23-1339-99

A bill to be entitled An act relating to health care costs; amending s. 409.912, F.S.; authorizing the Agency for Health Care Administration to contract with additional providers in a demonstration project to test Medicaid direct contracting; providing an effective date.

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

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Section 1. Paragraph (d) of subsection (3) of section 409.912, Florida Statutes, 1998 Supplement, is amended to read:

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

- (3) The agency may contract with:
- (d) No more than eight four provider service networks for demonstration projects to test Medicaid direct contracting. One demonstration project must be located in 31 Orange County. The demonstration projects may be reimbursed

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on a fee-for-service or prepaid basis. A provider service 2 network that which is reimbursed by the agency on a prepaid 3 basis shall be exempt from parts I and III of chapter 641, but 4 must meet appropriate financial reserve, quality assurance, 5 and patient rights requirements as established by the agency. 6 The agency shall award contracts on a competitive bid basis 7 and shall select bidders based upon price and quality of care. 8 Medicaid recipients assigned to a demonstration project shall 9 be chosen equally from those who would otherwise have been 10 assigned to prepaid plans and MediPass. The agency is 11 authorized to seek federal Medicaid waivers as necessary to implement the provisions of this section. A demonstration 12 13 project awarded pursuant to this paragraph shall be for 2 years from the date of implementation. 14 15 Section 2. This act shall take effect upon becoming a 16 law. 17 *********** 18 19 SENATE SUMMARY 20 Increases to eight the number of provider service networks with which the Agency for Health Care Administration may contract in a demonstration project to test Medicaid direct contracting. 21 22 23 24 25 26 27 28 29