Amendment No. ____ (for drafter's use only)

_	CHAMBER ACTION
	Senate • House
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5	ORIGINAL STAMP BELOW
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10	Demographs time (a) Condessor of found the following:
11 12	Representative(s) Sanderson offered the following:
13	Amendment (with title amendment)
14	On page 18, line 14 through page 21, line 18,
15	remove from the bill: all of said lines
16	remove from the siri arr or bard fines
17	and insert in lieu thereof:
18	Section 17. Paragraph (a) of subsection (1), paragraph
19	(b) of subsection (2), and paragraph (c) of subsection (13) of
20	section 409.908, Florida Statutes, are amended to read:
21	409.908 Reimbursement of Medicaid providersSubject
22	to specific appropriations, the agency shall reimburse
23	Medicaid providers, in accordance with state and federal law,
24	according to methodologies set forth in the rules of the
25	agency and in policy manuals and handbooks incorporated by
26	reference therein. These methodologies may include fee
27	schedules, reimbursement methods based on cost reporting,
28	negotiated fees, competitive bidding pursuant to s. 287.057,
29	and other mechanisms the agency considers efficient and
30	effective for purchasing services or goods on behalf of
31	recipients. Payment for Medicaid compensable services made on

behalf of Medicaid eligible persons is subject to the availability of moneys and any limitations or directions provided for in the General Appropriations Act or chapter 216. Further, nothing in this section shall be construed to prevent or limit the agency from adjusting fees, reimbursement rates, lengths of stay, number of visits, or number of services, or making any other adjustments necessary to comply with the availability of moneys and any limitations or directions provided for in the General Appropriations Act, provided the adjustment is consistent with legislative intent.

- (1) Reimbursement to hospitals licensed under part I of chapter 395 must be made prospectively or on the basis of negotiation.
- (a) Reimbursement for inpatient care is limited as provided for in s. 409.905(5). Reimbursement for hospital outpatient care is limited to \$1,500\$ per state fiscal year per recipient, except for:
- Such care provided to a Medicaid recipient under age 21, in which case the only limitation is medical necessity;
 - 2. Renal dialysis services; and
 - 3. Other exceptions made by the agency.
- (b) Hospitals that provide services to a disproportionate share of low-income Medicaid recipients, or that participate in the regional perinatal intensive care center program under chapter 383, or that participate in the statutory teaching hospital disproportionate share program, or that participate in the extraordinary disproportionate share program, may receive additional reimbursement. The total amount of payment for disproportionate share hospitals shall be fixed by the General Appropriations Act. The computation of

these payments must be made in compliance with all federal regulations and the methodologies described in ss. 409.911, 409.9112, and 409.9113.

(c) The agency is authorized to limit inflationary increases for outpatient hospital services as directed by the General Appropriations Act.

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Subject to any limitations or directions provided (b) for in the General Appropriations Act, the agency shall establish and implement a Florida Title XIX Long-Term Care Reimbursement Plan (Medicaid) for nursing home care in order to provide care and services in conformance with the applicable state and federal laws, rules, regulations, and quality and safety standards and to ensure that individuals eliqible for medical assistance have reasonable geographic access to such care. Under the plan, interim rate adjustments shall not be granted to reflect increases in the cost of general or professional liability insurance for nursing homes unless the following criteria are met: have at least a 65 percent Medicaid utilization in the the most recent cost report submitted to the agency, and the increase in general or professional liability costs to the facility for the most recent policy period affects the total Medicaid per diem by at least 5 percent. This rate adjustment shall not result in the per diem exceeding the class ceiling. This provision shall apply only to fiscal year 2000-2001 and shall be implemented to the extent existing appropriations are available. The agency shall report to the Governor, the Speaker of the House of Representatives, and the President of the Senate by December 31, 2000 on the cost of liability insurance for Florida nursing homes for fiscal years 1999 and 2000 and the

extent to which these costs are not being compensated by the 1 2 Medicaid program. Medicaid participating nursing homes shall be required to report to the agency information necessary to 3 4 compile this report. Effective no earlier than the rate-setting period beginning April 1, 1999, the agency shall 5 6 establish a case-mix reimbursement methodology for the rate of 7 payment for long-term care services for nursing home 8 residents. The agency shall compute a per diem rate for Medicaid residents, adjusted for case mix, which is based on a 9 10 resident classification system that accounts for the relative resource utilization by different types of residents and which 11 12 is based on level-of-care data and other appropriate data. The 13 case-mix methodology developed by the agency shall take into account the medical, behavioral, and cognitive deficits of 14 15 residents. In developing the reimbursement methodology, the 16 agency shall evaluate and modify other aspects of the 17 reimbursement plan as necessary to improve the overall effectiveness of the plan with respect to the costs of patient 18 care, operating costs, and property costs. In the event 19 20 adequate data are not available, the agency is authorized to adjust the patient's care component or the per diem rate to 21 more adequately cover the cost of services provided in the 22 patient's care component. The agency shall work with the 23 24 Department of Elderly Affairs, the Florida Health Care Association, and the Florida Association of Homes for the 25 Aging in developing the methodology. It is the intent of the 26 27 Legislature that the reimbursement plan achieve the goal of providing access to health care for nursing home residents who 28 29 require large amounts of care while encouraging diversion 30 services as an alternative to nursing home care for residents 31 who can be served within the community. The agency shall base

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the establishment of any maximum rate of payment, whether overall or component, on the available moneys as provided for in the General Appropriations Act. The agency may base the maximum rate of payment on the results of scientifically valid analysis and conclusions derived from objective statistical data pertinent to the particular maximum rate of payment.

- (13) Medicare premiums for persons eligible for both Medicare and Medicaid coverage shall be paid at the rates established by Title XVIII of the Social Security Act. For Medicare services rendered to Medicaid-eligible persons, Medicaid shall pay Medicare deductibles and coinsurance as follows:
- (c) Medicaid will pay no portion of Medicare deductibles and coinsurance when payment that Medicare has made for the service equals or exceeds what Medicaid would have paid if it had been the sole payor. The combined payment of Medicare and Medicaid shall not exceed the amount Medicaid would have paid had it been the sole payor. The Legislature finds that there has been confusion regarding the reimbursement for services rendered to dually eligible Medicare beneficiaries. Accordingly, the Legislature clarifies that it has always been the intent of the legislature before and after 1991 that, in reimbursing in accordance with fees established by Title XVIII for premiums, deductibles, and coinsurance for Medicare services rendered by physicians to Medicaid eligible persons, that physicians be reimbursed at the lesser of the amount billed by the physician or the Medicaid maximum allowable fee established by the Agency for Health Care Administration, as is permitted by federal law. It has never been the intent of the Legislature with regard to such services rendered by physicians that Medicaid be required

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to provide any payment for deductibles, coinsurance, or
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    copayments for Medicare cost-sharing, or any expenses incurred
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    relating thereto, in excess of the payment amount provided for
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    under the State Medicaid plan for such service. This payment
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    methodology is applicable even in those situations in which
    the payment for Medicare cost-sharing for a qualified Medicare
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    beneficiary with respect to an item or service is reduced or
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    eliminated. This expression of the Legislature is in
    clarification of existing law and shall apply to payment for,
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    and with respect to provider agreements with respect to, items
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    or services furnished on or after the effective date of this
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    act. This paragraph applies to payment by Medicaid for items
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    and services furnished before the effective date of this act
    if such payment is the subject of a lawsuit that is based on
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    the provisions of s. 409.908, and that is pending as of, or is
    initiated after, the effective date of this act.
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    ======= T I T L E A M E N D M E N T =========
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    And the title is amended as follows:
           On page 2, line 26, after the semicolon
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   remove from the title of the bill:
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    and insert in lieu thereof:
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           providing legislative findings, intent, and
           clarification; relating to reimbursement for
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           services to dually eligible Medicare
           beneficiaries; providing applicability;
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