HOUSE AMENDMENT

Bill No. HB 1753

Amendment No. ____ (for drafter's use only) CHAMBER ACTION Senate House 1 2 3 4 5 ORIGINAL STAMP BELOW 6 7 8 9 10 Representative(s) Maygarden offered the following: 11 12 13 Substitute Amendment for Amendment (064079) (with title amendment) 14 15 On page 5, line 12, through page 9, line 24 16 remove from the bill: all of said lines 17 18 and insert in lieu thereof: 19 Section 3. Subsection (1) of section 409.904, Florida 20 Statutes, is amended, and subsection (9) is added to said section, to read: 21 22 409.904 Optional payments for eligible persons. -- The 23 agency may make payments for medical assistance and related services on behalf of the following persons who are determined 24 to be eligible subject to the income, assets, and categorical 25 26 eligibility tests set forth in federal and state law. Payment 27 on behalf of these Medicaid-eligible persons is subject to the 28 availability of moneys and any limitations established by the 29 General Appropriations Act or chapter 216. (1) A person who is age 65 or older or is determined 30 31 to be disabled, whose income is at or below 90 $\frac{100}{100}$ percent of 1 File original & 9 copies hap0008 03/29/01 04:50 pm 01753-0002-103563

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federal poverty level, and whose assets do not exceed 1 2 established limitations. 3 (9) A Medicaid-eligible individual for the 4 individual's health insurance premiums, if the agency 5 determines that such payments are cost-effective. Section 4. Subsection (5) of section 409.905, Florida б 7 Statutes, is amended to read: 409.905 Mandatory Medicaid services.--The agency may 8 9 make payments for the following services, which are required 10 of the state by Title XIX of the Social Security Act, furnished by Medicaid providers to recipients who are 11 12 determined to be eligible on the dates on which the services 13 were provided. Any service under this section shall be provided only when medically necessary and in accordance with 14 15 state and federal law. Nothing in this section shall be 16 construed to prevent or limit the agency from adjusting fees, 17 reimbursement rates, lengths of stay, number of visits, number of services, or any other adjustments necessary to comply with 18 the availability of moneys and any limitations or directions 19 20 provided for in the General Appropriations Act or chapter 216. 21 (5) HOSPITAL INPATIENT SERVICES. -- The agency shall pay for all covered services provided for the medical care and 22 treatment of a recipient who is admitted as an inpatient by a 23 24 licensed physician or dentist to a hospital licensed under 25 part I of chapter 395. However, the agency shall limit the payment for inpatient hospital services for a Medicaid 26 27 recipient 21 years of age or older to 45 days or the number of days necessary to comply with the General Appropriations Act. 28 The agency is authorized to implement 29 (a) 30 reimbursement and utilization management reforms in order to 31 comply with any limitations or directions in the General 2

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Appropriations Act, which may include, but are not limited to: 1 2 prior authorization for inpatient psychiatric days; prior authorization for nonemergency hospital inpatient admissions; 3 4 enhanced utilization and concurrent review programs for highly utilized services; reduction or elimination of covered days of 5 6 service; adjusting reimbursement ceilings for variable costs; 7 adjusting reimbursement ceilings for fixed and property costs; 8 and implementing target rates of increase.

9 A licensed hospital maintained primarily for the (b) 10 care and treatment of patients having mental disorders or mental diseases is not eligible to participate in the hospital 11 12 inpatient portion of the Medicaid program except as provided 13 under in federal law or pursuant to a federally approved 14 waiver. However, the department shall apply for a waiver, 15 within 9 months after June 5, 1991, designed to provide behavioral health hospitalization services for mental health 16 17 reasons to children and adults in the most cost-effective and lowest cost setting possible. Such waiver shall include a 18 request for the opportunity to pay for care in hospitals known 19 under federal law as "institutions for mental disease" or 20 21 "IMD's." The behavioral health waiver proposal shall propose 22 no additional aggregate cost to the state or Federal 23 Government, and shall be conducted in Hillsborough County, 24 Highlands County, Hardee County, Manatee County, and Polk 25 County. Implementation of the behavioral health waiver proposal shall not be the basis for adjusting a hospital's 26 27 Medicaid inpatient or outpatient rate. The waiver proposal may incorporate competitive bidding for hospital services, 28 29 comprehensive brokering, prepaid capitated arrangements, or 30 other mechanisms deemed by the department to show promise in 31 reducing the cost of acute care and increasing the

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1 effectiveness of preventive care. When developing The waiver 2 proposal, the department shall take into account price, 3 quality, accessibility, linkages of the hospital to community 4 services and family support programs, plans of the hospital to 5 ensure the earliest discharge possible, and the 6 comprehensiveness of the mental health and other health care 7 services offered by participating providers.

8 (c) <u>The</u> agency for Health Care Administration shall 9 adjust a hospital's current inpatient per diem rate to reflect 10 the cost of serving the Medicaid population at that 11 institution if:

The hospital experiences an increase in Medicaid
caseload by more than 25 percent in any year, primarily
resulting from the closure of a hospital in the same service
area occurring after July 1, 1995; or

2. The hospital's Medicaid per diem rate is at least
25 percent below the Medicaid per patient cost for that year.
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No later than November 1, 2000, the agency must provide 19 estimated costs for any adjustment in a hospital inpatient per 20 21 diem pursuant to this paragraph to the Executive Office of the 22 Governor, the House of Representatives General Appropriations 23 Committee, and the Senate Budget Committee. Before the agency 24 implements a change in a hospital's inpatient per diem rate 25 pursuant to this paragraph, the Legislature must have specifically appropriated sufficient funds in the 2001-2002 26 27 General Appropriations Act to support the increase in cost as 28 estimated by the agency. This paragraph is repealed on July 1, 29 $\frac{2001}{2001}$

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And the title is amended as follows: On page 1, lines 8-15, remove from the title of the bill: all of said lines and insert in lieu thereof: б amending s. 409.904, F.S.; revising Medicaid eligibility requirements for certain elderly or disabled persons; authorizing payment for

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