharing confidential or exempt
10 information.--Notwithstanding any other provision of law to
11 the contrary, the Department of Health and the Department of
12 Children and Family Services may share confidential or exempt
13 information on clients served by both agencies. Information
14 so exchanged remains confidential or exempt as provided by
15 law.

16 Section 23. The introductory paragraph and subsections
17 (1) and (8) of section 409.903, Florida Statutes, are amended
18 to read:

19 409.903 Mandatory payments for eligible persons.--The
20 agency department shall make payments for medical assistance
21 and related services on behalf of the following persons who
22 the agency department determines to be eligible, subject to
23 the income, assets, and categorical eligibility tests set
24 forth in federal and state law. Payment on behalf of these
25 Medicaid eligible persons is subject to the availability of
26 moneys and any limitations established by the General
27 Appropriations Act or chapter 216.

28 (1) Low-income families with children are eligible for
29 Medicaid provided they meet the following requirements:
30 ~~Persons who receive payments from or are determined eligible~~
31 ~~to participate in the WAGES Program, and certain persons who~~

1 ~~would be eligible but do not meet certain technical~~
2 ~~requirements. This group includes, but is not limited to:~~

3 (a) The family includes a dependent child who is
4 living with a caretaker relative.~~Low-income, single-parent~~
5 ~~families and their children.~~

6 (b) The family's income does not exceed the gross
7 income test limit.~~Low-income, two-parent families in which at~~
8 ~~least one parent is disabled or otherwise incapacitated.~~

9 (c) The family's countable income and resources do not
10 exceed the applicable aid-to-families-with-dependent-children
11 (AFDC) income and resource standards under the AFDC state plan
12 in effect in July 1996, except as amended in the Medicaid
13 state plan to conform as closely as possible to the
14 requirements of the WAGES Program as created in s. 414.015, to
15 the extent permitted by federal law.~~Certain unemployed~~
16 ~~two-parent families and their children.~~

17 (8) A person who is age 65 or over or is determined by
18 the agency department to be disabled, whose income is at or
19 below 100 percent of the most current federal poverty level
20 and whose assets do not exceed limitations established by the
21 agency department. However, the agency department may only
22 pay for premiums, coinsurance, and deductibles, as required by
23 federal law, unless additional coverage is provided for any or
24 all members of this group by s. 409.904(1).

25 Section 24. Paragraph (f) of subsection (12) and
26 subsection (18) of section 409.910, Florida Statutes, are
27 amended to read:

28 409.910 Responsibility for payments on behalf of
29 Medicaid-eligible persons when other parties are liable.--

30 (12) The department may, as a matter of right, in
31 order to enforce its rights under this section, institute,

1 intervene in, or join any legal or administrative proceeding
2 in its own name in one or more of the following capacities:
3 individually, as subrogee of the recipient, as assignee of the
4 recipient, or as lienholder of the collateral.

5 (f) Notwithstanding any provision in this section to
6 the contrary, in the event of an action in tort against a
7 third party in which the recipient or his or her legal
8 representative is a party which results in a ~~and in which the~~
9 ~~amount of any~~ judgment, award, or settlement from a third
10 ~~party, third-party benefits, excluding medical coverage as~~
11 ~~defined in subparagraph 4., after reasonable costs and~~
12 ~~expenses of litigation, is an amount equal to or less than 200~~
13 ~~percent of the amount of medical assistance provided by~~
14 ~~Medicaid less any medical coverage paid or payable to the~~
15 ~~department, then distribution of the amount recovered shall be~~
16 distributed as follows:

17 1. After attorney's fees and taxable costs as defined
18 by the Florida Rules of Civil Procedure, one-half of the
19 remaining recovery shall be paid to the department up to the
20 total amount of medical assistance provided by Medicaid.

21 2. The remaining amount of the recovery shall be paid
22 to the recipient.

23 3. For purposes of calculating the department's
24 recovery of medical assistance benefits paid, the fee for
25 services of an attorney retained by the recipient or his or
26 her legal representative shall be calculated at 25 percent of
27 the judgment, award, or settlement.

28 ~~1. Any fee for services of an attorney retained by the~~
29 ~~recipient or his or her legal representative shall not exceed~~
30 ~~an amount equal to 25 percent of the recovery, after~~
31

1 ~~reasonable costs and expenses of litigation, from the~~
2 ~~judgment, award, or settlement.~~

3 ~~2. After attorney's fees, two-thirds of the remaining~~
4 ~~recovery shall be designated for past medical care and paid to~~
5 ~~the department for medical assistance provided by Medicaid.~~

6 ~~3. The remaining amount from the recovery shall be~~
7 ~~paid to the recipient.~~

8 4. For purposes of this paragraph, "medical coverage"
9 means any benefits under health insurance, a health
10 maintenance organization, a preferred provider arrangement, or
11 a prepaid health clinic, and the portion of benefits
12 designated for medical payments under coverage for workers'
13 compensation, personal injury protection, and casualty.

14 (18) A recipient or his or her legal representative or
15 any person representing, or acting as agent for, a recipient
16 or the recipient's legal representative, who has notice,
17 excluding notice charged solely by reason of the recording of
18 the lien pursuant to paragraph (6)(d), or who has actual
19 knowledge of the department's rights to third-party benefits
20 under this section, who receives any third-party benefit or
21 proceeds therefrom for a covered illness or injury, is
22 required either to pay the department, within 60 days after
23 receipt of settlement proceeds, the full amount of the
24 third-party benefits, but not in excess of the total medical
25 assistance provided by Medicaid, or to place the full amount
26 of the third-party benefits in a trust account for the benefit
27 of the department pending judicial or administrative
28 determination of the department's right thereto. Proof that
29 any such person had notice or knowledge that the recipient had
30 received medical assistance from Medicaid, and that
31 third-party benefits or proceeds therefrom were in any way

1 related to a covered illness or injury for which Medicaid had
 2 provided medical assistance, and that any such person
 3 knowingly obtained possession or control of, or used,
 4 third-party benefits or proceeds and failed either to pay the
 5 department the full amount required by this section or to hold
 6 the full amount of third-party benefits or proceeds in trust
 7 pending judicial or administrative determination, unless
 8 adequately explained, gives rise to an inference that such
 9 person knowingly failed to credit the state or its agent for
 10 payments received from social security, insurance, or other
 11 sources, pursuant to s. 414.39(4)(b), and acted with the
 12 intent set forth in s. 812.014(1).

13 (a) The department is authorized to investigate and to
 14 request appropriate officers or agencies of the state to
 15 investigate suspected criminal violations or fraudulent
 16 activity related to third-party benefits, including, without
 17 limitation, ss. 409.325 and 812.014. Such requests may be
 18 directed, without limitation, to the Medicaid Fraud Control
 19 Unit of the Office of the Attorney General, or to any state
 20 attorney. Pursuant to s. 409.913, the Attorney General has
 21 primary responsibility to investigate and control Medicaid
 22 fraud.

23 (b) In carrying out duties and responsibilities
 24 related to Medicaid fraud control, the department may subpoena
 25 witnesses or materials within or outside the state and,
 26 through any duly designated employee, administer oaths and
 27 affirmations and collect evidence for possible use in either
 28 civil or criminal judicial proceedings.

29 (c) All information obtained and documents prepared
 30 pursuant to an investigation of a Medicaid recipient, the
 31 recipient's legal representative, or any other person relating

1 to an allegation of recipient fraud or theft is confidential
2 and exempt from s. 119.07(1):

3 1. Until such time as the department takes final
4 agency action;

5 2. Until such time as the Attorney General refers the
6 case for criminal prosecution;

7 3. Until such time as an indictment or criminal
8 information is filed by a state attorney in a criminal case;
9 or

10 4. At all times if otherwise protected by law.

11 Section 25. Paragraph (c) of subsection (3), paragraph
12 (c) of subsection (4), paragraph (c) of present subsection
13 (18), and present subsection (26) of section 409.912, Florida
14 Statutes, are amended, subsections (8) through (13) and (14)
15 through (33) are renumbered as subsections (9) through (14)
16 and (16) through (35), respectively, and new subsections (8),
17 (15), and (36) are added to said section, to read:

18 409.912 Cost-effective purchasing of health care.--The
19 agency shall purchase goods and services for Medicaid
20 recipients in the most cost-effective manner consistent with
21 the delivery of quality medical care. The agency shall
22 maximize the use of prepaid per capita and prepaid aggregate
23 fixed-sum basis services when appropriate and other
24 alternative service delivery and reimbursement methodologies,
25 including competitive bidding pursuant to s. 287.057, designed
26 to facilitate the cost-effective purchase of a case-managed
27 continuum of care. The agency shall also require providers to
28 minimize the exposure of recipients to the need for acute
29 inpatient, custodial, and other institutional care and the
30 inappropriate or unnecessary use of high-cost services.

31 (3) The agency may contract with:

1 (c) A federally qualified health center or an entity
 2 owned by one or more federally qualified health centers or an
 3 entity owned by other migrant and community health centers
 4 receiving non-Medicaid financial support from the Federal
 5 Government to provide health care services on a prepaid or
 6 fixed-sum basis to recipients. Such prepaid health care
 7 services entity must be licensed under parts I and III of
 8 chapter 641 by January 1, 1998, but shall be prohibited from
 9 serving Medicaid recipients on a prepaid basis, until such
 10 licensure has been obtained. However, such an entity is
 11 exempt from s. 641.225 if the entity meets the requirements
 12 specified in subsections (16) ~~(14)~~ and (17) ~~(15)~~.

13 (4) The agency may contract with any public or private
 14 entity otherwise authorized by this section on a prepaid or
 15 fixed-sum basis for the provision of health care services to
 16 recipients.

17 ~~(c) The agency is authorized to establish no more than
 18 four demonstration projects with provider service networks to
 19 test Medicaid direct contracting. However, no such
 20 demonstration project shall be established with a federally
 21 qualified health center, nor shall any provider service
 22 network under contract with the agency pursuant to this
 23 paragraph include a federally qualified health center in its
 24 provider network. One demonstration project must be located
 25 in Orange County. The demonstration projects may be
 26 reimbursed on a fee-for-service or prepaid basis. A provider
 27 service network that is reimbursed by the agency on a prepaid
 28 basis shall be exempt from parts I and III of chapter 641, but
 29 must meet appropriate financial reserve, quality assurance,
 30 and patient rights requirements as established by the agency.
 31 The agency shall award contracts on a competitive-bid basis~~

1 ~~and shall select bidders based upon price and quality of care.~~
2 ~~Medicaid recipients assigned to a demonstration project shall~~
3 ~~be chosen equally from those who would otherwise have been~~
4 ~~assigned to prepaid plans and MediPass. The agency is~~
5 ~~authorized to seek federal Medicaid waivers as necessary to~~
6 ~~implement the provisions of this section. A demonstration~~
7 ~~project awarded pursuant to this paragraph shall be for 2~~
8 ~~years from the date of implementation.~~

9 (8) The agency may provide cost-effective purchasing
10 of home health services through competitive negotiation
11 pursuant to s. 287.057. The agency is authorized to request
12 appropriate waivers from the federal Health Care Financing
13 Administration in order to competitively bid home health
14 services.

15 (15) The agency may establish a separate pharmacy
16 provider type entitled parenteral/enteral pharmacy. The
17 agency is authorized to request appropriate waivers if
18 required from the federal Health Care Financing Administration
19 in order to establish the pharmacy provider type entitled
20 parenteral/enteral pharmacy. Reimbursement for
21 parenteral/enteral pharmacy services must include the
22 following components:

23 (a) A single, all inclusive fee to cover all costs
24 except the cost of the primary therapeutic agent.

25 (b) Reimbursement for the primary therapeutic agent
26 which shall be based upon the estimated acquisition cost.

27 ~~(20)(18)~~ Any entity contracting with the agency
28 pursuant to this section to provide health care services to
29 Medicaid recipients is prohibited from engaging in any of the
30 following practices or activities:

31

1 (c) Granting or offering of any monetary or other
2 valuable consideration for enrollment, except as authorized by
3 subsection (23)~~(21)~~.

4 (28)~~(26)~~ Beginning July 1, 1996, the agency shall
5 perform choice counseling, enrollments, and disenrollments for
6 Medicaid recipients who are eligible for MediPass or managed
7 care plans. Notwithstanding the prohibition contained in
8 paragraph (20)~~(18)~~(f), managed care plans may perform
9 preenrollments of Medicaid recipients under the supervision of
10 the agency or its agents. For the purposes of this section,
11 "preenrollment" means the provision of marketing and
12 educational materials to a Medicaid recipient and assistance
13 in completing the application forms, but shall not include
14 actual enrollment into a managed care plan. An application
15 for enrollment shall not be deemed complete until the agency
16 or its agent verifies that the recipient made an informed,
17 voluntary choice. The agency, in cooperation with the
18 Department of Children and Family ~~Health and Rehabilitative~~
19 Services, may test new marketing initiatives to inform
20 Medicaid recipients about their managed care options at
21 selected sites. The agency shall report to the Legislature on
22 the effectiveness of such initiatives. The agency may
23 contract with a third party to perform managed care plan and
24 MediPass choice-counseling, enrollment, and disenrollment
25 services for Medicaid recipients and is authorized to adopt
26 rules to implement such services. Until October 1, 1996, or
27 the receipt of necessary federal waivers, whichever is
28 earlier, the agency shall adjust the capitation rate to cover
29 any implementation, staff, or other costs associated with
30 enrollment, disenrollment, and choice-counseling activities.
31 Thereafter, the agency may adjust the capitation rate only to

1 cover the costs of a third-party choice-counseling,
2 enrollment, and disenrollment contract, and for agency
3 supervision and management of the managed care plan
4 choice-counseling, enrollment, and disenrollment contract.

5 (36) The agency shall issue a request for proposal or
6 intent to negotiate to implement, on a demonstration basis, a
7 Medicaid managed care outpatient specialty services pilot
8 project in one rural county and one urban county in the state.

9 As used in this subsection, the term "outpatient specialty
10 services" means clinical laboratory, diagnostic imaging, and
11 specified home medical services to include durable medical
12 equipment, prosthetics and orthotics, and infusion therapy.

13 (a) The entities awarded the contracts to provide
14 Medicaid managed care outpatient specialty services shall, at
15 a minimum, meet the following criteria:

16 1. Be licensed by the Department of Insurance under
17 part II of chapter 641.

18 2. Be experienced in providing outpatient specialty
19 services.

20 3. Demonstrate to the satisfaction of the agency that
21 they provide high-quality services to their patients.

22 4. Demonstrate that they have in place a complaints
23 and grievance process to assist Medicaid recipients enrolled
24 in the pilot project to resolve complaints and grievances.

25 (b) The pilot project shall operate for a period of 3
26 years. The objective of the pilot project shall be to
27 determine the cost-effectiveness and effects on utilization,
28 access, and quality of providing outpatient specialty services
29 to Medicaid recipients on a prepaid, capitated basis.

30 (c) The agency shall conduct a quality assurance
31 review of the entities awarded contracts to provide services

1 under the pilot project, each year the pilot project is in
2 effect. Such entities are responsible for all expenses
3 incurred by the agency in conducting a quality assurance
4 review.

5 (d) The entities awarded contracts to provide
6 outpatient specialty services to Medicaid recipients shall
7 report data required by the agency, in a format specified by
8 the agency, for the purpose of the evaluation required in
9 paragraph (e).

10 (e) The agency shall conduct an evaluation of the
11 pilot project and report its findings to the Governor and the
12 Legislature by no later than January 1, 2001.

13 (f) Nothing in this subsection is intended to conflict
14 with the provision of the 1997-1998 General Appropriations Act
15 which authorizes competitive bidding for Medicaid home health,
16 clinical laboratory, or X-ray services.

17 Section 26. Effective January 1, 1999, paragraph (d)
18 of subsection (3) of section 409.912, Florida Statutes, is
19 amended to read:

20 409.912 Cost-effective purchasing of health care.--The
21 agency shall purchase goods and services for Medicaid
22 recipients in the most cost-effective manner consistent with
23 the delivery of quality medical care. The agency shall
24 maximize the use of prepaid per capita and prepaid aggregate
25 fixed-sum basis services when appropriate and other
26 alternative service delivery and reimbursement methodologies,
27 including competitive bidding pursuant to s. 287.057, designed
28 to facilitate the cost-effective purchase of a case-managed
29 continuum of care. The agency shall also require providers to
30 minimize the exposure of recipients to the need for acute
31

1 inpatient, custodial, and other institutional care and the
2 inappropriate or unnecessary use of high-cost services.

3 (3) The agency may contract with:

4 (d) No more than four provider service networks for
5 demonstration projects to test Medicaid direct contracting.

6 ~~However, no such demonstration project shall be established~~
7 ~~with a federally qualified health center nor shall any~~
8 ~~provider service network under contract with the agency~~
9 ~~pursuant to this paragraph include a federally qualified~~
10 ~~health center in its provider network.~~ One demonstration

11 project must be located in Orange County. The demonstration
12 projects may be reimbursed on a fee-for-service or prepaid
13 basis. A provider service network which is reimbursed by the
14 agency on a prepaid basis shall be exempt from parts I and III
15 of chapter 641, but must meet appropriate financial reserve,
16 quality assurance, and patient rights requirements as
17 established by the agency. The agency shall award contracts
18 on a competitive bid basis and shall select bidders based upon
19 price and quality of care. Medicaid recipients assigned to a
20 demonstration project shall be chosen equally from those who
21 would otherwise have been assigned to prepaid plans and
22 MediPass. The agency is authorized to seek federal Medicaid
23 waivers as necessary to implement the provisions of this
24 section. A demonstration project awarded pursuant to this
25 paragraph shall be for 2 years from the date of
26 implementation.

27 Section 27. Paragraph (b) of subsection (1) of section
28 414.028, Florida Statutes, is amended, and paragraphs (e) and
29 (f) are added to said subsection, to read:

30 414.028 Local WAGES coalitions.--The WAGES Program
31 State Board of Directors shall create and charter local WAGES

1 coalitions to plan and coordinate the delivery of services
2 under the WAGES Program at the local level. The boundaries of
3 the service area for a local WAGES coalition shall conform to
4 the boundaries of the service area for the regional workforce
5 development board established under the Enterprise Florida
6 workforce development board. The local delivery of services
7 under the WAGES Program shall be coordinated, to the maximum
8 extent possible, with the local services and activities of the
9 local service providers designated by the regional workforce
10 development boards.

11 (1)

12 (b) A representative of an agency or entity that could
13 benefit financially from funds appropriated under the WAGES
14 Program may not be a member of a local WAGES coalition; except
15 that county health departments and Healthy Start coalitions
16 may be members, provided they abstain from voting on matters
17 that financially affect their respective organizations.

18 (e) A representative of a county health department or
19 a representative of a Healthy Start coalition shall serve as
20 an ex officio, nonvoting member of the coalition.

21 (f) Nothing in this subsection shall prevent a local
22 WAGES coalition from extending regular voting membership no
23 more than one representative of a county health department and
24 no more than one representative of a Healthy Start coalition.

25 Section 28. Subsection (1) of section 414.28, Florida
26 Statutes, is amended to read:

27 414.28 Public assistance payments to constitute debt
28 of recipient.--

29 (1) CLAIMS.--The acceptance of public assistance
30 creates a debt of the person accepting assistance, which debt
31 is enforceable only after the death of the recipient. The

1 debt thereby created is enforceable only by claim filed
2 against the estate of the recipient after his or her death or
3 by suit to set aside a fraudulent conveyance, as defined in
4 subsection (3). After the death of the recipient and within
5 the time prescribed by law, the department may file a claim
6 against the estate of the recipient for the total amount of
7 public assistance paid to or for the benefit of such
8 recipient, reimbursement for which has not been made. Claims
9 so filed shall take priority as class 3 ~~7~~ claims as provided
10 by s. 733.707(1)(g).

11 Section 29. Subsection (4) of section 641.386, Florida
12 Statutes, is amended to read:

13 641.386 Agent licensing and appointment required;
14 exceptions.--

15 (4) All agents and health maintenance organizations
16 shall comply with and be subject to the applicable provisions
17 of ss. 641.309 and 409.912(20)~~(18)~~, and all companies and
18 entities appointing agents shall comply with s. 626.451, when
19 marketing for any health maintenance organization licensed
20 pursuant to this part, including those organizations under
21 contract with the Agency for Health Care Administration to
22 provide health care services to Medicaid recipients or any
23 private entity providing health care services to Medicaid
24 recipients pursuant to a prepaid health plan contract with the
25 Agency for Health Care Administration.

26 Section 30. Paragraph (a) of subsection (1) of section
27 766.101, Florida Statutes, is amended to read:

28 766.101 Medical review committee, immunity from
29 liability.--

30 (1) As used in this section:
31

1 (a) The term "medical review committee" or "committee"
2 means:
3 1.a. A committee of a hospital or ambulatory surgical
4 center licensed under chapter 395 or a health maintenance
5 organization certificated under part I of chapter 641,
6 b. A committee of a state or local professional
7 society of health care providers,
8 c. A committee of a medical staff of a licensed
9 hospital or nursing home, provided the medical staff operates
10 pursuant to written bylaws that have been approved by the
11 governing board of the hospital or nursing home,
12 d. A committee of the Department of Corrections or the
13 Correctional Medical Authority as created under s. 945.602, or
14 employees, agents, or consultants of either the department or
15 the authority or both,
16 e. A committee of a professional service corporation
17 formed under chapter 621 or a corporation organized under
18 chapter 607 or chapter 617, which is formed and operated for
19 the practice of medicine as defined in s. 458.305(3), and
20 which has at least 25 health care providers who routinely
21 provide health care services directly to patients,
22 f. A committee of a mental health treatment facility
23 licensed under chapter 394 or a community mental health center
24 as defined in s. 394.907, provided the quality assurance
25 program operates pursuant to the guidelines which have been
26 approved by the governing board of the agency,
27 g. A committee of a substance abuse treatment and
28 education prevention program licensed under chapter 397
29 provided the quality assurance program operates pursuant to
30 the guidelines which have been approved by the governing board
31 of the agency,

1 h. A peer review or utilization review committee
2 organized under chapter 440, or

3 i. A committee of the Department of Health, a county
4 health department, a healthy start coalition, or a certified
5 rural health network, when reviewing quality of care, or
6 employees of these entities when reviewing mortality records,
7

8 which committee is formed to evaluate and improve the quality
9 of health care rendered by providers of health service or to
10 determine that health services rendered were professionally
11 indicated or were performed in compliance with the applicable
12 standard of care or that the cost of health care rendered was
13 considered reasonable by the providers of professional health
14 services in the area; or

15 2. A committee of an insurer, self-insurer, or joint
16 underwriting association of medical malpractice insurance, or
17 other persons conducting review under s. 766.106.

18 Section 31. Upon completion, the Marion County Health
19 Department building to be constructed in Belleview, Florida,
20 shall be known as the "Carl S. Lytle, M.D., Memorial Health
21 Facility."

22 Section 32. Section 383.05, Florida Statutes, is
23 hereby repealed.

24 Section 33. Except as otherwise provided herein, this
25 act shall take effect July 1 of the year in which enacted.
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