

Bill No. HB 349, 2nd Eng.

Amendment No. ____

<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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Senator Saunders moved the following amendment to amendment (592272):

Senate Amendment (with title amendment)

On page 50, between lines 20 and 21,

insert:

Section 22. Subsection (2) of section 395.701, Florida Statutes, is amended to read:

395.701 Annual assessments on net operating revenues for inpatient services to fund public medical assistance; administrative fines for failure to pay assessments when due; exemption.--

(2)(a) There is imposed upon each hospital an assessment in an amount equal to 1.5 percent of the annual net operating revenue for inpatient services for each hospital, such revenue to be determined by the agency, based on the actual experience of the hospital as reported to the agency. Within 6 months after the end of each hospital fiscal year, the agency shall certify the amount of the assessment for each hospital. The assessment shall be payable to and collected by

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1 the agency in equal quarterly amounts, on or before the first
 2 day of each calendar quarter, beginning with the first full
 3 calendar quarter that occurs after the agency certifies the
 4 amount of the assessment for each hospital. All moneys
 5 collected pursuant to this subsection shall be deposited into
 6 the Public Medical Assistance Trust Fund.

7 (b) There is imposed upon each hospital an assessment
 8 in an amount equal to 1.0 percent of the annual net operating
 9 revenue for outpatient services for each hospital, such
 10 revenue to be determined by the agency, based on the actual
 11 experience of the hospital as reported to the agency. Within 6
 12 months after the end of each hospital fiscal year, the agency
 13 shall certify the amount of the assessment for each hospital.
 14 The assessment shall be payable to and collected by the agency
 15 in equal quarterly amounts, on or before the first day of each
 16 calendar quarter, beginning with the first full calendar
 17 quarter that occurs after the agency certifies the amount of
 18 the assessment for each hospital. All moneys collected
 19 pursuant to this subsection shall be deposited into the Public
 20 Medical Assistance Trust Fund.

21 Section 23. Paragraph (a) of subsection (2) of section
 22 395.7015, Florida Statutes, is amended to read:

23 395.7015 Annual assessment on health care entities.--

24 (2) There is imposed an annual assessment against
 25 certain health care entities as described in this section:

26 (a) The assessment shall be equal to 1.0 ~~1.5~~ percent
 27 of the annual net operating revenues of health care entities.
 28 The assessment shall be payable to and collected by the
 29 agency. Assessments shall be based on annual net operating
 30 revenues for the entity's most recently completed fiscal year
 31 as provided in subsection (3).

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1 Section 24. Paragraph (c) of subsection 2 of section
2 408.904, Florida Statutes, is amended to read:

3 408.904 Benefits.--

4 (2) Covered health services include:

5 (c) Hospital outpatient services. Those services
6 provided to a member in the outpatient portion of a hospital
7 licensed under part I of chapter 395, up to a limit of \$1,500
8 ~~\$1,000~~ per calendar year per member, that are preventive,
9 diagnostic, therapeutic, or palliative.

10 Section 25. Subsection (6) of section 409.905, Florida
11 Statutes, is amended to read:

12 409.905 Mandatory Medicaid services.--The agency may
13 make payments for the following services, which are required
14 of the state by Title XIX of the Social Security Act,
15 furnished by Medicaid providers to recipients who are
16 determined to be eligible on the dates on which the services
17 were provided. Any service under this section shall be
18 provided only when medically necessary and in accordance with
19 state and federal law. Nothing in this section shall be
20 construed to prevent or limit the agency from adjusting fees,
21 reimbursement rates, lengths of stay, number of visits, number
22 of services, or any other adjustments necessary to comply with
23 the availability of moneys and any limitations or directions
24 provided for in the General Appropriations Act or chapter 216.

25 (6) HOSPITAL OUTPATIENT SERVICES.--The agency shall
26 pay for preventive, diagnostic, therapeutic, or palliative
27 care and other services provided to a recipient in the
28 outpatient portion of a hospital licensed under part I of
29 chapter 395, and provided under the direction of a licensed
30 physician or licensed dentist, except that payment for such
31 care and services is limited to \$1,500~~\$1,000~~ per state fiscal

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1 year per recipient, unless an exception has been made by the
2 agency, and with the exception of a Medicaid recipient under
3 age 21, in which case the only limitation is medical
4 necessity.

5 Section 26. Paragraph (a) of subsection (1) of section
6 409.908, Florida Statutes, is amended to read:

7 409.908 Reimbursement of Medicaid providers.--Subject
8 to specific appropriations, the agency shall reimburse
9 Medicaid providers, in accordance with state and federal law,
10 according to methodologies set forth in the rules of the
11 agency and in policy manuals and handbooks incorporated by
12 reference therein. These methodologies may include fee
13 schedules, reimbursement methods based on cost reporting,
14 negotiated fees, competitive bidding pursuant to s. 287.057,
15 and other mechanisms the agency considers efficient and
16 effective for purchasing services or goods on behalf of
17 recipients. Payment for Medicaid compensable services made on
18 behalf of Medicaid eligible persons is subject to the
19 availability of moneys and any limitations or directions
20 provided for in the General Appropriations Act or chapter 216.
21 Further, nothing in this section shall be construed to prevent
22 or limit the agency from adjusting fees, reimbursement rates,
23 lengths of stay, number of visits, or number of services, or
24 making any other adjustments necessary to comply with the
25 availability of moneys and any limitations or directions
26 provided for in the General Appropriations Act, provided the
27 adjustment is consistent with legislative intent.

28 (1) Reimbursement to hospitals licensed under part I
29 of chapter 395 must be made prospectively or on the basis of
30 negotiation.

31 (a) Reimbursement for inpatient care is limited as

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1 provided for in s. 409.905(5). Reimbursement for hospital
2 outpatient care is limited to \$1,500~~\$1,000~~ per state fiscal
3 year per recipient, except for:

4 1. Such care provided to a Medicaid recipient under
5 age 21, in which case the only limitation is medical
6 necessity;

7 2. Renal dialysis services; and

8 3. Other exceptions made by the agency.

9 Section 27. Paragraph (e) is added to subsection (3)
10 of section 409.912, Florida Statutes, to read:

11 409.912 Cost-effective purchasing of health care.--The
12 agency shall purchase goods and services for Medicaid
13 recipients in the most cost-effective manner consistent with
14 the delivery of quality medical care. The agency shall
15 maximize the use of prepaid per capita and prepaid aggregate
16 fixed-sum basis services when appropriate and other
17 alternative service delivery and reimbursement methodologies,
18 including competitive bidding pursuant to s. 287.057, designed
19 to facilitate the cost-effective purchase of a case-managed
20 continuum of care. The agency shall also require providers to
21 minimize the exposure of recipients to the need for acute
22 inpatient, custodial, and other institutional care and the
23 inappropriate or unnecessary use of high-cost services.

24 (3) The agency may contract with:

25 (e) An entity in Pasco County or Pinellas County that
26 provides in-home physician services to Medicaid recipients
27 with degenerative neurological diseases in order to test the
28 cost-effectiveness of enhanced home-based medical care. The
29 entity providing the services shall be reimbursed on a
30 fee-for-service basis at a rate not less than comparable
31 Medicare reimbursement rates. The agency may apply for waivers

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1 of federal regulations necessary to implement such program.

2 This paragraph shall be repealed on July 1, 2002.

3 Section 28. The Department of Health's Volunteer
4 Health Care Provider Program, or its successor program, shall
5 coordinate with the Agency for Health Care Administration,
6 Florida Board of Medicine, the Florida Board of Osteopathic
7 Medicine, the Florida Medical Association, the Florida
8 Osteopathic Medical Association, the Florida Hospital
9 Association, the Association of Community Hospitals and Health
10 Systems of Florida, Inc., and the Florida League of Health
11 Care Systems to conduct a survey and produce for the
12 Legislature by December 31 of each calendar year a report
13 relative to uncompensated care for which the provider receives
14 no reimbursement and the Florida Medicaid program. The report
15 shall include: the dollar amount of uncompensated care for
16 which the physician receives no reimbursement provided by
17 physicians licensed pursuant to chapter 458, Florida Statutes,
18 or chapter 459, Florida Statutes, by medical specialty and by
19 county; the dollar amount of uncompensated care for which the
20 hospital receives no reimbursement provided by Florida
21 hospitals licensed under chapter 395, Florida Statutes, by
22 medical specialty and by county; the number of Medicaid
23 physicians in the state by medical specialty and county, and
24 the average number of encounters per physician. The results of
25 the Medicaid provider survey shall be compared with the
26 projected need for Medicaid services by specialty and county,
27 as determined by the department. The report that is to be
28 filed on December 31, 2000, shall also include the following
29 information: a comparison of Florida Medicaid reimbursement
30 rates with Medicaid reimbursement rates for other states; a
31 comparison of Florida Medicaid reimbursement rates with

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1 Medicare reimbursement rates; a comparison of Florida Medicaid
2 reimbursement rates with fee-for-service rates; and a
3 historical report on Florida Medicaid reimbursement rates.

4 Section 29. The Legislature shall appropriate each
5 fiscal year from the General Revenue Fund to the Public
6 Medical Assistance Trust Fund an amount sufficient to replace
7 the funds lost due to the reduction by this act of the
8 assessment on other health care entities under section
9 395.7015, Florida Statutes, and the reduction by this act in
10 the assessment on hospitals under sections 395.701, Florida
11 Statutes, and to maintain federal approval of the reduced
12 amount of funds deposited into the Public Medical Assistance
13 Trust Fund under section 395.701, Florida Statutes, as state
14 match for the state's Medicaid program.

15 Section 30. There is appropriated \$28.3 million to the
16 Agency for Health Care Administration to implement this act,
17 provided however, that no portion of this appropriation shall
18 be effective that duplicates a similar appropriation for the
19 same purpose contained in other legislation from the 2000
20 session that becomes law.

21
22 (Redesignate subsequent sections.)

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24
25 ===== T I T L E A M E N D M E N T =====

26 And the title is amended as follows:

27 On page 54, line 6, after the semicolon,
28
29 insert:
30 amending s. 395.701, F.S.; reducing the annual
31 assessment on hospitals to fund public medical

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1 assistance; providing for contingent effect;
 2 amending s. 395.7015, F.S.; reducing the annual
 3 assessment on certain health care entities;
 4 amending ss. 408.904, 409.905, and 409.908,
 5 F.S.; increasing benefits for hospital out
 6 patient services under the MedAccess and
 7 Medicaid programs; amending s. 409.912, F.S.;
 8 providing for a contract with reimbursement of
 9 an entity in Pasco or Pinellas County that
 10 provides in-home physician services to Medicaid
 11 recipients with degenerative neurological
 12 diseases; providing for future repeal;
 13 requiring certain entities to conduct an annual
 14 survey and produce an annual report on
 15 uncompensated care; providing appropriations;

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