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28-1322-01 See HB

A bill to be entitled An act relating to children and families; creating s. 409.9072, F.S.; requiring the Agency for Health Care Administration to develop mechanisms for certification of local funds as state match for Medicaid projects, to maximize federal Title XIX funding for children and families; providing for return of funds to the generating districts and local entities; requiring prior approval of local projects by the agency and the Department of Children and Family Services; specifying project requirements; providing for modification of the Medicaid state plan; providing for federal waivers; providing responsibilities of the agency and department with respect to administrative and service costs, monitoring of service delivery, and standards and quality of care; providing a limitation on certain administrative costs; requiring the department to develop policies and procedures for certification of local funds as state match for foster care and related services projects, to maximize federal Title IV-E funding for services to eligible children; providing for return of funds to the generating districts and local entities; specifying project requirements; providing a limitation on certain administrative costs; providing for federal waivers; authorizing the department and the

1 agency to adopt rules; requiring an annual 2 report; providing an effective date. 3 4 Be It Enacted by the Legislature of the State of Florida: 5 6 It is the intent of the Legislature to 7 utilize local funding for Medicaid under Title XIX of the 8 Social Security Act, as amended, and for foster care and 9 related programs under Title IV-E of the Social Security Act, 10 as amended, to the fullest extent possible, so as to maximize 11 federal funding of such programs in the state. It is further the intent of the Legislature that this act shall be 12 13 revenue-neutral with respect to state funds. 14 Section 2. Section 409.9072, Florida Statutes, is 15 created to read: 409.9072 Certification of local match funding for 16 17 Medicaid and for foster care and related programs. --(1) The agency, in compliance with appropriate federal 18 19 authorities, shall develop mechanisms to allow for certification of local match funds for covered Medicaid 20 services under Title XIX of the Social Security Act, as 21 22 amended. The certification of match shall apply only to 23 24 services provided to children and their families who are 25 eligible under Medicaid and Medicaid expansion. Any federal Medicaid reimbursement received as a result of local matched 26 27 funds generated at the district level shall be returned to the 28 district where those funds were generated, and the district shall, by agreement, reimburse any local entities that have 29 provided funding that has generated the federal Medicaid 30 31 reimbursement received by the district.

- (b) Local projects seeking to provide Medicaid services to eligible children and their families must have prior approval by the Department of Children and Family Services and the agency in order to participate in any certification of match effort. A project must demonstrate that it has the clinical and administrative capability to provide Medicaid covered services and shall agree to:
- 1. Be responsible for checking with the state Medicaid office to verify that children and their families are eligible at the time services are provided, but shall not be responsible for any disallowances resulting from a subsequent determination of ineligibility so long as eligibility was verified at the time services were provided.
- 2. Develop and maintain the financial records needed to document the appropriate use of state and federal funds.
- 3. Comply with all state and federal laws, rules, regulations, and policies that regulate Medicaid services.
- 4. Be responsible for reimbursing the cost of any disallowance of federal funding previously provided to the local project that results from failure of the local project to comply with state or federal Medicaid laws, rules, or regulations.
- (c) The agency and the department shall work with the local projects to modify the Medicaid state plan and shall seek and implement any federal waivers to ensure that all Medicaid services are available to eligible clients of such projects and to otherwise implement this subsection.
- (d) Projects may receive Medicaid reimbursement for services on either a fee-for-service basis or a capitation basis. The agency shall approve all capitation methodologies and standards of care developed by the department. With the

agency's approval, the department shall develop provisions for monitoring service delivery, ensuring appropriate provider networks in accordance with s. 409.906, and analysis of administrative and service cost ratios.

- (e) Projects which operate on a fee-for-service basis may assign a qualified organization to serve as a gatekeeper, which may be responsible for the authorization of all services for children enrolled in the project. With the approval of the agency, the department shall develop quality-of-care standards for the providers who deliver these services. The project may also provide case management services to coordinate care and linkages with Medicaid providers and other agencies.
- (f) The agency, prior to distribution of funds under paragraph (a), may deduct its actual administrative costs for implementing and monitoring the local match certification program, but in no event may such administrative costs exceed 5 percent of the total funding to be provided to local entities under paragraph (a).
- (2) The Department of Children and Family Services, in compliance with appropriate federal authorities, shall develop policies and procedures to allow for certification of local funds that have been publicly appropriated or generated in other ways for foster care and related services to eligible children under Title IV-E of the Social Security Act, as amended.
- (a) Any federal Title IV-E reimbursement received as a result of matching funds generated at the district level shall be returned to the district that generated those funds, and the district shall, by agreement, reimburse any local entities that have provided funding that has generated the federal Title IV-E reimbursement received by the district.

- (b) In order to receive any reimbursement under this subsection, any entity, other than the department, providing local funds for Title IV-E services must demonstrate that it has the capability of providing such services and shall agree to:
- 1. Be responsible for verifying that children and their families are eligible for Title IV-E services at the time services are provided, but shall not be responsible for any disallowances resulting from a subsequent determination of ineligibility so long as eligibility was verified at the time services were provided.
- 2. Develop and maintain the financial records needed to document the appropriate use of federal funds.
- 3. Comply with all state and federal laws, rules, regulations, and policies that regulate Title IV-E services.
- 4. Be responsible for reimbursing the cost of any disallowance of federal funding previously provided to the local entity that results from failure of the local entity to comply with state or federal Title IV-E laws, rules, or regulations.
- (c) The department, prior to distribution of funds under paragraph (a), may deduct its actual administrative costs for implementing and monitoring the local match certification program, but in no event may such administrative costs exceed 5 percent of the total funding to be provided to local entities under paragraph (a).
- (d) The department shall seek and implement any federal waivers necessary to implement this subsection.
- (3) The department and the agency are authorized to adopt rules to implement this section.

(4) The department and the agency shall annually prepare a report, to be submitted to the President of the Senate, the Speaker of the House of Representatives, and the chairs of the appropriate substantive and fiscal committees of each chamber of the Legislature no later than January 1, documenting the specific activities undertaken during the previous fiscal year pursuant to this section.

Section 3. This act shall take effect July 1, 2001.

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## Requires the Agency for Health Care Administration to develop mechanisms for certification of local funds as state match for Medicaid projects, to maximize federal Title XIX funding for children and families. Provides for return of funds to the generating districts and local entities. Requires prior approval of local projects by the agency and the Department of Children and Family Services. Specifies project requirements. Provides for modification of the Medicaid state plan. Authorizes the agency and department to seek and implement federal waivers. Provides responsibilities of the agency and department with respect to administrative and service costs, monitoring of service delivery, and standards and quality of care. Provides a 5-percent limit on project administrative costs to be retained by the agency. Requires the department to develop policies and procedures for certification of local funds as state match for foster care and related services projects, to maximize federal funding for services to eligible children under Title IV-E of the Social Security Act. Provides for return of funds to the generating districts and local entities. Specifies project requirements. Provides a 5-percent limit on project administrative costs to be retained by the department. Authorizes the department to seek and implement federal waivers. Authorizes the department and the agency to adopt rules. Requires an annual report to the Governor and Legislature.