

Bill No. CS for CS for SB 484

Amendment No. ____

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
1		.	
2		.	
3		.	
4		.	
5	<hr/>		
6			
7			
8			
9			
10	<hr/>		
11	Senator Bankhead moved the following amendment:		
12			
13	Senate Amendment (with title amendment)		
14	On page 7, line 13, through		
15	page 9, line 12, delete those lines		
16			
17	and insert:		
18	Section 2. Paragraph (c) of subsection (4) of section		
19	409.912, Florida Statutes, is repealed, paragraph (d) of		
20	subsection (3) and subsection (13) of that section are		
21	amended, and subsections (34) and (35) are added to that		
22	section, to read:		
23	409.912 Cost-effective purchasing of health care.--The		
24	agency shall purchase goods and services for Medicaid		
25	recipients in the most cost-effective manner consistent with		
26	the delivery of quality medical care. The agency shall		
27	maximize the use of prepaid per capita and prepaid aggregate		
28	fixed-sum basis services when appropriate and other		
29	alternative service delivery and reimbursement methodologies,		
30	including competitive bidding pursuant to s. 287.057, designed		
31	to facilitate the cost-effective purchase of a case-managed		

Bill No. CS for CS for SB 484

Amendment No. ____

1 continuum of care. The agency shall also require providers to
2 minimize the exposure of recipients to the need for acute
3 inpatient, custodial, and other institutional care and the
4 inappropriate or unnecessary use of high-cost services.

5 (3) The agency may contract with:

6 (d) No more than four provider service networks for
7 demonstration projects to test Medicaid direct contracting.
8 ~~However, no such demonstration project shall be established~~
9 ~~with a federally qualified health center nor shall any~~
10 ~~provider service network under contract with the agency~~
11 ~~pursuant to this paragraph include a federally qualified~~
12 ~~health center in its provider network.~~One demonstration
13 project must be located in Orange County. The demonstration
14 projects may be reimbursed on a fee-for-service or prepaid
15 basis. A provider service network which is reimbursed by the
16 agency on a prepaid basis shall be exempt from parts I and III
17 of chapter 641, but must meet appropriate financial reserve,
18 quality assurance, and patient rights requirements as
19 established by the agency. The agency shall award contracts
20 on a competitive bid basis and shall select bidders based upon
21 price and quality of care. Medicaid recipients assigned to a
22 demonstration project shall be chosen equally from those who
23 would otherwise have been assigned to prepaid plans and
24 MediPass. The agency is authorized to seek federal Medicaid
25 waivers as necessary to implement the provisions of this
26 section. A demonstration project awarded pursuant to this
27 paragraph shall be for 2 years from the date of
28 implementation.

29 (13) The agency shall identify health care utilization
30 and price patterns within the Medicaid program which ~~that~~ are
31 not cost-effective or medically appropriate and assess the

Bill No. CS for CS for SB 484

Amendment No. ____

1 effectiveness of new or alternate methods of providing and
2 monitoring service, and may implement such methods as it
3 considers appropriate. Such methods may include
4 disease-management initiatives, an integrated and systematic
5 approach for managing the health care needs of recipients who
6 are at risk of or diagnosed with a specific disease by using
7 best practices, prevention strategies, clinical-practice
8 improvement, clinical interventions and protocols, outcomes
9 research, information technology, and other tools and
10 resources to reduce overall costs and improve measurable
11 outcomes.

12 (34) The agency may provide for cost-effective
13 purchasing of home health services through competitive
14 negotiation pursuant to s. 287.057. The agency may request
15 appropriate waivers from the federal Health Care Financing
16 Administration in order to competitively bid home health
17 services.

18 (35) The Agency for Health Care Administration is
19 directed to issue a request for proposal or intent to
20 negotiate to implement on a demonstration basis an outpatient
21 specialty services pilot project in a rural and urban county
22 in the state. As used in this subsection, the term
23 "outpatient specialty services" means clinical laboratory,
24 diagnostic imaging, and specified home medical services to
25 include durable medical equipment, prosthetics and orthotics,
26 and infusion therapy.

27 (a) The entity that is awarded the contract to provide
28 Medicaid managed care outpatient specialty services must, at a
29 minimum, meet the following criteria:

30 1. The entity must be licensed by the Department of
31 Insurance under part II of chapter 641.

Bill No. CS for CS for SB 484

Amendment No. ____

1 2. The entity must be experienced in providing
2 outpatient specialty services.

3 3. The entity must demonstrate to the satisfaction of
4 the agency that it provides high-quality services to its
5 patients.

6 4. The entity must demonstrate that it has in place a
7 complaints and grievance process to assist Medicaid recipients
8 enrolled in the pilot managed care program to resolve
9 complaints and grievances.

10 (b) The pilot managed care program shall operate for a
11 period of 3 years. The objective of the pilot program shall
12 be to determine the cost-effectiveness and effects on
13 utilization, access, and quality of providing outpatient
14 specialty services to Medicaid recipients on a prepaid,
15 capitated basis.

16 (c) The agency shall conduct a quality-assurance
17 review of the prepaid health clinic each year that the
18 demonstration program is in effect. The prepaid health clinic
19 is responsible for all expenses incurred by the agency in
20 conducting a quality assurance review.

21 (d) The entity that is awarded the contract to provide
22 outpatient specialty services to Medicaid recipients shall
23 report data required by the agency in a format specified by
24 the agency, for the purpose of conducting the evaluation
25 required in paragraph (e).

26 (e) The agency shall conduct an evaluation of the
27 pilot managed care program and report its findings to the
28 Governor and the Legislature by no later than January 1, 2001.

29 (f) Nothing in this subsection is intended to conflict
30 with the provision of the 1997-1998 General Appropriations Act
31 which authorizes competitive bidding for Medicaid home health,

Bill No. CS for CS for SB 484

Amendment No. ____

1 clinical laboratory, or x-ray services.

2

3

4 ===== T I T L E A M E N D M E N T =====

5 And the title is amended as follows:

6 On page 1, line 19, after the semicolon,

7

8 insert:

9 directing the Agency for Health Care

10 Administration to establish an outpatient

11 specialty services pilot project; providing

12 definitions; providing criteria for

13 participation; requiring an evaluation and a

14 report to the Governor and Legislature;

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31