

Amendment No. 0001 (for drafter's use only)

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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The Council for Healthy Communities offered the following:

Amendment (with title amendment)

On page 7, between 17 and 18 of the bill

insert:

Section 2, Paragraph (f) of section 409.912(3) is amended 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

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1 agency may establish prior authorization requirements for
2 certain populations of Medicaid beneficiaries, certain drug
3 classes, or particular drugs to prevent fraud, abuse, overuse,
4 and possible dangerous drug interactions. The Pharmaceutical
5 and Therapeutics Committee shall make recommendations to the
6 agency on drugs for which prior authorization is required. The
7 agency shall inform the Pharmaceutical and Therapeutics
8 Committee of its decisions regarding drugs subject to prior
9 authorization.

10 (1) The agency may enter into agreements with
11 appropriate agents of other state agencies or of any agency of
12 the Federal Government and accept such duties in respect to
13 social welfare or public aid as may be necessary to implement
14 the provisions of Title XIX of the Social Security Act and ss.
15 409.901-409.920.

16 (2) The agency may contract with health maintenance
17 organizations certified pursuant to part I of chapter 641 for
18 the provision of services to recipients.

19 (3) The agency may contract with:

20 (a) An entity that provides no prepaid health care
21 services other than Medicaid services under contract with the
22 agency and which is owned and operated by a county, county
23 health department, or county-owned and operated hospital to
24 provide health care services on a prepaid or fixed-sum basis
25 to recipients, which entity may provide such prepaid services
26 either directly or through arrangements with other providers.
27 Such prepaid health care services entities must be licensed
28 under parts I and III by January 1, 1998, and until then are
29 exempt from the provisions of part I of chapter 641. An entity
30 recognized under this paragraph which demonstrates to the
31 satisfaction of the Department of Insurance that it is backed

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1 by the full faith and credit of the county in which it is
2 located may be exempted from s. 641.225.

3 (b) An entity that is providing comprehensive
4 behavioral health care services to certain Medicaid recipients
5 through a capitated, prepaid arrangement pursuant to the
6 federal waiver provided for by s. 409.905(5). Such an entity
7 must be licensed under chapter 624, chapter 636, or chapter
8 641 and must possess the clinical systems and operational
9 competence to manage risk and provide comprehensive behavioral
10 health care to Medicaid recipients. As used in this paragraph,
11 the term "comprehensive behavioral health care services" means
12 covered mental health and substance abuse treatment services
13 that are available to Medicaid recipients. The secretary of
14 the Department of Children and Family Services shall approve
15 provisions of procurements related to children in the
16 department's care or custody prior to enrolling such children
17 in a prepaid behavioral health plan. Any contract awarded
18 under this paragraph must be competitively procured. In
19 developing the behavioral health care prepaid plan procurement
20 document, the agency shall ensure that the procurement
21 document requires the contractor to develop and implement a
22 plan to ensure compliance with s. 394.4574 related to services
23 provided to residents of licensed assisted living facilities
24 that hold a limited mental health license. The agency must
25 ensure that Medicaid recipients have available the choice of
26 at least two managed care plans for their behavioral health
27 care services. The agency may reimburse for
28 substance-abuse-treatment services on a fee-for-service basis
29 until the agency finds that adequate funds are available for
30 capitated, prepaid arrangements.

31 1. By January 1, 2001, the agency shall modify the

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1 contracts with the entities providing comprehensive inpatient
2 and outpatient mental health care services to Medicaid
3 recipients in Hillsborough, Highlands, Hardee, Manatee, and
4 Polk Counties, to include substance-abuse-treatment services.

5 2. By December 31, 2001, the agency shall contract
6 with entities providing comprehensive behavioral health care
7 services to Medicaid recipients through capitated, prepaid
8 arrangements in Charlotte, Collier, DeSoto, Escambia, Glades,
9 Hendry, Lee, Okaloosa, Pasco, Pinellas, Santa Rosa, Sarasota,
10 and Walton Counties. The agency may contract with entities
11 providing comprehensive behavioral health care services to
12 Medicaid recipients through capitated, prepaid arrangements in
13 Alachua County. The agency may determine if Sarasota County
14 shall be included as a separate catchment area or included in
15 any other agency geographic area.

16 3. Children residing in a Department of Juvenile
17 Justice residential program approved as a Medicaid behavioral
18 health overlay services provider shall not be included in a
19 behavioral health care prepaid health plan pursuant to this
20 paragraph.

21 4. In converting to a prepaid system of delivery, the
22 agency shall in its procurement document require an entity
23 providing comprehensive behavioral health care services to
24 prevent the displacement of indigent care patients by
25 enrollees in the Medicaid prepaid health plan providing
26 behavioral health care services from facilities receiving
27 state funding to provide indigent behavioral health care, to
28 facilities licensed under chapter 395 which do not receive
29 state funding for indigent behavioral health care, or
30 reimburse the unsubsidized facility for the cost of behavioral
31 health care provided to the displaced indigent care patient.

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1 5. Traditional community mental health providers under
2 contract with the Department of Children and Family Services
3 pursuant to part IV of chapter 394 and inpatient mental health
4 providers licensed pursuant to chapter 395 must be offered an
5 opportunity to accept or decline a contract to participate in
6 any provider network for prepaid behavioral health services.

7 (c) A federally qualified health center or an entity
8 owned by one or more federally qualified health centers or an
9 entity owned by other migrant and community health centers
10 receiving non-Medicaid financial support from the Federal
11 Government to provide health care services on a prepaid or
12 fixed-sum basis to recipients. Such prepaid health care
13 services entity must be licensed under parts I and III of
14 chapter 641, but shall be prohibited from serving Medicaid
15 recipients on a prepaid basis, until such licensure has been
16 obtained. However, such an entity is exempt from s. 641.225
17 if the entity meets the requirements specified in subsections
18 (14) and (15).

19 (d) No more than four provider service networks for
20 demonstration projects to test Medicaid direct contracting.
21 The demonstration projects may be reimbursed on a
22 fee-for-service or prepaid basis. A provider service network
23 which is reimbursed by the agency on a prepaid basis shall be
24 exempt from parts I and III of chapter 641, but must meet
25 appropriate financial reserve, quality assurance, and patient
26 rights requirements as established by the agency. The agency
27 shall award contracts on a competitive bid basis and shall
28 select bidders based upon price and quality of care. Medicaid
29 recipients assigned to a demonstration project shall be chosen
30 equally from those who would otherwise have been assigned to
31 prepaid plans and MediPass. The agency is authorized to seek

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1 federal Medicaid waivers as necessary to implement the
2 provisions of this section. A demonstration project awarded
3 pursuant to this paragraph shall be for 4 years from the date
4 of implementation.

5 (e) An entity that provides comprehensive behavioral
6 health care services to certain Medicaid recipients through an
7 administrative services organization agreement. Such an entity
8 must possess the clinical systems and operational competence
9 to provide comprehensive health care to Medicaid recipients.
10 As used in this paragraph, the term "comprehensive behavioral
11 health care services" means covered mental health and
12 substance abuse treatment services that are available to
13 Medicaid recipients. Any contract awarded under this paragraph
14 must be competitively procured. The agency must ensure that
15 Medicaid recipients have available the choice of at least two
16 managed care plans for their behavioral health care services.

17 (f) An entity that provides in-home physician services
18 to test the cost effectiveness of enhanced home-based medical
19 care to Medicaid recipients with degenerative neurological
20 diseases and other diseases or disabling conditions associated
21 with high costs to Medicaid. The program shall be designed to
22 serve very disabled persons and to reduce Medicaid reimbursed
23 costs for inpatient, outpatient, and emergency department
24 services. The agency shall contract with vendors on a
25 risk-sharing basis.~~in Pasco County or Pinellas County that~~
26 ~~provides in-home physician services to Medicaid recipients~~
27 ~~with degenerative neurological diseases in order to test the~~
28 ~~cost-effectiveness of enhanced home-based medical care. The~~
29 ~~entity providing the services shall be reimbursed on a~~
30 ~~fee-for-service basis at a rate not less than comparable~~
31 ~~Medicare reimbursement rates. The agency may apply for waivers~~

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1 ~~of federal regulations necessary to implement such program.~~
2 ~~This paragraph shall be repealed on July 1, 2002.~~

3 (g) Children's provider networks that provide care
4 coordination and care management for Medicaid-eligible
5 pediatric patients, primary care, authorization of specialty
6 care, and other urgent and emergency care through organized
7 providers designed to service Medicaid eligibles under age 18.
8 The networks shall provide after-hour operations, including
9 evening and weekend hours, to promote, when appropriate, the
10 use of the children's networks rather than hospital emergency
11 departments.

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

15 And the title is amended as follows:

16 On page 1, line 25 after the semicolon

17
18 and insert: amending s. 409.912; authorizing the agency to
19 contract with vendors on a risk-sharing basis for in-home
20 physician services;

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