

STORAGE NAME: h1371a.hhsa.doc

DATE: April 24, 2001

**HOUSE OF REPRESENTATIVES
AS REVISED BY THE COMMITTEE ON
HEALTH AND HUMAN SERVICES APPROPRIATIONS
ANALYSIS**

BILL #: HB 1371

RELATING TO: Optional Medicaid Services/Dental

SPONSOR(S): Representative(s) Betancourt & others

TIED BILL(S):

ORIGINATING COMMITTEE(S)/COUNCIL(S)/COMMITTEE(S) OF REFERENCE:

- (1) HEALTH PROMOTION YEAS 7 NAYS 0
 - (2) HEALTH AND HUMAN SERVICES APPROPRIATIONS YEAS 10 NAYS 0
 - (3) COUNCIL FOR HEALTHY COMMUNITIES
 - (4)
 - (5)
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I. SUMMARY:

HB 1371 prohibits Medicaid reimbursement for dental treatment provided in a mobile dental unit unless the unit is:

- Owned or operated by the Department of Health, complying with Medicaid's county health department clinic services program specifications as a county health department clinic services provider;
- Owned by, operated by, or under contractual arrangement with a federally qualified health center, complying with Medicaid's federally qualified health center specifications as a federally qualified health center provider; or
- Rendering services to Medicaid recipients, 21 years of age or older, at nursing facilities.

The bill's effective date is upon becoming a law.

According to the Agency for Health Care Administration, the bill has no fiscal impact.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|---|-----------------------------|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |

For any principle that received a “no” above, please explain:

B. PRESENT SITUATION:

Medicaid is a medical assistance program that pays for health care for the poor and disabled. The federal government, the state, and the counties jointly fund the program. The federal government, through law and regulations, has established extensive requirements for the Medicaid program. The Agency for Health Care Administration (AHCA) is the single state agency responsible for the Florida Medicaid program. The Department of Children and Family Services is responsible for determining Medicaid eligibility and managing Medicaid eligibility policy, with approval of any changes by AHCA.

The statutory provisions for the Medicaid program appear in ss. 409.901 through 409.9205, F.S. Section 409.903, F.S., specifies categories of individuals who are required by federal law to be covered, if determined eligible, by the Medicaid program (mandatory coverage groups). Section 409.904, F.S., specifies categories of individuals who the federal government gives state Medicaid programs the choice of covering (optional coverage groups). Section 409.905, F.S., specifies the medical and other services that the federal government requires a state Medicaid program to provide. Section 409.906, F.S., specifies the medical and other services the state may provide under the state Medicaid plan.

Section 409.906(1), F.S., authorizes optional Medicaid coverage of denture services for adult Medicaid recipients. Section 409.906(6), F.S., authorizes optional Medicaid coverage for comprehensive dental services for Medicaid recipients under the age of 21.

Through Rule 59G-4.060, Florida Administrative Code, AHCA has restricted the use of mobile dental units under the Medicaid program as a means of protecting the health and safety of Medicaid recipients, primarily children. This was accomplished by incorporating the prohibition on reimbursement for such services into the Medicaid dental services handbook, which is incorporated by reference into the rule. Due to what AHCA refers to as “the nomadic endeavors” of some mobile dental unit operators, children were not allowed continuity of care in the provision of dental services. With mobile dental units there was a lack of access to reasonable 24-hour emergency care, even though required by Florida law. Medicaid staff reports being aware of multiple circumstances of questionable radiography techniques, suspect supervision of questionably trained auxiliary staff, disarrayed and dirty facilities, questionable sterilization techniques, and questionable medical necessity of various services that were billed to Medicaid by mobile dental service providers. A variety of these issues have been reported in the popular press. As a means of addressing these concerns, Medicaid adopted the indicated rule, which effectively eliminated this service option.

C. EFFECT OF PROPOSED CHANGES:

See the SECTION-BY-SECTION ANALYSIS, which follows.

D. SECTION-BY-SECTION ANALYSIS:

Section 1. Amends s. 409.906, F.S., relating to optional Medicaid services. Subsection (1), relating to optional adult denture services, and subsection (2), relating to optional children's dental services, are amended to prohibit Medicaid reimbursement for dental treatment provided in a mobile dental unit unless the unit is:

- Owned or operated by the Department of Health, complying with Medicaid's county health department clinic services program specifications as a county health department clinic services provider;
- Owned by, operated by, or under contractual arrangement with a federally qualified health center, complying with Medicaid's federally qualified health center specifications as a federally qualified health center provider; or
- Rendering services to Medicaid recipients, 21 years of age or older, at nursing facilities.

Section 2. Provides for the bill to take effect upon becoming law.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

N/A

2. Expenditures:

N/A

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

N/A

2. Expenditures:

N/A

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Medicaid recipients would have another option as to provider service location when seeking dental services.

Those providers of mobile dental services that are appropriately affiliated with county health departments, federally qualified health centers, and nursing facilities may benefit from their ability to seek Medicaid reimbursement for services rendered.

D. FISCAL COMMENTS:

HB 1807, the House General Appropriations Bill includes a reduction which eliminates the optional Medicaid coverage for adult dental services.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or to take action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that counties or municipalities have to raise revenues in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

N/A

B. RULE-MAKING AUTHORITY:

N/A

C. OTHER COMMENTS:

In its analysis of this bill, the Agency for Health Care Administration suggested that the county health department language in the bill be made consistent with the federally qualified health center language in the bill with regard to contractual relationships as an option for mobile dental unit affiliations.

In its analysis of this bill, the Department of Health concurred with the AHCA suggestion above, and also suggested the addition of "a mobile dental unit owned by, operated by, or having a contractual arrangement with a state-approved dental educational institution" as an appropriate entity to receive Medicaid reimbursement for services rendered.

When the Senate companion bill, SB 2110, was heard in the Senate Health, Aging and Long-Term Care Committee on April 5, 2001, the committee approved the bill as a Committee Substitute, incorporating a revision to the introductory language to s. 409.906, F.S, which authorizes AHCA to restrict or prohibit reimbursement for optional Medicaid services rendered by providers in mobile units. [NOTE: (1) This revision was an attempt to address an issue relating to an administrative ruling relating to AHCA's lack of statutory authority to restrict Medicaid reimbursement for certain mobile treatment units operated by Advanced Registered Nurse Practitioners (ARNPs) Consult Care Inc. v. Agency for Health Care Administration, (Case No. 99-2497RX, DOAH, June 27, 2000). This case is currently on appeal. To more appropriately accomplish the intended purpose, similar amendatory language would need to be incorporated into the introductory language of s. 409.905,

F.S., relating to mandatory Medicaid services. (2) The CS/SB 2110 did not address the suggestions made by AHCA and the Department of Health referenced above.]

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

When the Committee on Health Promotion heard this bill on April 12, 2001, the bill was approved with two amendments:

- Amendment 1 (page 2, lines 10-21 & page 3, lines 3-14)--provides for Department of Health contractual agreements by mobile dental units as an appropriate qualifier for mobile unit reimbursement by Medicaid participation; and provides for those mobile dental units owned by, operated by, or having a contractual agreement with a state-approved dental educational institution to be eligible for Medicaid reimbursement.
- Amendment 2 (page 1, lines 10-19)--authorizes the Agency for Health Care Administration to restrict or prohibit reimbursement for *optional* Medicaid services rendered by providers in mobile units.

The Committee on Health and Human Services Appropriations adopted a strike-all amendment on April 24, 2001 that incorporated the bill and amendments adopted in the Committee on Health Promotion, and added the authorization for the Agency for Health Care Administration to restrict reimbursement for *mandatory* Medicaid services rendered by providers in mobile units.

VII. SIGNATURES:

COMMITTEE ON HEALTH PROMOTION:

Prepared by:

Phil E. Williams

Staff Director:

Phil E. Williams

AS REVISED BY THE COMMITTEE ON HEALTH AND HUMAN SERVICES APPROPRIATIONS:

Prepared by:

Cynthia Kelly

Staff Director:

Cynthia Kelly