## Florida House of Representatives - 1999 By Representative A. Greene

A bill to be entitled An act relating to children and families; creating s. 409.9072, F.S.; requiring the Agency for Health Care Administration to develop mechanisms for certification of local funds as state match for Medicaid projects, to maximize federal Title XIX funding for children and families; providing for return of funds to the generating districts and local entities; requiring prior approval of local projects by the agency and the Department of Children and Family Services; specifying project requirements; providing for modification of the Medicaid state plan; providing for federal waivers; providing responsibilities of the agency and department with respect to administrative and service costs, monitoring of service delivery, and standards and quality of care; providing a limitation on certain

19 20 administrative costs; requiring the department 21 to develop policies and procedures for certification of local funds as state match for 22 foster care and related services projects, to 23 maximize federal Title IV-E funding for 24 services to eligible children; providing for 25 26 return of funds to the generating districts and 27 local entities; specifying project 28 requirements; providing a limitation on certain 29 administrative costs; providing for federal waivers; authorizing the department and the 30

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CODING: Words stricken are deletions; words underlined are additions.

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1 agency to adopt rules; requiring an annual 2 report; providing an effective date. 3 4 Be It Enacted by the Legislature of the State of Florida: 5 б Section 1. It is the intent of the Legislature to 7 utilize local funding for Medicaid under Title XIX of the 8 Social Security Act, as amended, and for foster care and 9 related programs under Title IV-E of the Social Security Act, as amended, to the fullest extent possible, so as to maximize 10 11 federal funding of such programs in the state. It is further 12 the intent of the Legislature that this act shall be 13 revenue-neutral with respect to state funds. 14 Section 2. Section 409.9072, Florida Statutes, is created to read: 15 409.9072 Certification of local match funding for 16 Medicaid and for foster care and related programs .--17 (1) The agency, in compliance with appropriate federal 18 19 authorities, shall develop mechanisms to allow for 20 certification of local match funds for covered Medicaid services under Title XIX of the Social Security Act, as 21 22 amended. 23 (a) The certification of match shall apply only to 24 services provided to children and their families who are 25 eligible under Medicaid and Medicaid expansion. Any federal 26 Medicaid reimbursement received as a result of local matched 27 funds generated at the district level shall be returned to the 28 district where those funds were generated, and the district shall, by agreement, reimburse any local entities that have 29 provided funding that has generated the federal Medicaid 30 reimbursement received by the district. 31

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(b) Local projects seeking to provide Medicaid 1 2 services to eligible children and their families must have prior approval by the Department of Children and Family 3 4 Services and the agency in order to participate in any 5 certification of match effort. A project must demonstrate that 6 it has the clinical and administrative capability to provide 7 Medicaid covered services and shall agree to: 8 1. Be responsible for checking with the state Medicaid 9 office to verify that children and their families are eligible at the time services are provided, but shall not be 10 11 responsible for any disallowances resulting from a subsequent 12 determination of ineligibility so long as eligibility was 13 verified at the time services were provided. 2. Develop and maintain the financial records needed 14 to document the appropriate use of state and federal funds. 15 16 3. Comply with all state and federal laws, rules, regulations, and policies that regulate Medicaid services. 17 4. Be responsible for reimbursing the cost of any 18 19 disallowance of federal funding previously provided to the 20 local project that results from failure of the local project to comply with state or federal Medicaid laws, rules, or 21 22 regulations. 23 (c) The agency and the department shall work with the 24 local projects to modify the Medicaid state plan and shall 25 seek and implement any federal waivers to ensure that all 26 Medicaid services are available to eligible clients of such 27 projects and to otherwise implement this subsection. 28 (d) Projects may receive Medicaid reimbursement for 29 services on either a fee-for-service basis or a capitation basis. The agency shall approve all capitation methodologies 30 and standards of care developed by the department. With the 31 3

agency's approval, the department shall develop provisions for 1 monitoring service delivery, ensuring appropriate provider 2 networks in accordance with s. 409.906, and analysis of 3 administrative and service cost ratios. 4 5 (e) Projects which operate on a fee-for-service basis б may assign a qualified organization to serve as a gatekeeper, 7 which may be responsible for the authorization of all services 8 for children enrolled in the project. With the approval of the 9 agency, the department shall develop quality-of-care standards for the providers who deliver these services. The project may 10 also provide case management services to coordinate care and 11 12 linkages with Medicaid providers and other agencies. 13 (f) The agency, prior to distribution of funds under 14 paragraph (a), may deduct its actual administrative costs for 15 implementing and monitoring the local match certification 16 program, but in no event may such administrative costs exceed 5 percent of the total funding to be provided to local 17 entities under paragraph (a). 18 19 (2) The Department of Children and Family Services, in 20 compliance with appropriate federal authorities, shall develop policies and procedures to allow for certification of local 21 22 funds that have been publicly appropriated or generated in other ways for foster care and related services to eligible 23 24 children under Title IV-E of the Social Security Act, as 25 amended. 26 (a) Any federal Title IV-E reimbursement received as a 27 result of matching funds generated at the district level shall 28 be returned to the district that generated those funds, and the district shall, by agreement, reimburse any local entities 29 that have provided funding that has generated the federal 30 Title IV-E reimbursement received by the district. 31

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(b) In order to receive any reimbursement under this 1 2 subsection, any entity, other than the department, providing 3 local funds for Title IV-E services must demonstrate that it 4 has the capability of providing such services and shall agree 5 to: 6 1. Be responsible for verifying that children and 7 their families are eligible for Title IV-E services at the 8 time services are provided, but shall not be responsible for any disallowances resulting from a subsequent determination of 9 ineligibility so long as eligibility was verified at the time 10 11 services were provided. 12 2. Develop and maintain the financial records needed 13 to document the appropriate use of federal funds. 14 3. Comply with all state and federal laws, rules, 15 regulations, and policies that regulate Title IV-E services. 16 4. Be responsible for reimbursing the cost of any disallowance of federal funding previously provided to the 17 local entity that results from failure of the local entity to 18 19 comply with state or federal Title IV-E laws, rules, or 20 regulations. (c) The department, prior to distribution of funds 21 under paragraph (a), may deduct its actual administrative 22 23 costs for implementing and monitoring the local match 24 certification program, but in no event may such administrative costs exceed 5 percent of the total funding to be provided to 25 26 local entities under paragraph (a). 27 (d) The department shall seek and implement any 28 federal waivers necessary to implement this subsection. 29 (3) The department and the agency are authorized to adopt rules to implement this section. 30 31

(4) The department and the agency shall annually prepare a report, to be submitted to the President of the Senate, the Speaker of the House of Representatives, and the chairs of the appropriate substantive and fiscal committees of each chamber of the Legislature no later than January 1, documenting the specific activities undertaken during the previous fiscal year pursuant to this section. Section 3. This act shall take effect July 1, 1999. HOUSE SUMMARY Requires the Agency for Health Care Administration to develop mechanisms for certification of local funds as state match for Medicaid projects, to maximize federal Title XIX funding for children and families. Provides for return of funds to the generating districts and local entities. Requires prior approval of local projects by the agency and the Department of Children and Family Services. Specifies project requirements. Provides for modification of the Medicaid state plan. Authorizes the agency and department to seek and implement federal waivers. Provides responsibilities of the agency and waivers. Provides responsibilities of the agency and department with respect to administrative and service costs, monitoring of service delivery, and standards and quality of care. Provides a 5-percent limit on project quality of care. Provides a 5-percent limit on project administrative costs to be retained by the agency. Requires the department to develop policies and procedures for certification of local funds as state match for foster care and related services projects, to maximize federal funding for services to eligible children under Title IV-E of the Social Security Act. Provides for return of funds to the generating districts and local entities. Specifies project requirements. Provides a 5-percent limit on project administrative costs to be retained by the department. Authorizes the department to seek and implement federal waivers. Authorizes the department and the agency to adopt rules. Requires an annual report to the Governor and Legislature. Legislature.