

Bill No. CS for SB 1226

Amendment No. ____ Barcode 173614

CHAMBER ACTION

Senate

House

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

WD/2R
04/27/2004 09:54 AM

.
. .
. .
. .
. .
. .

Senator Fasano moved the following amendment:

Senate Amendment (with title amendment)

On page 29, between lines 5 and 6,

insert:

(10) The Legislature finds that preservation of the historic aging network of service providers is essential to the well-being of Florida's elderly population. The Legislature finds that the Florida aging network constitutes a system of essential community providers which should be nurtured and assisted to develop systems of operations which allow the gradual assumption of responsibility and financial risk for managing the entire continuum of long-term-care services and which allow these providers to develop managed systems of service delivery. The department and the agency shall therefore:

(a) Develop a demonstration system in which existing community care for the elderly lead agencies are assisted in transitioning their business model and the service delivery system within their current community care service area, to

Bill No. CS for SB 1226

Amendment No. ____ Barcode 173614

1 enable assumption over a period of time of full risk as a
2 diversion pilot project contractor providing long-term-care
3 services in their areas of operation. The department, in
4 consultation with the Agency for Health Care Administration
5 and the Department of Children and Family Services, shall
6 develop an implementation plan for three lead agencies by
7 October 31, 2004.

8 (b) In the demonstration system, a community care for
9 the elderly lead agency shall be initially reimbursed on a
10 prepaid or fixed-sum basis for services provided under the
11 Aged and Disabled Adult Medicaid waiver program, the Assisted
12 Living for the Elderly Medicaid Waiver Program, state-funded
13 programs serving the aged, including community care for the
14 elderly, home care for the elderly, and the Alzheimer's
15 disease initiative. By the end of the third year of operation,
16 the demonstration shall include services under the
17 long-term-care community diversion pilot project.

18 (c) During the first year of operation, the department
19 and the agency may place the provider at risk to provide the
20 nursing home services for the enrolled individuals who are
21 participating in the demonstration project. During the 3-year
22 development period, the agency and the department may limit
23 the level of custodial nursing home risk that the
24 administering entity assumes, consistent with the intent of
25 the Legislature to reduce the use and cost of nursing home
26 care. Under risk-sharing arrangements, during the first 3
27 years of operation, the agency and the department may
28 reimburse the administering entity for the cost of providing
29 nursing home care for Medicaid-eligible participants who have
30 been permanently placed and remain in nursing home care for
31 more than 1 year, or may disenroll such participants from the

Bill No. CS for SB 1226

Amendment No. ____ Barcode 173614

1 demonstration project.

2 (d) The agency and the department shall develop
3 reimbursement rates based on the historical cost experience of
4 the state in providing long-term care and nursing home
5 services under Medicaid waiver programs and providing
6 state-funded long-term care services to the population older
7 than 60 years of age in the area served by the pilot project.

8 (e) The agency, in consultation with the department,
9 shall ensure that the entity or entities receiving prepaid or
10 fixed-sum reimbursement are assisted in developing internal
11 management and financial control systems necessary to manage
12 the risk associated with providing services under a prepaid or
13 fixed-sum rate system.

14 (f) If the agency and the department share risk of
15 custodial nursing home placement, payment rates during the
16 first 3 years of operation shall be set at not more than 100
17 percent of the costs to the agency and the department of
18 providing equivalent services to the population within the
19 area of the pilot project for the year prior to the year in
20 which the pilot project is implemented, adjusted forward to
21 account for inflation and policy changes of the Medicaid
22 program. In subsequent years, the rate shall be negotiated,
23 based on the cost experience of the entity in providing
24 contracted services, but may not exceed 95 percent of the
25 amount that would have been paid in the area of the pilot
26 project absent the prepaid or fixed sum reimbursement
27 methodology.

28 (g) Community care for the elderly lead agencies which
29 have operated for a period of at least 20 years, which operate
30 a Medicare-certified home health agency, and which have
31 developed a system of service provision by health care

Bill No. CS for SB 1226

Amendment No. ____ Barcode 173614

1 volunteers shall be given priority in the selection of pilot
2 projects if they meet the minimum requirements specified in
3 the competitive procurement.

4 (h) In order to facilitate the development of the
5 demonstration project, the agency, subject to appropriations
6 included in the General Appropriation Act, shall advance
7 \$500,000, if requested by the lead agency, for the purpose of
8 funding development costs for each demonstration project
9 provider. The terms of repayment may not extend beyond 6 years
10 from the date of funding.

11 (i) The agency and the department shall adopt any
12 rules necessary to comply with or administer these
13 requirements, effect and implement interagency agreements
14 between the agency and the department, and comply with federal
15 requirements.

16 (j) The department and the agency shall seek federal
17 waivers necessary to implement the requirements of this
18 section, including waivers available from the federal
19 Assistant Secretary on Aging necessary to include Older
20 Americans Act services in the demonstration project.

21 (k) The Department of Elderly Affairs shall conduct or
22 contract for an evaluation of the demonstration project. The
23 department shall submit the evaluation to the Governor and the
24 Legislature by January 1, 2006. The evaluation must address
25 the effects of the demonstration pilot project on the
26 effectiveness of the project in providing a comprehensive
27 system of appropriate and high-quality long-term-care services
28 to elders in the least restrictive setting and make
29 recommendations on implementation expansion for other parts of
30 the state.

31

Bill No. CS for SB 1226

Amendment No. ____ Barcode 173614

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

2 And the title is amended as follows:

3 On page 3, line 3, after the first semicolon,

4

5 insert:

6 requiring the department and the agency to

7 undertake activities to support existing

8 elderly service providers; providing for

9 funding, risk-sharing, and risk-management

10 systems; requiring the agency to advance funds

11 subject to an appropriation; authorizing the

12 department and the agency to adopt rules;

13 requiring the department and the agency to seek

14 federal waivers;

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31