Amendment No. ____ (for drafter's use only)

	CHAMBER ACTION
	Senate • House
1	:
2	: :
3	;
4	<u> </u>
5	ORIGINAL STAMP BELOW
6	
7	
8	
9	
10	
11	Representative(s) Green offered the following:
12	
13	Amendment (with title amendment)
14	Remove everything after the enacting clause
15	
16	and insert:
17	Section 1. Subsection (4) of section 20.41, Florida
18	Statutes, is amended to read:
19	20.41 Department of Elderly AffairsThere is created
20	a Department of Elderly Affairs.
21	(4) The department shall <u>administer</u> administratively
22	house the State Long-Term Care Ombudsman Council, created by
23	s. 400.0067, and the local long-term care ombudsman councils,
24	created by s. 400.0069 and shall, as required by s. 712 of the
25	federal Older Americans Act of 1965, ensure that both the
26	state and local long-term care ombudsman councils operate in
27	compliance with the Older Americans Act. The councils in
28	performance of their duties shall not be subject to control,
29	supervision, or direction by the department.
30	Section 2. Subsection (1) and paragraph (b) of
31	subsection (2) of section 400.0063, Florida Statutes, are

Amendment No. ___ (for drafter's use only)

amended to read:

1 2

3

4

5

6

7

8 9

10

11 12

13

14

15

16

17

18 19

20

21

22

23 24

25

26 27

28

29

30

31

400.0063 Establishment of Office of State Long-Term Care Ombudsman; designation of ombudsman and legal advocate. --

There is created an Office of State Long-Term Care Ombudsman, which shall be located for administrative purposes in the Department of Elderly Affairs.

(2)

- (b) The State Long-Term Care Ombudsman shall be appointed by and shall serve at the pleasure of the Secretary of Elderly Affairs State Long-Term Care Ombudsman Council. No person who has a conflict of interest, or has an immediate family member who has a conflict of interest, may be involved in the designation of the ombudsman.
- Section 3. Paragraphs (c) and (f) of subsection (2) and subsection (3) of section 400.0065, Florida Statutes, are amended to read:

400.0065 State Long-Term Care Ombudsman; duties and responsibilities; conflict of interest.--

- (2) The State Long-Term Care Ombudsman shall have the duty and authority to:
- (c) Within the limits of federal and state funding authorized and appropriated, employ such personnel, including staff for local ombudsman councils, as are necessary to perform adequately the functions of the office and provide or contract for legal services to assist the state and local ombudsman councils in the performance of their duties. Staff positions for each local ombudsman council may be established as career service positions, and shall be filled by the ombudsman after approval by the secretary consultation with the respective local ombudsman council.
 - (f) Annually prepare a budget request that shall be

Amendment No. ____ (for drafter's use only)

submitted to the Governor by the department for transmittal to the Legislature.

- (3) The State Long-Term Care Ombudsman shall not:
- (a) Have a direct involvement in the licensing or certification of, or an ownership or investment interest in, a long-term care facility or a provider of a long-term care service.
- (b) Be employed by, or participate in the management of, a long-term care facility.
- (c) Receive, or have a right to receive, directly or indirectly, remuneration, in cash or in kind, under a compensation agreement with the owner or operator of a long-term care facility.

The Department of Elderly Affairs, in consultation with the ombudsman, shall adopt rules to establish procedures to identify and eliminate conflicts of interest as described in this subsection.

Section 4. Paragraphs (c), (d), (f), and (g) of subsection (2) and paragraph (b) of subsection (3) of section 400.0067, Florida Statutes, are amended to read:

400.0067 Establishment of State Long-Term Care Ombudsman Council; duties; membership.--

- (2) The State Long-Term Care Ombudsman Council shall:
- (c) Assist the ombudsman to discover, investigate, and determine the existence of abuse or neglect in any long-term care facility. and to develop procedures, in consultation with The Department of Elderly Affairs shall develop procedures, relating to such investigations. Investigations may consist, in part, of one or more onsite administrative inspections.
 - (d) Assist the ombudsman in eliciting, receiving,

3

4

5

6 7

8

9

10

11 12

13

14

15

16 17

18

19

20

21

22

23 24

25

26 27

28

29

30 31

Amendment No. ___ (for drafter's use only)

responding to, and resolving complaints made by or on behalf of long-term care facility residents and in developing procedures, in consultation with the Department of Elderly Affairs, relating to the receipt and resolution of such complaints. The secretary shall approve all such procedures.

(f) Be authorized to call upon appropriate agencies of state government for such professional assistance as may be needed in the discharge of its duties, including assistance from the adult protective services program of the Department of Children and Family Services.

(f) (g) Prepare an annual report describing the activities carried out by the ombudsman and the State Long-Term Care Ombudsman Council in the year for which the report is prepared. The State Long-Term Care Ombudsman Council shall submit the report to the Secretary of Elderly Affairs. The secretary shall in turn submit the report to the Commissioner of the United States Administration on Aging, the Governor, the President of the Senate, the Speaker of the House of Representatives, the minority leaders of the House and Senate, the chairpersons of appropriate House and Senate committees, the Secretary of Secretaries of Elderly Affairs and Children and Family Services, and the Secretary of Health Care Administration. The report shall be submitted by the Secretary of Elderly Affairs at least 30 days before the convening of the regular session of the Legislature and shall, at a minimum:

- Contain and analyze data collected concerning complaints about and conditions in long-term care facilities.
- 2. Evaluate the problems experienced by residents of long-term care facilities.
 - Contain recommendations for improving the quality

3 4

5

6

7

8 9

10

11 12

13

14 15

16

17

18

19 20

21

22

23 24

25

26 27

28

29 30

31

Amendment No. ___ (for drafter's use only)

of life of the residents and for protecting the health, safety, welfare, and rights of the residents.

- 4. Analyze the success of the ombudsman program during the preceding year and identify the barriers that prevent the optimal operation of the program. The report of the program's successes shall also address the relationship between the state long-term care ombudsman program, the Department of Elderly Affairs, the Agency for Health Care Administration, and the Department of Children and Family Services, and an assessment of how successfully the state long-term care ombudsman program has carried out its responsibilities under the Older Americans Act.
- Provide policy and regulatory and legislative recommendations to solve identified problems; resolve residents' complaints; improve the quality of care and life of the residents; protect the health, safety, welfare, and rights of the residents; and remove the barriers to the optimal operation of the state long-term care ombudsman program.
- Contain recommendations from the local ombudsman councils regarding program functions and activities.
- Include a report on the activities of the legal advocate and other legal advocates acting on behalf of the local and state councils.

(3)

- The ombudsman, in consultation with the (b)1. secretary and the state ombudsman council, shall submit to the Governor a list of at least eight names of persons who are not serving on a local council.
- The Governor shall appoint three members chosen from the list, at least one of whom must be over 60 years of age.

3

4

5

6 7

8

9 10

11 12

13

14

15

16

17

18

19

20 21

22

23 24

25

26 27

28

29 30

31

Amendment No. ___ (for drafter's use only)

If the Governor's appointments are not made within 60 days after the ombudsman submits the list, the ombudsman, in consultation with the secretary State Long-Term Care Ombudsman Council, shall appoint three members, one of whom must be over 60 years of age.

Section 5. Subsection (1) of section 400.0071, Florida Statutes, is amended to read:

400.0071 Complaint procedures.--

(1) The state ombudsman council shall recommend to the ombudsman and the secretary establish state and local procedures for receiving complaints against a nursing home or long-term care facility or its employee. The procedures shall be implemented after the approval of the ombudsman and the secretary.

Section 6. Subsections (1) and (2) of section 400.0087, Florida Statutes, are amended to read:

400.0087 Agency oversight .--

- The Department of Elderly Affairs shall monitor the local ombudsman councils responsible for carrying out the duties delegated by s. 400.0069 and federal law. department, in consultation with the ombudsman and the State Long-Term Care Ombudsman Council, shall adopt rules to establish the policies and procedures for the monitoring of local ombudsman councils.
- (2) The department is responsible for ensuring that the Office of State Long-Term Care Ombudsman prepares its annual report; provides information to public and private agencies, legislators, and others; provides appropriate training to representatives of the office or of the state or local long-term care ombudsman councils; and coordinates ombudsman services with the Advocacy Center for Persons with

Amendment No. ___ (for drafter's use only)

Disabilities and with providers of legal services to residents 2 of long-term care facilities in compliance with state and 3 federal laws. 4 Section 7. Section 400.0089, Florida Statutes, is 5 amended to read: 400.0089 Agency reports. -- The State Long-Term Care 6 7 Ombudsman Council, shall, in cooperation with the Department of Elderly Affairs shall, maintain a statewide uniform 8 9 reporting system to collect and analyze data relating to 10 complaints and conditions in long-term care facilities and to residents, for the purpose of identifying and resolving 11 12 significant problems. The State Long-Term Care Ombudsman 13 Council shall submit such data as part of its annual report required pursuant to s. 400.0067(2)(q) to the Agency for 14 15 Health Care Administration, the Department of Children and 16 Family Services, the Florida Statewide Advocacy Council, the 17 Advocacy Center for Persons with Disabilities, the 18 Commissioner for the United States Administration on Aging, the National Ombudsman Resource Center, and any other state or 19 20 federal entities that the ombudsman determines appropriate. Section 8. Subsections (2) and (3) of section 21

400.0066, Florida Statutes, are repealed.

Section 9. Section 409.221, Florida Statutes, is created to read:

409.221 Consumer-directed care program.--

- SHORT TITLE. -- This section may be cited as the "Florida Consumer-Directed Care Act."
- (2) LEGISLATIVE FINDINGS. -- The Legislature finds that alternatives to institutional care, such as in-home and community-based care, should be encouraged. The Legislature finds that giving recipients of in-home and community-based

03/12/02

02:32 pm

22

23 24

25

26 27

28 29

30

31

3

4

5 6

7

8

9

10

11

12

13

14

15

16 17

18

19

20

21

22

23 24

25

26 27

28 29

30

31

Amendment No. ___ (for drafter's use only)

services the opportunity to select the services they need and the providers they want, including family and friends, enhances their sense of dignity and autonomy. The Legislature also finds that providing consumers choice and control, as tested in current research and demonstration projects, has been beneficial and should be developed further and implemented statewide.

- (3) LEGISLATIVE INTENT. -- It is the intent of the Legislature to nurture the autonomy of those citizens of the state, of all ages, who have disabilities by providing the long-term care services they need in the least restrictive, appropriate setting. It is the intent of the Legislature to give such individuals more choices in and greater control over the purchased long-term care services they receive.
 - (4) CONSUMER-DIRECTED CARE. --
- (a) Program established. -- The Agency for Health Care Administration shall establish the consumer-directed care program which shall be based on the principles of consumer choice and control. The agency shall implement the program upon federal approval. The agency shall establish interagency cooperative agreements with and shall work with the Departments of Elderly Affairs, Health, and Children and Family Services to implement and administer the program. The program shall allow enrolled persons to choose the providers of services and to direct the delivery of services, to best meet their long-term care needs. The program must operate within the funds appropriated by the Legislature.
- (b) Eligibility and enrollment.--Persons who are enrolled in one of the Medicaid home and community-based waiver programs and are able to direct their own care, or to designate an eligible representative, may choose to

2

3

4

5

6

7

8

10

11

12

13

14 15

16 17

18

19

20

21

22

2324

25

2627

2829

participate	in	the	consumer-directed	care	program.
Poil of office			0011200000	O 0 O	P-03-0

- (c) Definitions.--For purposes of this section, the
 term:
- 1. "Budget allowance" means the amount of money made available each month to a consumer to purchase needed long-term care services, based on the results of a functional needs assessment.
- 2. "Consultant" means an individual who provides technical assistance to consumers in meeting their responsibilities under this section.
- 3. "Consumer" means a person who has chosen to participate in the program, has met the enrollment requirements, and has received an approved budget allowance.
- 4. "Fiscal intermediary" means an entity approved by the agency that helps the consumer manage the consumer's budget allowance, retains the funds, processes employment information, if any, and tax information, reviews records to ensure correctness, writes paychecks to providers, and delivers paychecks to the consumer for distribution to providers and caregivers.
 - 5. "Provider" means:
- a. A person licensed or otherwise permitted to render services eligible for reimbursement under this program for whom the consumer is not the employer of record; or
- $\underline{\text{b. A consumer-employed caregiver for whom the consumer}}$ is the employer of record.
- 6. "Representative" means an uncompensated individual designated by the consumer to assist in managing the consumer's budget allowance and needed services.
- 30 (d) Budget allowances.--Consumers enrolled in the
 31 program shall be given a monthly budget allowance based on the

Amendment No. ___ (for drafter's use only)

results of their assessed functional needs and the financial resources of the program. Consumers shall receive the budget allowance directly from an agency-approved fiscal intermediary. Each department shall develop purchasing guidelines, approved by the agency, to assist consumers in using the budget allowance to purchase needed, cost-effective services.

- (e) Services.--Consumers shall use the budget allowance only to pay for home and community-based services that meet the consumer's long-term care needs and are a cost-efficient use of funds. Such services may include, but are not limited to, the following:
 - 1. Personal care.
- 2. Homemaking and chores, including housework, meals, shopping, and transportation.
- 3. Home modifications and assistive devices which may increase the consumer's independence or make it possible to avoid institutional placement.
 - 4. Assistance in taking self-administered medication.
- 5. Day care and respite care services, including those provided by nursing home facilities pursuant to s. 400.141(6) or by adult day care facilities licensed pursuant to s. 400.554.
- <u>6. Personal care and support services provided in an assisted living facility.</u>
- (f) Consumer roles and responsibilities.--Consumers shall be allowed to choose the providers of services, as well as when and how the services are provided. Providers may include a consumer's neighbor, friend, spouse, or relative.
- 1. In cases where a consumer is the employer of record, the consumer's roles and responsibilities include, but

1	are not limited to, the following:
2	a. Developing a job description.
3	b. Selecting caregivers and submitting information for
4	the background screening as required in s. 435.05.
5	c. Communicating needs, preferences, and expectations
6	about services being purchased.
7	d. Providing the fiscal intermediary with all
8	information necessary for provider payments and tax
9	requirements.
10	e. Ending the employment of an unsatisfactory
11	caregiver.
12	2. In cases where a consumer is not the employer of
13	record, the consumer's roles and responsibilities include, but
14	are not limited to, the following:
15	a. Communicating needs, preferences, and expectations
16	about services being purchased.
17	b. Ending the services of an unsatisfactory provider.
18	c. Providing the fiscal agent with all information
19	necessary for provider payments and tax requirements.
20	(g) Agency and departments roles and
21	responsibilities The agency's and the departments' roles and
22	responsibilities include, but are not limited to, the
23	following:
24	1. Assessing each consumer's functional needs, helping
25	with the service plan, and providing ongoing assistance with
26	the service plan.
27	2. Offering the services of consultants who shall
28	provide training, technical assistance, and support to the
29	consumer.

03/12/02 02:32 pm

Approving fiscal intermediaries.

3. Completing the background screening for providers.

30

31

5

6

7

8

9

11

1213

14 15

16 17

18

19

20

2122

2324

25

2627

2829

30

31

] <u>-</u>	5.	Esta	ablishing	the	minimu	m qua	alific	ations	for	all
caregive	ers	and	providers	and	l being	the	final	arbit	er of	the
fitness	of	any	individua	al to	be a	care	giver	or pro	vider	<u>.</u>

- (h) Fiscal intermediary roles and
 responsibilities.--The fiscal intermediary's roles and
 responsibilities include, but are not limited to, the
 following:
 - 1. Providing recordkeeping services.
- 2. Retaining the consumer-directed care funds, processing employment and tax information, reviewing records to ensure correctness, writing paychecks to providers, and delivering paychecks to the consumer for distribution.
- (i) Background screening requirements.--All persons who render care under this section shall comply with the requirements of s. 435.05. Persons shall be excluded from employment pursuant to s. 435.06.
- 1. Persons excluded from employment may request an exemption from disqualification, as provided in s. 435.07.

 Persons not subject to certification or professional licensure may request an exemption from the agency. In considering a request for an exemption, the agency shall comply with the provisions of s. 435.07.
- 2. The agency shall, as allowable, reimburse consumer-employed caregivers for the cost of conducting background screening as required by this section.
- (j) Rules; federal waivers.--In order to implement
 this section:
- 1. The agency and the Departments of Elderly Affairs, Health, and Children and Family Services are authorized to adopt and enforce rules.
 - 2. The agency shall take all necessary action to

3

4

5

6

7

8

9 10

11

12

13

14 15

16 17

18

19

20

21 22

23 24

25

26 27

28 29

30

31

Amendment No. ___ (for drafter's use only)

ensure state compliance with federal regulations. The agency shall apply for any necessary federal waivers or waiver amendments needed to implement the program.

(k) Reviews and reports. -- The agency and the Departments of Elderly Affairs, Health, and Children and Family Services shall each, on an ongoing basis, review and assess the implementation of the consumer-directed care program. By January 15 of each year, the agency shall submit a written report to the Legislature that includes each department's review of the program and contains recommendations for improvements to the program.

Section 10. (1) Prior to December 1, 2002, the Agency for Health Care Administration in consultation with the Department of Elderly Affairs shall submit to the Governor, the President of the Senate, and the Speaker of the House of Representatives a plan to reduce the number of nursing home bed days purchased by the state Medicaid program and to replace such nursing home care with care provided in less costly alternative settings.

- The plan must include specific goals for reducing Medicaid-funded bed days and recommend specific statutory and operational changes necessary to achieve such reduction.
- The plan must include an evaluation of the cost-effectiveness and the relative strengths and weaknesses of programs that serve as alternatives to nursing homes.

Section 11. Paragraph (d) of subsection (5) of section 400.179, Florida Statutes, is amended to read:

400.179 Sale or transfer of ownership of a nursing facility; liability for Medicaid underpayments and overpayments. --

(5) Because any transfer of a nursing facility may

2 3

4

5

6 7

8

9 10

11 12

13

14

15

16 17

18

19 20

21 22

23 24

25

26 27

28

29 30

31

Amendment No. ___ (for drafter's use only)

expose the fact that Medicaid may have underpaid or overpaid the transferor, and because in most instances, any such underpayment or overpayment can only be determined following a formal field audit, the liabilities for any such underpayments or overpayments shall be as follows:

- (d) Where the transfer involves a facility that has been leased by the transferor:
- The transferee shall, as a condition to being issued a license by the agency, acquire, maintain, and provide proof to the agency of a bond with a term of 30 months, renewable annually, in an amount not less than the total of 3 months Medicaid payments to the facility computed on the basis of the preceding 12-month average Medicaid payments to the facility.
- The leasehold operator may meet the bond requirement through other arrangements acceptable to the department.
- 3. All existing nursing facility licensees, operating the facility as a leasehold, shall acquire, maintain, and provide proof to the agency of the 30-month bond required in subparagraph 1., above, on and after July 1, 1993, for each license renewal.
- 4. It shall be the responsibility of all nursing facility operators, operating the facility as a leasehold, to renew the 30-month bond and to provide proof of such renewal to the agency annually at the time of application for license renewal.
- Any failure of the nursing facility operator to acquire, maintain, renew annually, or provide proof to the agency shall be grounds for the agency to deny, cancel, revoke, or suspend the facility license to operate such

Amendment No. ___ (for drafter's use only)

facility and to take any further action, including, but not limited to, enjoining the facility, asserting a moratorium, or applying for a receiver, deemed necessary to ensure compliance with this section and to safeguard and protect the health, safety, and welfare of the facility's residents.

6 7

8

9 10

11

12

13

14 15

16

17

18

19 20

21 22

23

24

25

26 27

28

29 30

2

3

4

5

However, notwithstanding any provision of this section to the contrary, a lease agreement required as a condition of bond financing or refinancing under s. 154.213 by a health facilities authority or under s. 159.30 by a county or municipality is not considered to be a leasehold and, therefore, is not subject to the bond requirements of this paragraph.

Section 12. Section 408.034, Florida Statutes, is amended to read:

408.034 Duties and responsibilities of agency; rules.--

- The agency is designated as the single state (1)agency to issue, revoke, or deny certificates of need and to issue, revoke, or deny exemptions from certificate-of-need review in accordance with the district plans and present and future federal and state statutes. The agency is designated as the state health planning agency for purposes of federal law.
- (2) In the exercise of its authority to issue licenses to health care facilities and health service providers, as provided under chapters 393, 395, and parts II and VI of chapter 400, the agency may not issue a license to any health care facility, health service provider, hospice, or part of a health care facility which fails to receive a certificate of need or an exemption for the licensed facility or service.

3

4

5

6

7

8

9 10

11 12

13

14

15

16 17

18

19 20

21

22

23 24

25

26 27

28 29

30

31

Amendment No. ___ (for drafter's use only)

- (3) The agency shall establish, by rule, uniform need methodologies for health services and health facilities. In developing uniform need methodologies, the agency shall, at a minimum, consider the demographic characteristics of the population, the health status of the population, service use patterns, standards and trends, geographic accessibility, and market economics.
- (4) Prior to determining that there is a need for additional community nursing facility beds in any area of the state, the agency shall determine that the need cannot be met through the provision, enhancement, or expansion of home and community-based services. In determining such need, the agency shall examine nursing home placement patterns and demographic patterns of persons entering nursing homes and the availability of and effectiveness of existing home-based and community-based service delivery systems at meeting the long-term care needs of the population. The agency shall recommend to the Office of Long-Term Care Policy changes that could be made to existing home-based and community-based delivery systems to lessen the need for additional nursing facility beds.
- (5) (4) The agency shall establish by rule a nursing-home-bed-need methodology that reduces the community nursing home bed need for the areas of the state where the agency establishes pilot community diversion programs through the Title XIX aging waiver program.
- (6) The agency may adopt rules necessary to implement ss. 408.031-408.045.
- Section 13. Present subsections (13) through (39) of section 409.912, Florida Statutes, are renumbered as subsections (14) through (40), respectively, and subsection

03/12/02

02:32 pm

3

4

5

6 7

8 9

10

11 12

13

14 15

16

17

18

19 20

21 22

23

24

25

26 27

28 29

30

31

Amendment No. ___ (for drafter's use only)

(13) is added to said section, to read:

409.912 Cost-effective purchasing of health care. -- The agency shall purchase goods and services for Medicaid recipients in the most cost-effective manner consistent with the delivery of quality medical care. The agency shall maximize the use of prepaid per capita and prepaid aggregate fixed-sum basis services when appropriate and other alternative service delivery and reimbursement methodologies, including competitive bidding pursuant to s. 287.057, designed to facilitate the cost-effective purchase of a case-managed continuum of care. The agency shall also require providers to minimize the exposure of recipients to the need for acute inpatient, custodial, and other institutional care and the inappropriate or unnecessary use of high-cost services. The agency may establish prior authorization requirements for certain populations of Medicaid beneficiaries, certain drug classes, or particular drugs to prevent fraud, abuse, overuse, and possible dangerous drug interactions. The Pharmaceutical and Therapeutics Committee shall make recommendations to the agency on drugs for which prior authorization is required. The agency shall inform the Pharmaceutical and Therapeutics Committee of its decisions regarding drugs subject to prior authorization.

(13)(a) The agency shall operate the Comprehensive Assessment and Review (CARES) nursing facility preadmission screening program to ensure that Medicaid payment for nursing facility care is made only for individuals whose conditions require such care and to ensure that long-term care services are provided in the setting most appropriate to the needs of the person and in the most economical manner possible. The

03/12/02

02:32 pm

Amendment No. ____ (for drafter's use only)

in Medicaid home and community-based waiver programs meet criteria for those programs, consistent with approved federal waivers.

- (b) The agency may operate the CARES program using its own staff or may contract with another state agency or other provider. If the agency contracts for the operation of the program, the agency must maintain policy control of all operations of the program, including the criteria applied and forms used, and perform regular monitoring to ensure effective and efficient operation of the program and ensure that the operation of the program is consistent with state and federal law and rules.
- (c) The agency shall develop performance standards for the CARES program.
- (d) Prior to making payment for nursing facility services for a Medicaid recipient, the agency must verify that the nursing facility preadmission screening program has determined that the individual requires nursing facility care and that the individual cannot be safely served in community-based programs. The nursing facility preadmission screening program shall refer a Medicaid recipient to a community-based program if the individual could be safely served at a lower cost and the recipient chooses to participate in such program.
- (e) By January 1 of each year, the agency shall submit a report to the Legislature and the Office of Long-Term Care Policy describing the operations of the CARES program. The report must describe:
- 1. Rate of diversion to community alternative programs.
 - 2. CARES program staffing needs to achieve additional

diversions.

1 2

3

4

5

6

7

8

9

10

11 12

13

14

15

16 17

18

19 20

21

22 23

24

25

26 27

28 29

30

- 3. Reasons the program is unable to place individuals in less restrictive settings when such individuals desired such services and could have been served in such settings.
- 4. Barriers to appropriate placement, including barriers due to policies or operations of other agencies or state-funded programs.
- 5. Statutory changes necessary to ensure that individuals in need of long-term care services receive care in the least restrictive environment.

Section 14. Section 430.03, Florida Statutes, is amended to read:

- 430.03 Purposes.--The purposes of the Department of Elderly Affairs are to:
- (1) Serve as the primary state agency responsible for administering human services programs for the elderly and for developing policy recommendations for long-term care.
- Combat ageism and create public awareness and understanding of the potentials and needs of elderly persons.
- Study and plan for programs and services to meet identified and projected needs and to provide opportunities for personal development and achievement of persons aged 60 years and older.
- (4) Advocate quality programs and services for the state's elderly population and on behalf of the individual citizen's needs.
- (5) Coordinate interdepartmental policy development and program planning for all state agencies that provide services for the elderly population in order to prevent duplicative efforts, to maximize utilization of resources, and

to ensure cooperation, communication, and departmental

Amendment No. ___ (for drafter's use only)

-			,					
+	7	n	ĸ	а	а	0	S	_

population.

citizens.

2 3 models for the planning, coordination, implementation, and

4

1

5 6

7 8

9 10

11 12

13 14

15 16 17

18 19

20 21

22 23 24

25 26

27 28

29 30

intensive care.

03/12/02 02:32 pm

institutionalization of elderly persons by promoting

(13) Aid in the support of families and other

community-based care, home-based care, or other forms of less

(8)(10) Assist elderly persons to secure needed services in accordance with personal choice and in a manner that achieves or maintains autonomy and prevents, reduces, or eliminates dependency. (9) (11) Promote the maintenance and improvement of the physical well-being and mental health of elderly persons. (10)(12) Promote opportunities for volunteerism among the elderly population. $(11)\frac{(13)}{(13)}$ Promote the prevention of neglect, abuse, or exploitation of elderly persons unable to protect their own interests. (12)(14) Eliminate and prevent inappropriate

(6) Recommend state and local level organizational

(5) (7) Oversee implementation of federally funded and

evaluation of programs serving the elderly population.

state-funded programs and services for the state's elderly

(6)(8) Recommend legislative budget requests for

programs and services for the state's elderly population.

clearinghouse and encourage the development of local-level

identifiable points of information and referral regarding all

federal, state, and local resources of assistance to elderly

(7) Serve as a state-level information

caregivers of elderly persons.

3

4

5 6

7

8

9

10

11 12

13

14

15

16

17

18

19 20

21

22

23 24

25

26 27

28

29

30

31

Amendment No. ___ (for drafter's use only)

(14)(16) Promote intergenerational relationships.

(17) Oversee aging research conducted or funded by any state agency to ensure that such activities are coordinated and directed to fulfill the intent and purposes of this act.

Section 15. Section 430.04, Florida Statutes, is amended to read:

430.04 Duties and responsibilities of the Department of Elderly Affairs. -- The Department of Elderly Affairs shall:

- (1) Administer human services and long-term care programs, including programs funded under the federal Older Americans Act of 1965, as amended, and other programs that are assigned to it by law.
- (2) Be responsible for ensuring that each area agency on aging operates in a manner to ensure that the elderly of this state receive the best services possible. The department shall rescind designation of an area agency on aging or take intermediate measures against the agency, including corrective action, unannounced special monitoring, temporary assumption of operation of one or more programs by the department, placement on probationary status, imposing a moratorium on agency action, imposing financial penalties for nonperformance, or other administrative action pursuant to chapter 120, if the department finds that:
- (a) An intentional or negligent act of the agency has materially affected the health, welfare, or safety of clients, or substantially and negatively affected the operation of an aging services program.
- The agency lacks financial stability sufficient to (b) meet contractual obligations or that contractual funds have been misappropriated.
 - The agency has committed multiple or repeated

3

4

5

6 7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

2223

24

25

2627

2829

30

31

Amendment No. ___ (for drafter's use only)

violations of legal and regulatory requirements or department standards.

- (d) The agency has failed to continue the provision or expansion of services after the declaration of a state of emergency.
- (e) The agency has failed to adhere to the terms of its contract with the department.
- (f) The agency has failed to implement and maintain a department-approved client grievance resolution procedure.
- (3) Prepare and submit the state plan as required by the United States Administration on Aging. to the Governor, each Cabinet member, the President of the Senate, the Speaker of the House of Representatives, the minority leaders of the House and Senate, and chairpersons of appropriate House and Senate committees a master plan for policies and programs in the state related to aging. The plan must identify and assess the needs of the elderly population in the areas of housing, employment, education and training, medical care, long-term care, preventive care, protective services, social services, mental health, transportation, and long-term care insurance, and other areas considered appropriate by the department. plan must assess the needs of particular subgroups of the population and evaluate the capacity of existing programs, both public and private and in state and local agencies, to respond effectively to identified needs. If the plan recommends the transfer of any program or service from the Department of Children and Family Services to another state department, the plan must also include recommendations that provide for an independent third-party mechanism, as currently exists in the Florida advocacy councils established in ss. 402.165 and 402.166, for protecting the constitutional and

Amendment No. ___ (for drafter's use only)

human rights of recipients of departmental services. The plan must include policy goals and program strategies designed to respond efficiently to current and projected needs. The plan must also include policy goals and program strategies to promote intergenerational relationships and activities.

Public hearings and other appropriate processes shall be utilized by the department to solicit input for the development and updating of the master plan from parties including, but not limited to, the following:

- (a) Elderly citizens and their families and caregivers.
- (b) Local-level public and private service providers, advocacy organizations, and other organizations relating to the elderly.
 - (c) Local governments.
- (d) All state agencies that provide services to the elderly.
 - (e) University centers on aging.
- (f) Area agency on aging and community care for the elderly lead agencies.
- (4) Serve as an information clearinghouse at the state level, and assist local-level information and referral resources as a repository and means for dissemination of information regarding all federal, state, and local resources for assistance to the elderly in the areas of, but not limited to, health, social welfare, long-term care, protective services, consumer protection, education and training, housing, employment, recreation, transportation, insurance, and retirement.
- (5) Recommend guidelines for the development of roles for state agencies that provide services for the aging, review

8

9

11 12

13

14 15

16

17

18

19

20

21

22

2324

25

2627

2829

30

31

plans of agencies that provide such services, and relay these
plans to the Governor, each Cabinet member, the President of
the Senate, the Speaker of the House of Representatives, the
minority leaders of the House and Senate, and chairpersons of
appropriate House and Senate committees.

- (6) Recommend to the Governor, each Cabinet member, the President of the Senate, the Speaker of the House of Representatives, the minority leaders of the House and Senate, and chairpersons of appropriate House and Senate committees an organizational framework for the planning, coordination, implementation, and evaluation of programs related to aging, with the purpose of expanding and improving programs and opportunities available to the state's elderly population and enhancing a continuum of long-term care. This framework must assure that:
 - (a) Performance objectives are established.
 - (b) Program reviews are conducted statewide.
- (c) Each major program related to aging is reviewed every 3 years.
- (d) Agency budget requests reflect the results and recommendations of such program reviews.
- (e) Program decisions lead to the distinctive roles established for state agencies that provide aging services.
- (7) Advise the Governor, each Cabinet member, the President of the Senate, the Speaker of the House of Representatives, the minority leaders of the House and Senate, and the chairpersons of appropriate House and Senate committees regarding the need for and location of programs related to aging.
- (8) Review and coordinate aging research plans of all state agencies to ensure the conformance of research

03/12/02 02:32 pm

Amendment No. ___ (for drafter's use only)

objectives to issues and needs addressed in the master plan for policies and programs related to aging. The research activities that must be reviewed and coordinated by the department include, but are not limited to, contracts with academic institutions, development of educational and training curriculums, Alzheimer's disease and other medical research, studies of long-term care and other personal assistance needs, and design of adaptive or modified living environments.

- (9) Review budget requests for programs related to aging for compliance with the master plan for policies and programs related to aging before submission to the Governor and the Legislature.
- (10) Update the master plan for policies and programs related to aging every 3 years.
- (11) Review implementation of the master plan for programs and policies related to aging and annually report to the Governor, each Cabinet member, the President of the Senate, the Speaker of the House of Representatives, the minority leaders of the House and Senate, and the chairpersons of appropriate House and Senate committees the progress towards implementation of the plan.
- (12) Request other departments that administer programs affecting the state's elderly population to amend their plans, rules, policies, and research objectives as necessary to conform with the master plan for policies and programs related to aging.
- (5)(13) Hold public meetings regularly throughout the state for purposes of receiving information and maximizing the visibility of important issues.
- (6)(14) Conduct policy analysis and program evaluation studies assigned by the Legislature.

3

4

5 6

7

8 9

10

11 12

13

14 15

16

17

18

19

20

21

22

23 24

25

26 27

28

29 30

31

Amendment No. ___ (for drafter's use only)

(7)(15) Assist the Governor, each Cabinet member, the President of the Senate, the Speaker of the House of Representatives, the minority leaders of the House and Senate, and the chairpersons of appropriate House and Senate committees in the conduct of their responsibilities in such capacities as they consider appropriate.

(8)(16) Call upon appropriate agencies of state government for such assistance as is needed in the discharge of its duties. All agencies shall cooperate in assisting the department in carrying out its responsibilities as prescribed by this section. However, no provision of law with respect to confidentiality of information may be violated.

Section 16. Section 430.041, Florida Statutes, is created to read:

430.041 Office of Long-Term Care Policy.--

- (1) There is established within the Department of Elderly Affairs the Office of Long-Term Care Policy to analyze the state's long-term care system and increase the availability and the use of noninstitutional settings to provide care to the elderly and to ensure coordination among the agencies responsible for the long-term care continuum. The Department of Elderly Affairs shall provide administrative support and service to the Office of Long-Term Care Policy. The office is not subject to control, supervision, or direction by the Department of Elderly Affairs in the performance of its duties.
 - The Office of Long-Term Care Policy shall:
- (a) Ensure close communication and coordination among state agencies involved in developing and administering a more efficient and coordinated long-term care service delivery system in this state.

5

6

7

8

10

11

12

13

14

15

16

17

18

19

20

21

22

2324

2526

27

2829

30

31

(b)	Ensure that state agencies involved in developing
long-term	care policy have considered the preferences of
consumers,	, providers, and local elected officials.
(c)	Study and plan for programs to meet identified and
projected	needs of people who need long-term care.

- (d) Develop a State Long-Term Care Plan and policy recommendations to ensure that appropriate long-term care is available in institutional and community-based settings.
- (e) Update the State Long-Term Care Plan every 3 years.
- (f) Recommend state and local organizational models

 for the planning, coordination, implementation, and evaluation
 of programs serving people with long-term care needs.
- (g) Make recommendations to agencies for budget requests for long-term care programs to ensure consistency with the State Long-Term Care Plan.
- (h) Develop and recommend strategies for ensuring compliance with all federal requirements regarding access to and choice of services and providers.
- (i) Identify duplication and unnecessary service provision in the long-term care system and make recommendations to decrease inappropriate service provision.
- (j) Make recommendations to increase consistency in administering the state's long-term care programs.
- (k) Ensure regular periodic evaluations of all programs providing long-term care services to determine whether the programs are cost-effective, of high quality, operating efficiently, and consistent with state policy.
- (1) Monitor characteristics of people applying for and entering institutional and community-based long-term care, and changes to these characteristics over time, to determine the

3 4

5

6

7

8

9

11

12

13

14

15

16 17

18

19

2021

22

2324

25

26

27

2829

30

31

Amendment No. ____ (for drafter's use only)

reasons and causes for changing levels of state expenditures and to determine services that the state's system of community-based care could provide to lessen the need for facility-based care.

- (m) Recommend changes to the preadmission screening system of state nursing homes to ensure that individuals in need of long-term care are served in settings most appropriate to their needs.
- (n) Recommend mechanisms to encourage families and other caregivers to assist people in need of long-term care services to remain as independent as possible.
- (o) Analyze waiting lists for long-term care services and recommend strategies to reduce the time applicants wait for services.
- (p) Oversee research on aging conducted or funded by any state agency to ensure that such research is coordinated and directed to fulfill the intent and purposes of this act.
- (3) The director of the Office of Long-Term Care

 Policy shall be appointed by and serve at the pleasure of the

 Governor. The director of the Office of Long-Term Care Policy
 shall report to the Governor.
- (4) The Office of Long-Term Care Policy shall have an advisory board, whose chair is to be selected by the board. The board shall consist of:
- $\underline{\mbox{(a)}}$ A member of the Senate, appointed by the President of the Senate.
- (b) A member of the House of Representatives, appointed by the Speaker of the House of Representatives.
 - (c) The Secretary of Health Care Administration.
 - (d) The Secretary of Elderly Affairs.
 - (e) The state Medicaid Director.

03/12/02

02:32 pm

4

5

6

7

8

9 10

11

12

13

14 15

16 17

18

19

20

21 22

23

24

25

26 27

28 29

30

31

Amendment No. ___ (for drafter's use only)

<u>(f)</u>	T_{N}	o repres	sentatives	of	provid	ders	of	long-term	care
services	for	elderly	persons,	appo	ointed	by	the	Governor.	

- (g) Two representatives of people receiving long-term care services, appointed by the Governor from groups representing elderly persons.
- (5) Members of the advisory board shall serve without compensation, but are entitled to receive reimbursement for travel and per diem as provided in s. 112.061.
- (6) The advisory board shall meet at least monthly or more often at the call of its chair or at the request of a majority of its members.
- (7) The office shall submit a report of its policy, legislative, and funding recommendations to the Governor and the Legislature by January 1 of each year.
- (8) Personnel who are solely under the direction of the Office of Long-Term Care Policy shall be provided by the Agency for Health Care Administration and the Department of Elderly Affairs. The office shall call upon appropriate agencies of state government, including the centers on aging in the State University System, for assistance needed in discharging its duties. All agencies shall assist the office in carrying out its responsibilities prescribed by this section.

Section 17. Section 430.7031, Florida Statutes, is created to read:

- 430.7031 Nursing home transition program. -- The department and the Agency for Health Care Administration:
- (1) Shall implement a system of care designed to assist individuals residing in nursing homes to regain independence and to move to less costly settings.
 - Shall collaboratively work to identify long-stay

Amendment No. ___ (for drafter's use only)

nursing home residents who are able to move to community placements, and to provide case management and supportive services to such individuals while they are in nursing homes to assist such individuals in moving to less expensive and less restrictive settings.

- (3) Shall modify existing service delivery systems or develop new service delivery systems to economically and efficiently meet such individuals' care needs.
- (4) Shall offer such individuals priority placement and services in all home-based and community-based care programs, and shall ensure that funds are available to provide services to individuals to whom services are offered.
- (5) May seek federal waivers necessary to administer this section.

Section 18. Subsection (4) of section 409.908, Florida Statutes, is amended to read:

409.908 Reimbursement of Medicaid providers.--Subject to specific appropriations, the agency shall reimburse Medicaid providers, in accordance with state and federal law, according to methodologies set forth in the rules of the agency and in policy manuals and handbooks incorporated by reference therein. These methodologies may include fee schedules, reimbursement methods based on cost reporting, negotiated fees, competitive bidding pursuant to s. 287.057, and other mechanisms the agency considers efficient and effective for purchasing services or goods on behalf of recipients. Payment for Medicaid compensable services made on behalf of Medicaid eligible persons is subject to the availability of moneys and any limitations or directions provided for in the General Appropriations Act or chapter 216. Further, nothing in this section shall be construed to prevent

3

4

5

6

7

8

9

10

11 12

13

14 15

16 17

18

19

20

21

22

23 24

25

26 27

28

29 30

31

Amendment No. ___ (for drafter's use only)

or limit the agency from adjusting fees, reimbursement rates, lengths of stay, number of visits, or number of services, or making any other adjustments necessary to comply with the availability of moneys and any limitations or directions provided for in the General Appropriations Act, provided the adjustment is consistent with legislative intent.

(4) Subject to any limitations or directions provided for in the General Appropriations Act, alternative health plans, health maintenance organizations, and prepaid health plans shall be reimbursed a fixed, prepaid amount negotiated, or competitively bid pursuant to s. 287.057, by the agency and prospectively paid to the provider monthly for each Medicaid recipient enrolled. The amount may not exceed the average amount the agency determines it would have paid, based on claims experience, for recipients in the same or similar category of eligibility. The agency shall calculate capitation rates on a regional basis and, beginning September 1, 1995, shall include age-band differentials in such calculations. Effective July 1, 2001, the cost of exempting statutory teaching hospitals, specialty hospitals, and community hospital education program hospitals from reimbursement ceilings and the cost of special Medicaid payments shall not be included in premiums paid to health maintenance organizations or prepaid health care plans. Each rate semester, the agency shall calculate and publish a Medicaid hospital rate schedule that does not reflect either special Medicaid payments or the elimination of rate reimbursement ceilings, to be used by hospitals and Medicaid health maintenance organizations, in order to determine the Medicaid rate referred to in ss. 409.912(17)409.912(16), 409.9128(5), and 641.513(6).

03/12/02

02:32 pm

3

4

5

6 7

8

9 10

11

12

13

14

15

16 17

18

19 20

21

22

23 24

25

26 27

28 29

30

31

Amendment No. ___ (for drafter's use only)

Section 19. Section 430.708, Florida Statutes, is amended to read:

430.708 Certificate of need. -- To ensure that Medicaid community diversion pilot projects result in a reduction in the projected average monthly nursing home caseload, the agency shall, in accordance with the provisions of s. 408.034(5) s. 408.034(4):

- (1) Reduce the projected nursing home bed need in each certificate-of-need batching cycle in the community diversion pilot project areas.
- (2) Reduce the conditions imposed on existing nursing homes or those to be constructed, in accordance with the number of projected community diversion slots.
- (3) Adopt rules to reduce the number of beds in Medicaid-participating nursing homes eligible for Medicaid, through a Medicaid-selective contracting process or some other appropriate method.
- (4) Determine the feasibility of increasing the nursing home occupancy threshold used in determining nursing home bed needs under the certificate-of-need process.

Section 20. Section 627.9408, Florida Statutes, is amended to read:

627.9408 Rules.--

- (1) The department has authority to adopt rules pursuant to ss. 120.536(1) and 120.54 to implement the provisions of this part.
- (2) The department may adopt by rule the provisions of the Long-Term Care Insurance Model Regulation adopted by the National Association of Insurance Commissioners in the second quarter of the year 2000 which are not in conflict with the Florida Insurance Code.

Amendment No. ___ (for drafter's use only)

```
1
           Section 21. Subsection (4) of section 641.386, Florida
2
   Statutes, is amended to read:
3
           641.386 Agent licensing and appointment required;
4
   exceptions . --
5
           (4) All agents and health maintenance organizations
6
   shall comply with and be subject to the applicable provisions
7
   of ss. 641.309 and 409.912(19)409.912(18), and all companies
8
   and entities appointing agents shall comply with s. 626.451,
9
   when marketing for any health maintenance organization
10
   licensed pursuant to this part, including those organizations
   under contract with the Agency for Health Care Administration
11
12
   to provide health care services to Medicaid recipients or any
13
   private entity providing health care services to Medicaid
14
   recipients pursuant to a prepaid health plan contract with the
15
   Agency for Health Care Administration.
16
           Section 22. This act shall take effect July 1, 2002.
17
18
   ======= T I T L E
                                 A M E N D M E N T ========
19
20
   And the title is amended as follows:
21
   remove: the entire title
22
23
   and insert:
24
                        A bill to be entitled
25
           An act relating to long-term care; amending s.
           20.41, F.S.; providing for administration of
26
27
           the State Long-Term Care Ombudsman Council by
           the Department of Elderly Affairs; amending s.
28
           400.0063, F.S.; locating the Office of the
29
30
           State Long-Term Care Ombudsman in the
31
           department; providing for appointment of the
```

ombudsman by the Secretary of Elderly Affairs; 1 2 amending s. 400.0065, F.S.; requiring the 3 secretary's approval of staff for the local 4 ombudsman councils; deleting requirement that 5 the ombudsman prepare an annual legislative budget request; revising rulemaking authority; 6 7 amending s. 400.0067, F.S.; revising duties of the State Long-Term Care Ombudsman Council; 8 providing duties of the department and 9 10 secretary; amending s. 400.0071, F.S.; revising 11 procedures relating to complaints; amending s. 12 400.0087, F.S.; revising provisions relating to 13 agency oversight; amending s. 400.0089, F.S.; revising reporting responsibilities; repealing 14 15 s. 400.0066(2) and (3), F.S., relating to administrative support for the ombudsman 16 17 program and interference with ombudsman staff or volunteers; creating s. 409.221, F.S.; 18 creating the "Florida Consumer-Directed Care 19 20 Act"; providing legislative findings; providing legislative intent; establishing the 21 22 consumer-directed care program; providing for consumer selection of certain long-term care 23 24 services and providers; providing for 25 interagency agreements between the Agency for Health Care Administration and the Department 26 27 of Elderly Affairs, the Department of Health, and the Department of Children and Family 28 29 Services; providing for program eligibility and 30 enrollment; providing definitions; providing 31 for consumer budget allowances and purchasing

3

4

5

6 7

8

9 10

11 12

13

14 15

16

17

18

19

20

21

22

23 24

25

26 27

28

29 30

31

Amendment No. ___ (for drafter's use only)

guidelines; specifying authorized services; providing roles and responsibilities of consumers, the agency and departments, and fiduciary intermediaries; providing background screening requirements for persons who render care under the program; providing rulemaking authority of the agency and departments; requiring the agency to apply for federal waivers as necessary; requiring ongoing program reviews and annual reports; requiring the Agency for Health Care Administration and the Department of Elderly Affairs to submit a plan to the Governor and Legislature for reducing nursing home bed days funded under the Medicaid program; amending s. 400.179, F.S.; providing an exception from a bond requirement for certain mortgage arrangements; amending s. 408.034, F.S.; providing additional requirements for the Agency for Health Care Administration in determining the need for additional nursing facility beds; amending s. 409.912, F.S.; requiring the Agency for Health Care Administration to establish a nursing facility preadmission screening program; authorizing the agency to operate the program by contract; requiring an annual report to the Legislature and the Office of Long-Term Care Policy; amending s. 430.03, F.S.; revising the purposes of the Department of Elderly Affairs with respect to developing policy, making recommendations, coordinating activities, and

3

4

5

6 7

8

9

11 12

13

14 15

16

17

18

19

20

21

22

2324

25

2627

28

2930

31

Amendment No. ___ (for drafter's use only)

overseeing research; amending s. 430.04, F.S.; revising the duties of the Department of Elderly Affairs with respect to developing programs and policies related to aging; creating s. 430.041, F.S.; establishing the Office of Long-Term Care Policy within the Department of Elderly Affairs; requiring the office to develop a State Long-Term Care Plan; requiring the office to make recommendations for coordinating the services provided by state agencies; providing for appointment of the director of the Office of Long-Term Care Policy; providing for the appointment of an advisory board to the Office of Long-Term Care Policy; specifying membership in the advisory board; providing for reimbursement of per diem and travel expenses for members of the advisory board; requiring that the office submit an annual report to the Governor and Legislature; requiring the Agency for Health Care Administration and the Department of Elderly Affairs to provide staff and support services for the Office of Long-Term Care Policy; creating s. 430.7031, F.S.; requiring the Department of Elderly Affairs and the Agency for Health Care Administration to implement a nursing home transition program; providing requirements for the program; amending ss. 409.908, 430.708, and 641.386, F.S., relating to reimbursement of Medicaid providers, certificates of need, and agent licensing and

appointment; conforming cross references to changes made by the act; amending s. 627.9408, F.S.; authorizing the department to adopt by rule certain provisions of the Long-Term Care Insurance Model Regulation, as adopted by the National Association of Insurance Commissioners; providing an effective date.