

Bill No. CS for SB 420

Amendment No. \_\_\_\_

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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11	Senator Saunders moved the following amendment:		
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13	<b>Senate Amendment (with title amendment)</b>		
14	On page 3, line 5,		
15			
16	insert:		
17	Section 1. Subsection (2) of section 395.701, Florida		
18	Statutes, is amended to read:		
19	395.701 Annual assessments on net operating revenues		
20	to fund public medical assistance; administrative fines for		
21	failure to pay assessments when due; exemption.--		
22	(2)(a) There is imposed upon each hospital an		
23	assessment in an amount equal to 1.5 percent of the annual net		
24	operating revenue for <u>inpatient services for</u> each hospital,		
25	such revenue to be determined by the agency, based on the		
26	actual experience of the hospital as reported to the agency.		
27	Within 6 months after the end of each hospital fiscal year,		
28	the agency shall certify the amount of the assessment for each		
29	hospital. The assessment shall be payable to and collected by		
30	the agency in equal quarterly amounts, on or before the first		
31	day of each calendar quarter, beginning with the first full		

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1 calendar quarter that occurs after the agency certifies the  
2 amount of the assessment for each hospital. All moneys  
3 collected pursuant to this paragraph subsection shall be  
4 deposited into the Public Medical Assistance Trust Fund.

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

19 Section 2. Paragraph (a) of subsection (2) of section  
20 395.7015, Florida Statutes, is amended to read:

21 395.7015 Annual assessment on health care entities.--

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

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

30 Section 3. Paragraph (c) of subsection (2) of section  
31 408.904, Florida Statutes, is amended to read:

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1           408.904 Benefits.--

2           (2) Covered health services include:

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

8           Section 4. Subsection (6) of section 409.905, Florida  
9 Statutes, is amended to read:

10           409.905 Mandatory Medicaid services.--The agency may  
11 make payments for the following services, which are required  
12 of the state by Title XIX of the Social Security Act,  
13 furnished by Medicaid providers to recipients who are  
14 determined to be eligible on the dates on which the services  
15 were provided. Any service under this section shall be  
16 provided only when medically necessary and in accordance with  
17 state and federal law. Nothing in this section shall be  
18 construed to prevent or limit the agency from adjusting fees,  
19 reimbursement rates, lengths of stay, number of visits, number  
20 of services, or any other adjustments necessary to comply with  
21 the availability of moneys and any limitations or directions  
22 provided for in the General Appropriations Act or chapter 216.

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

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1 age 21, in which case the only limitation is medical  
2 necessity.

3 Section 5. Paragraph (a) of subsection (1) of section  
4 409.908, Florida Statutes, is amended to read:

5 409.908 Reimbursement of Medicaid providers.--Subject  
6 to specific appropriations, the agency shall reimburse  
7 Medicaid providers, in accordance with state and federal law,  
8 according to methodologies set forth in the rules of the  
9 agency and in policy manuals and handbooks incorporated by  
10 reference therein. These methodologies may include fee  
11 schedules, reimbursement methods based on cost reporting,  
12 negotiated fees, competitive bidding pursuant to s. 287.057,  
13 and other mechanisms the agency considers efficient and  
14 effective for purchasing services or goods on behalf of  
15 recipients. Payment for Medicaid compensable services made on  
16 behalf of Medicaid eligible persons is subject to the  
17 availability of moneys and any limitations or directions  
18 provided for in the General Appropriations Act or chapter 216.  
19 Further, nothing in this section shall be construed to prevent  
20 or limit the agency from adjusting fees, reimbursement rates,  
21 lengths of stay, number of visits, or number of services, or  
22 making any other adjustments necessary to comply with the  
23 availability of moneys and any limitations or directions  
24 provided for in the General Appropriations Act, provided the  
25 adjustment is consistent with legislative intent.

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

29 (a) Reimbursement for inpatient care is limited as  
30 provided for in s. 409.905(5). Reimbursement for hospital  
31 outpatient care is limited to \$1,500~~\$1,000~~ per state fiscal

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1 year per recipient, except for:

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

5 2. Renal dialysis services; and

6 3. Other exceptions made by the agency.

7 Section 6. Paragraph (e) is added to subsection (3) of  
8 section 409.912, Florida Statutes, to read:

9 409.912 Cost-effective purchasing of health care.--The  
10 agency shall purchase goods and services for Medicaid  
11 recipients in the most cost-effective manner consistent with  
12 the delivery of quality medical care. The agency shall  
13 maximize the use of prepaid per capita and prepaid aggregate  
14 fixed-sum basis services when appropriate and other  
15 alternative service delivery and reimbursement methodologies,  
16 including competitive bidding pursuant to s. 287.057, designed  
17 to facilitate the cost-effective purchase of a case-managed  
18 continuum of care. The agency shall also require providers to  
19 minimize the exposure of recipients to the need for acute  
20 inpatient, custodial, and other institutional care and the  
21 inappropriate or unnecessary use of high-cost services.

22 (3) The agency may contract with:

23 (e) An entity in Pasco County or Pinellas County which  
24 provides in-home physician services to Medicaid recipients  
25 having degenerative neurological diseases in order to test the  
26 cost-effectiveness of enhanced home-based medical care. The  
27 entity providing the services shall be reimbursed on a  
28 fee-for-service basis at a rate not less than comparable  
29 Medicare reimbursement rates. The agency may apply for waivers  
30 of federal regulations necessary to implement such program.  
31 This paragraph expires July 1, 2002.



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

12           Section 9. The sum of \$28.3 million is appropriated  
13 from the General Revenue Fund to the Agency for Health Care  
14 Administration for the purpose of implementing this act.  
15 However, such appropriation shall be reduced by an amount  
16 equal to any similar appropriation for the same purpose which  
17 is contained in other legislation adopted during the 2000  
18 legislative session and which becomes a law.

19  
20 (Redesignate subsequent sections.)

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

24 And the title is amended as follows:

25           On page 1, line 2, delete that line

26  
27 and insert:

28           An act relating to health care; amending s.  
29           395.701, F.S.; reducing the annual assessment  
30           on hospitals for outpatient services; amending  
31           s. 395.7015, F.S.; reducing the annual

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1           assessment against certain health care  
2           entities; amending s. 408.904, F.S.; increasing  
3           benefits for certain persons who receive  
4           hospital outpatient services; amending s.  
5           408.905, F.S.; increasing benefits furnished by  
6           Medicaid providers to recipients of hospital  
7           outpatient services; amending s. 905.908, F.S.;  
8           increasing reimbursement to hospitals for  
9           outpatient care; amending s. 409.912, F.S.;  
10          providing for a contract with and reimbursement  
11          of an entity in Pasco County or Pinellas County  
12          which provides in-home physician services to  
13          Medicaid recipients with degenerative  
14          neurological diseases; providing for future  
15          repeal; requiring certain health care providers  
16          to conduct an annual survey and produce an  
17          annual report on uncompensated care; providing  
18          appropriations;

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