

Bill No. CS for CS for SB 792, 1st Eng.

Amendment No. ____ Barcode 735674

<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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Senator Silver moved the following amendment:

Senate Amendment (with title amendment)

On page 13, line 16, through
page 15, line 19, delete those lines

and insert:

(2)

(b) Subject to any limitations or directions provided for in the General Appropriations Act, the agency shall establish and implement a Florida Title XIX Long-Term Care Reimbursement Plan (Medicaid) for nursing home care in order to provide care and services in conformance with the applicable state and federal laws, rules, regulations, and quality and safety standards and to ensure that individuals eligible for medical assistance have reasonable geographic access to such care.

1. Changes of ownership or of licensed operator do not qualify for increases in reimbursement rates associated with the change of ownership or of licensed operator. The agency shall amend the Title XIX Long Term Care Reimbursement Plan to

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1 provide that the initial nursing home reimbursement rates, for
2 the operating, patient care, and MAR components, associated
3 with related and unrelated party changes of ownership or
4 licensed operator filed on or after September 1, 2001, are
5 equivalent to the previous owner's reimbursement rate.

6 2. The agency shall amend the long-term care
7 reimbursement plan and cost reporting system to create direct
8 care and indirect care subcomponents of the patient care
9 component of the per diem rate. These two subcomponents
10 together shall equal the patient care component of the per
11 diem rate. Separate cost-based ceilings shall be calculated
12 for each patient care subcomponent. The direct care
13 subcomponent of the per diem rate shall be limited by the
14 cost-based class ceiling and the indirect care subcomponent
15 shall be limited by the lower of the cost-based class ceiling,
16 by the target rate class ceiling or by the individual provider
17 target. The agency shall adjust the patient care component
18 effective January 1, 2002. The cost to adjust the direct care
19 subcomponent shall be net of the total funds previously
20 allocated for the case mix add-on. The agency shall make the
21 required changes to the nursing home cost reporting forms to
22 implement this requirement effective January 1, 2002.

23 3. The direct care subcomponent shall include salaries
24 and benefits of direct care staff providing nursing services
25 including registered nurses, licensed practical nurses, and
26 certified nursing assistants who deliver care directly to
27 residents in the nursing home facility. This excludes nursing
28 administration, MDS, and care plan coordinators, staff
29 development, and staffing coordinator.

30 4. All other patient care costs shall be included in
31 the indirect care cost subcomponent of the patient care per

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1 diem rate. There shall be no costs directly or indirectly
2 allocated to the direct care subcomponent from a home office
3 or management company.

4 5. On July 1 of each year, the agency shall report to
5 the Legislature direct and indirect care costs, including
6 average direct and indirect care costs per resident per
7 facility and direct care and indirect care salaries and
8 benefits per category of staff member per facility.

9 6. Under the plan, interim rate adjustments shall not
10 be granted to reflect increases in the cost of general or
11 professional liability insurance for nursing homes unless the
12 following criteria are met: have at least a 65 percent
13 Medicaid utilization in the most recent cost report submitted
14 to the agency, and the increase in general or professional
15 liability costs to the facility for the most recent policy
16 period affects the total Medicaid per diem by at least 5
17 percent. This rate adjustment shall not result in the per diem
18 exceeding the class ceiling. This provision shall ~~apply only~~
19 ~~to fiscal year 2000-2001 and shall be implemented to the~~
20 ~~extent existing appropriations are available. The agency shall~~
21 ~~report to the Governor, the Speaker of the House of~~
22 ~~Representatives, and the President of the Senate by December~~
23 ~~31, 2000, on the cost of liability insurance for Florida~~
24 ~~nursing homes for fiscal years 1999 and 2000 and the extent to~~
25 ~~which these costs are not being compensated by the Medicaid~~
26 ~~program. Medicaid-participating nursing homes shall be~~
27 ~~required to report to the agency information necessary to~~
28 ~~compile this report. Effective no earlier than the~~
29 ~~rate-setting period beginning April 1, 1999, the agency shall~~
30 ~~establish a case-mix reimbursement methodology for the rate of~~
31 ~~payment for long-term care services for nursing home~~

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1 ~~residents. The agency shall compute a per diem rate for~~
2 ~~Medicaid residents, adjusted for case mix, which is based on a~~
3 ~~resident classification system that accounts for the relative~~
4 ~~resource utilization by different types of residents and which~~
5 ~~is based on level-of-care data and other appropriate data. The~~
6 ~~case-mix methodology developed by the agency shall take into~~
7 ~~account the medical, behavioral, and cognitive deficits of~~
8 ~~residents. In developing the reimbursement methodology, the~~
9 ~~agency shall evaluate and modify other aspects of the~~
10 ~~reimbursement plan as necessary to improve the overall~~
11 ~~effectiveness of the plan with respect to the costs of patient~~
12 ~~care, operating costs, and property costs. In the event~~
13 ~~adequate data are not available, the agency is authorized to~~
14 ~~adjust the patient's care component or the per diem rate to~~
15 ~~more adequately cover the cost of services provided in the~~
16 ~~patient's care component. The agency shall work with the~~
17 ~~Department of Elderly Affairs, the Florida Health Care~~
18 ~~Association, and the Florida Association of Homes for the~~
19 ~~Aging in developing the methodology.~~

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21 It is the intent of the Legislature that the reimbursement
22 plan achieve the goal of providing access to health care for
23 nursing home residents who require large amounts of care while
24 encouraging diversion services as an alternative to nursing
25 home care for residents who can be served within the
26 community. The agency shall base the establishment of any
27 maximum rate of payment, whether overall or component, on the
28 available moneys as provided for in the General Appropriations
29 Act. The agency may base the maximum rate of payment on the
30 results of scientifically valid analysis and conclusions
31 derived from objective statistical data pertinent to the

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1 particular maximum rate of payment.

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

5 And the title is amended as follows:

6 On page 1, lines 27 and 28, delete those lines

7

8 and insert:

9 409.908, F.S.; prohibiting nursing home
10 reimbursement rate increases associated with
11 changes in ownership; modifying requirements
12 for nursing home cost reporting; requiring a
13 report; revising standards, guidelines, and

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