SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/CS/SB 484

SPONSOR: Appropriations Subcommittee on Health & Human Services, Health, Aging and Long-Term Care Committee and Senator Silver

SUBJECT: Subacute Pediatric Transitional Care

DATE: February 21, 2002 REVISED: ________ ________ ________ ________

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Harkey	Wilson	HC	Favorable/CS
2.			FT	Withdrawn
3.	Peters	Belcher	AHS	Favorable/CS
4.			AP	Withdrawn: Fav/CS
5.				
6.				

I. Summary:

This bill requires the Agency for Health Care Administration (AHCA) to conduct a study of health care services provided to medically fragile or medical-technology-dependent children. In addition to the study, AHCA must conduct a pilot program for subacute pediatric transitional care in Dade County. The agency must amend the Medicaid state plan and seek federal waivers as necessary for implementation of the pilot program. The bill requires AHCA to report to the Legislature concerning the pilot program and the results of the study.

This bill creates six unnumbered sections of law.

II. Present Situation:

Children in Florida who need complex medical services or therapeutic interventions may be served in one of four licensed settings: a hospital, a nursing home, a medical foster care home, or a prescribed pediatric extended care (PPEC) center. A hospital, nursing home, or medical foster care home provides a residential setting, and a PPEC center provides services for a period of no more than 12 hours per day. Services in each of these settings are covered by Medicaid funding.

Part IX of ch. 400, F.S., establishes prescribed pediatric extended care (PPEC) centers, which are non-residential health care centers that provide the needed continuum of care for children whose needs are medically complex. The array of services provided by a PPEC center address the medical, developmental, physical, nutritional, and social needs of the children. The PPEC centers are less restrictive than institutionalization in that they enable the child to live at home, and they provide services that reduce the isolation that a homebound child with complex medical needs

might experience. The Agency for Health Care Administration (AHCA) licenses PPEC centers. At present, 22 licensed PPEC centers have the capacity to serve 612 children.
Foster care parents who meet the requirements to bill Medicaid for medical foster care serve children in licensed foster care homes. In 2000, the program served 398 children. In 2001, approximately 450 children are being served. Medical foster care provides a home-based program for children with medically complex needs who are unable to return to their biological family or who must remain institutionalized because of the complexity of their medical condition. The program places a high priority on reuniting the child with his or her biological family by providing medical training to the family to help them manage their child's medical condition. The program provides direct access to nursing care 24 hours per day.

Seven facilities licensed under chapter 400, part II, Florida Statutes (F.S.), as Skilled Nursing Facilities, also provide residential, around-the-clock services to pediatric residents. Those facilities are Broward Children's Center, Pompano Beach; Central Park Village, Orlando; Halifax Convalescent Center, Daytona Beach; Lakeshore Villas Health Care Center, Tampa; Memorial Manor, Pembroke Pines; Sabal Palms Health Care Center, Largo; and Westminster Care of Orlando, Orlando. Other skilled nursing facilities provide services to pediatric residents, but these seven facilities have established more clearly defined programs for this population. The total population served in these facilities is estimated to be in excess of 200 children. Last year, three of the children served in medical foster care homes moved into nursing homes.

The state does not have information regarding successful transition from acute pediatric care to home. Anecdotal stories from health care providers tell of failed transitions that resulted in return to the hospital or mortality before the child reached the hospital. There has not been a systematic gathering of information regarding the success of medically fragile or medical-technology-dependent children in transitioning from acute care to home.

III. Effect of Proposed Changes:

This bill requires a study by AHCA of the health care services provided to medically fragile or medical-technology-dependent children in the state. The bill also creates a pilot program in Dade County to provide subacute pediatric transitional care to enable children to successfully make a transition from acute care to home.

The agency, in cooperation with the Children's Medical Services program in the Department of Health, must conduct a study of health care services provided to medically fragile or medical-technology-dependent children, from birth through age 21. By January 1, 2003, AHCA must report to the Legislature regarding the children's ages, where they are served, types of services received, costs of the services, and the sources of funding that pay for the services. The study must include information regarding medically fragile or medical-technology-dependent children residing in hospitals, nursing homes, and medical foster care, those who live with their parents, and those served in prescribed pediatric extended care centers. The report must also identify the number of such children who could, if appropriate transitional services were available, return home or move to a less institutional setting.

The agency will establish minimum staffing standards and quality requirements for a subacute pediatric transitional care center to be operated as a two-year pilot program in Dade County. The

pilot program is limited to a maximum of 30 children at any one time. The pilot program must operate under the license of a hospital licensed under ch. 395, F.S., or a nursing home licensed under ch. 400, F.S., and shall utilize existing beds in the hospital or nursing home. The agency must amend the state Medicaid plan and request any federal waivers necessary to implement and fund the pilot program. Personnel of the center must undergo a level 1 background screening under ch. 435, F.S.

The pilot program must have an advisory board, and the membership must include a physician and advanced registered nurse practitioner, a registered nurse, a child development specialist, a social worker, and a parent of a child placed in the center. The advisory board must review policy and provide consultation to the center.

A child will be admitted to the center upon prescription of a physician or advanced registered nurse practitioner. The child's stay at the center may not exceed 90 days. The center is responsible for arranging for an alternative placement at the end of a child's stay and a transitional plan for children expected to remain in the facility for the maximum allowed stay.

By January 1, 2003, the agency must report to the Legislature concerning the progress of the pilot program. By January 1, 2004, the agency must submit a final report on the success of the pilot program.

The bill takes effect October 1, 2002.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

The provisions of this bill have no impact on municipalities and the counties under the requirements of Art. VII, s. 18 of the Florida Constitution.

B. Public Records/Open Meetings Issues:

The provisions of this bill have no impact on public records or open meetings issues under the requirements of Art. I, s. 24(a) and (b) of the Florida Constitution.

C. Trust Funds Restrictions:

The provisions of this bill have no impact on the trust fund restrictions under the requirements of Art. III, s. 19(f) of the Florida Constitution.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None

B. Private Sector Impact:

None.

C. Government Sector Impact:

The pilot program would serve medically fragile or medical-technology-dependent children whose medical costs would be covered by Medicaid. Based on a pilot with a maximum enrollment of 30 children at any one time, the Agency for Health Care Administration estimates that the annual Medicaid cost for the subacute pediatric transitional care pilot is $3,764,172. It is projected that it will take at least until January 1, 2003, to receive federal approval for the pilot; therefore, the cost for the first year is lapsed by 6 months.

	FY 2002-03	FY 2003-04
Cost Estimate for Pilot Project:		
Estimated Number of Children	30	30
Total fee per day per child (1)	$ 343.76	$ 343.76
Estimated costs (2)	$ 1,882,086	$ 3,764,172
General Revenue	$ 778,619	$ 1,557,238
Medical Care Trust Fund	$ 1,103,467	$ 2,206,934

(1) This amount represents the estimated per-day rate that will be paid to the subacute pediatric transitional care pilot provider(s) for the residential services they will provide. The rate is based on the Medicaid rate paid to Broward Children's Home. The fee includes room and board, food, and ancillaries (therapies and medical supplies). Services such as physician services and pharmacy services will continue to be billed to the Medicaid program separately from the total daily fee.

(2) It is estimated that the program cannot begin prior to January 1, 2003, due to the fact the Agency must obtain a state plan amendment or waiver to gain coverage for this program.

A report is due January 1, 2003, on the results of a study identifying the total number of medically fragile or technology-dependent children, their ages, the locations where served, the types of services received, the itemized cost of the services, and the sources of funding. Because of the short time to complete the study, the Agency will need to contract with a qualified party to conduct the study at an estimated cost of $75,000 ($37,500 in state funds and $37,500 in federal funds).

One Medical Health Care Program Analyst (Pay Grade 24) will be needed to implement and administer the program at a cost of $64,652 ($32,326 in state funds and $32,326 in federal funds).

Summary of Expenditures

	FY 2002-03	FY 2003-04
Non-Recurring Expenditures		
Expenses (1 FTE – Class Code 5875, PG 24)	$2,659	
Study	$75,000	
OCO (1 FTE – Class Code 5875, PG 24)	$2,640	
Total Non-Recurring	$80,299	
Recurring Expenditures		
Salaries (1 FTE – Class Code 5875, PG 24)	$48,296	$48,296
Expenses (1 FTE – Class Code 5875, PG 24)	$11,057	$11,057
Subacute Pediatric Transitional Care Pilot	$1,882,086	3,764,172
Total Recurring	$1,941,439	$3,823,525
TOTAL ALL	$2,021,738	$3,823,525
State	$848,445	$1,586,915
Federal	$1,173,293	$2,236,610

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.