

By the Committee on Health, Aging, and Long-Term Care

317-859A-04

1 A bill to be entitled
2 An act relating to the long-term-care service
3 delivery system; amending s. 409.912, F.S.;
4 requiring the Department of Elderly Affairs to
5 assess certain nursing home residents to
6 facilitate their transition to a
7 community-based setting; amending s. 430.205,
8 F.S.; requiring the Department of Elderly
9 Affairs and the Agency for Health Care
10 Administration to develop an integrated
11 long-term-care service-delivery system;
12 requiring the Department of Elderly Affairs and
13 the agency to phase in implementation of the
14 integrated long-term-care system; specifying
15 timeframes and activities for each
16 implementation phase; authorizing the agency to
17 seek federal waivers to implement the changes;
18 requiring the department to integrate certain
19 database systems; requiring development of
20 pilot projects; requiring the agency and the
21 department to develop capitation rates for
22 certain services; providing rulemaking
23 authority to the agency and the department;
24 requiring reports to the Governor and the
25 Legislature; amending s. 430.7031, F.S.;
26 requiring the department and the agency to
27 review the case files of a specified percentage
28 of Medicaid nursing home residents annually for
29 the purpose of determining whether the
30 residents are able to move to community
31 placements; amending s. 430.705, F.S.;

1 providing additional eligibility requirements
2 for entities that provide services under the
3 long-term-care community diversion pilot
4 projects; requiring the annual evaluation and
5 certification of capitation rates; providing
6 additional requirements to be used in
7 developing capitation rates for the pilot
8 projects; amending s. 430.709, F.S.; providing
9 additional requirements for evaluating the
10 long-term-care diversion pilot projects;
11 requiring a report to the Governor and the
12 Legislature; repealing s. 430.041, F.S.;
13 eliminating the Office of Long-Term-Care Policy
14 and its advisory council; providing an
15 effective date.

16
17 Be It Enacted by the Legislature of the State of Florida:

18
19 Section 1. Subsection (15) of section 409.912, Florida
20 Statutes, is amended to read:

21 409.912 Cost-effective purchasing of health care.--The
22 agency shall purchase goods and services for Medicaid
23 recipients in the most cost-effective manner consistent with
24 the delivery of quality medical care. The agency shall
25 maximize the use of prepaid per capita and prepaid aggregate
26 fixed-sum basis services when appropriate and other
27 alternative service delivery and reimbursement methodologies,
28 including competitive bidding pursuant to s. 287.057, designed
29 to facilitate the cost-effective purchase of a case-managed
30 continuum of care. The agency shall also require providers to
31 minimize the exposure of recipients to the need for acute

1 inpatient, custodial, and other institutional care and the
2 inappropriate or unnecessary use of high-cost services. The
3 agency may establish prior authorization requirements for
4 certain populations of Medicaid beneficiaries, certain drug
5 classes, or particular drugs to prevent fraud, abuse, overuse,
6 and possible dangerous drug interactions. The Pharmaceutical
7 and Therapeutics Committee shall make recommendations to the
8 agency on drugs for which prior authorization is required. The
9 agency shall inform the Pharmaceutical and Therapeutics
10 Committee of its decisions regarding drugs subject to prior
11 authorization.

12 (15)(a) The agency shall operate the Comprehensive
13 Assessment and Review of Long-Term Care (CARES) nursing
14 facility preadmission screening program to ensure that
15 Medicaid payment for nursing facility care is made only for
16 individuals whose conditions require such care and to ensure
17 that long-term care services are provided in the setting most
18 appropriate to the needs of the person and in the most
19 economical manner possible. The CARES program shall also
20 ensure that individuals participating in Medicaid home and
21 community-based waiver programs meet criteria for those
22 programs, consistent with approved federal waivers.

23 (b) The agency shall operate the CARES program through
24 an interagency agreement with the Department of Elderly
25 Affairs.

26 (c) Prior to making payment for nursing facility
27 services for a Medicaid recipient, the agency must verify that
28 the nursing facility preadmission screening program has
29 determined that the individual requires nursing facility care
30 and that the individual cannot be safely served in
31 community-based programs. The nursing facility preadmission

1 screening program shall refer a Medicaid recipient to a
2 community-based program if the individual could be safely
3 served at a lower cost and the recipient chooses to
4 participate in such program.

5 (d) CARES program staff shall assess each nursing home
6 resident who is a Medicare beneficiary when the length of the
7 resident's stay in the nursing home exceeds 20 days that are
8 fully reimbursed by Medicare. CARES program staff shall
9 provide case management and supportive services to these
10 residents in order to facilitate transition to a
11 community-based setting and delay Medicaid-funded nursing home
12 placement when appropriate.

13 (e)~~(d)~~ By January 1 of each year, the agency shall
14 submit a report to the Legislature and the Office of
15 Long-Term-Care Policy describing the operations of the CARES
16 program. The report must describe:

- 17 1. Rate of diversion to community alternative
18 programs;
- 19 2. CARES program staffing needs to achieve additional
20 diversions;
- 21 3. Reasons the program is unable to place individuals
22 in less restrictive settings when such individuals desired
23 such services and could have been served in such settings;
- 24 4. Barriers to appropriate placement, including
25 barriers due to policies or operations of other agencies or
26 state-funded programs; and
- 27 5. Statutory changes necessary to ensure that
28 individuals in need of long-term care services receive care in
29 the least restrictive environment.

30 Section 2. Subsection (6) of section 430.205, Florida
31 Statutes, is amended to read:

1 430.205 Community care service system.--

2 (6) Notwithstanding other requirements of this
3 chapter, the Department of Elderly Affairs and the Agency for
4 Health Care Administration shall develop an ~~a model system to~~
5 ~~transition all state-funded services for elderly individuals~~
6 ~~in one of the department's planning and service areas to a~~
7 ~~managed, integrated long-term-care delivery system under the~~
8 ~~direction of a single entity.~~

9 (a) The duties of the integrated ~~model~~ system shall
10 include organizing and administering service delivery for the
11 elderly, obtaining contracts for services with providers in
12 each service ~~the~~ area, monitoring the quality of services
13 provided, determining levels of need and disability for
14 payment purposes, and other activities determined by the
15 department and the agency in order to operate an integrated
16 ~~the model~~ system.

17 **(b) During the 2004-2005 state fiscal year:**

18 **1. The agency, in consultation with the department,**
19 **shall integrate the Channeling, Frail Elder Option, and**
20 **Nursing Home Diversion pilot project consisting of capitated**
21 **long-term-care programs and each program's funds into one**
22 **capitated program serving the aged.**

23 **a. The agency shall seek federal waivers necessary to**
24 **integrate these programs.**

25 **b. The department shall develop uniform standards for**
26 **case management in this newly integrated capitated system.**

27 **c. The agency and the department shall adopt any rules**
28 **necessary to comply with or administer these requirements,**
29 **effect and implement interagency agreements between the**
30 **department and the agency, and comply with federal**
31 **requirements.**

1 2. The agency, in consultation with the department,
2 shall integrate the Aged and Disabled Adult Medicaid waiver
3 program and the Assisted Living for the Elderly Medicaid
4 waiver program and each program's funds into one
5 fee-for-service Medicaid waiver program serving the aged and
6 disabled.

7 a. The agency shall seek federal waivers necessary to
8 integrate these waiver programs.

9 b. Authorization of services through the waiver
10 program shall be provided by an entity that does not provide
11 direct service to recipients.

12 c. The department shall reimburse providers for case
13 management services on a capitated basis and develop uniform
14 standards for case management in this fee-for-service Medicaid
15 waiver program. The coordination of acute care services for
16 individuals shall be included in the capitated rate for case
17 management services.

18 d. The agency and the department shall adopt any rules
19 necessary to comply with or administer these requirements,
20 effect and implement interagency agreements between the
21 department and the agency, and comply with federal
22 requirements.

23 3. The department, in consultation with the agency,
24 shall study the integration of the database systems for the
25 Comprehensive Assessment and Review of Long-Term Care (CARES)
26 program and the Client Information and Referral Tracking
27 System (CIRTS) and develop a plan for database integration.
28 The department shall submit the plan to the Governor, the
29 President of the Senate, and the Speaker of the House of
30 Representatives by December 31, 2004.

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1 4. The department, in consultation with the agency and
2 the Department of Children and Family Services, shall develop
3 two pilot projects for resource centers on aging. By December
4 31, 2004, the department, in consultation with the agency and
5 the Department of Children and Family Services, shall develop
6 an implementation plan for the resource centers on aging,
7 including qualifications for designation as a center and the
8 functions to be performed by each center. The department shall
9 determine the entities to be designated as resource centers on
10 aging by means of competitive procurement. The department
11 shall select the entities based on each entity's demonstration
12 of:
13 a. Expertise in the needs of each target population
14 the center proposes to serve and a thorough knowledge of the
15 providers that serve these populations;
16 b. Strong connections to service providers, volunteer
17 agencies, and community institutions;
18 c. Expertise in information and referral activities;
19 d. Knowledge of long-term-care resources, including
20 resources designed to provide services in the least
21 restrictive setting;
22 e. Financial solvency and stability;
23 f. The ability to collect, monitor, and analyze data
24 in a timely and accurate manner, along with systems that meet
25 the department's standards;
26 g. A commitment to adequate staffing by qualified
27 personnel to effectively perform all functions; and
28 h. The ability to meet all performance standards
29 established by the department.
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1 The department shall select two sites for the pilot projects
2 for resource centers on aging by June 30, 2005.

3 5. The department, in consultation with the agency,
4 shall develop a plan by December 31, 2004, to evaluate the
5 newly integrated capitated and fee-for-service programs over
6 time, from the beginning of the implementation process
7 forward. The evaluation shall be ongoing and shall determine
8 whether the newly integrated programs are achieving the goals
9 of the programs and evaluate the effects the changes in the
10 system have had on consumers. The evaluation plan must include
11 baseline measures for evaluating the capitated and
12 fee-for-service programs, with a focus on cost effectiveness,
13 the quality of care, and consumer satisfaction.

14 6. The agency, in consultation with the department,
15 shall work with the fiscal agent for the Medicaid program to
16 develop a service utilization reporting system that operates
17 through the fiscal agent for the capitated plans.

18 (c) During the 2005-2006 state fiscal year:

19 1. The agency, in consultation with the department,
20 shall monitor the newly integrated capitated and
21 fee-for-service programs and report on the progress of those
22 programs to the Governor, the President of the Senate, and the
23 Speaker of the House of Representatives by June 30, 2006.

24 2. The department shall monitor the pilot projects for
25 resource centers on aging and report on the progress of those
26 projects to the Governor, the President of the Senate, and the
27 Speaker of the House of Representatives by June 30, 2006.

28 3. The department, in consultation with the agency,
29 shall integrate the database systems for the Comprehensive
30 Assessment and Review of Long-Term Care (CARES) program and
31 the Client Information and Referral Tracking System (CIRTS)

1 into a single operating assessment information system by June
2 30, 2006.

3 4. The department, in consultation with the agency and
4 the Department of Children and Family Services, shall develop
5 a plan to improve the interface between the department's newly
6 integrated assessment database, the Florida Medicaid
7 Management Information System, and the FLORIDA system in order
8 to facilitate enrollment of individuals in the capitated and
9 fee-for-service programs, as well as monitor eligibility
10 requirements.

11 (d) During the 2006-2007 state fiscal year:

12 1. The agency, in consultation with the department,
13 shall initiate competitive procurement to develop a pilot
14 project under which an entity or entities shall be placed at
15 risk for the fee-for-service Medicaid waiver program serving
16 the aged and disabled and the state-funded programs serving
17 the aged, including Community Care for the Elderly, Home Care
18 for the Elderly, and the Alzheimer's Disease Initiative.

19 a. The programs provided under the Older Americans Act
20 and those funds shall remain separate.

21 b. By June 30, 2007, the entity or entities chosen
22 shall operate under a risk-based system.

23 c. The agency and the department shall develop
24 capitation rates based on the historical cost experience of
25 the state in providing services under the Medicaid waiver
26 program and providing state-funded long-term-care services to
27 the population older than 60 years of age in the area served
28 by the pilot project.

29 d. The agency, in consultation with the department,
30 shall ensure that the entity or entities placed at risk for
31 providing these services have the tools necessary to manage

1 the risk associated with providing services under a capitated
2 program.

3 e. The agency shall share the risk with the entity or
4 entities. Payment rates during the first 2 years of operation
5 shall be set at not more than 100 percent of the costs to the
6 agency of providing equivalent services to the population
7 within the area of the pilot project for the year prior to the
8 year in which the pilot project is implemented, adjusted
9 forward to account for inflation and population growth. In
10 subsequent years, the rate shall be negotiated, based on the
11 cost experience of the entity in providing contracted
12 services, but may not exceed 95 percent of the amount that
13 would have been paid by the agency in the area of the pilot
14 project, absent the capitated service delivery system.

15 f. The department, in consultation with the agency,
16 shall work with rural areas of the state to ensure that there
17 are feasible alternatives for these areas in order to be
18 competitive in the procurement process.

19 g. An entity chosen as a risk-bearing entity may not
20 act as a resource center on aging.

21 h. The agency and the department shall adopt any rules
22 necessary to comply with or administer these requirements,
23 effect and implement interagency agreements between the agency
24 and the department, and comply with federal requirements.

25 2. The agency, in consultation with the department,
26 shall evaluate the Alzheimer's Disease waiver program and the
27 Adult Day Health Care waiver program to assess whether
28 providing limited intensive services through these waiver
29 programs produce better outcomes for individuals than
30 providing those services through the fee-for-service or
31 capitated programs that provide a larger array of services.

1 3. The agency, in consultation with the department,
2 shall begin discussions with the federal Centers for Medicare
3 and Medicaid Services regarding the inclusion of Medicare in
4 an integrated long-term-care system. By December 31, 2006, the
5 agency shall provide to the Governor, the President of the
6 Senate, and the Speaker of the House of Representatives a plan
7 for including Medicare in an integrated long-term-care system.

8 (e) During the 2007-2008 state fiscal year:

9 1. The agency, in consultation with the department and
10 the chosen risk-bearing entities operating the pilot projects,
11 shall consider whether the entities should be placed at risk
12 for providing Medicaid-funded nursing home care and
13 Medicaid-funded prescription drug coverage. The agency and the
14 department may develop innovative risk-sharing agreements that
15 limit the level of risk for custodial nursing home care that
16 the administering entity assumes, consistent with the intent
17 of the Legislature to reduce the use and cost of nursing home
18 care. Under risk-sharing arrangements, the agency and the
19 department may reimburse the administering entity for the cost
20 of providing nursing home care for Medicaid-eligible
21 participants who have been permanently placed in a nursing
22 home and who remain in nursing home care for longer than 1
23 year.

24 2. The department, in consultation with the agency,
25 shall consider whether providers operating in the capitated
26 program should be placed at risk for the state-funded
27 Community Care for the Elderly, Home Care for the Elderly, and
28 Alzheimer's Disease Initiative Programs.

29 ~~(b) The agency and the department shall integrate all~~
30 ~~funding for services to individuals over the age of 65 in the~~
31 ~~model planning and service areas into a single per-person~~

1 ~~per-month payment rate, except that funds for Medicaid~~
2 ~~behavioral health care services are exempt from this section.~~
3 ~~The funds to be integrated shall include:~~
4 ~~1. Community care for the elderly funds;~~
5 ~~2. Home care for the elderly funds;~~
6 ~~3. Local services program funds;~~
7 ~~4. Contracted services funds;~~
8 ~~5. Alzheimer's disease initiative funds;~~
9 ~~6. Medicaid home and community-based waiver services~~
10 ~~funds;~~
11 ~~7. Funds for all Medicaid services authorized in ss.~~
12 ~~409.905 and 409.906, including Medicaid nursing home services;~~
13 ~~and~~
14 ~~8. Funds paid for Medicare premiums, coinsurance and~~
15 ~~deductibles for persons dually eligible for Medicaid and~~
16 ~~Medicare as prescribed in s. 409.908(13).~~
17
18 ~~The department and the agency shall not make payments for~~
19 ~~services for people age 65 and older except through the model~~
20 ~~delivery system.~~
21 ~~(c) The entity selected to administer the model system~~
22 ~~shall develop a comprehensive health and long-term care~~
23 ~~service delivery system through contracts with providers of~~
24 ~~medical, social, and long-term care services sufficient to~~
25 ~~meet the needs of the population age 65 and older. The entity~~
26 ~~selected to administer the model system shall not directly~~
27 ~~provide services other than intake, assessment, and referral~~
28 ~~services.~~
29 ~~(d) The department shall determine which of the~~
30 ~~department's planning and services areas is to be designated~~
31 ~~as a model area by means of a request for proposals. The~~

1 ~~department shall select an area to be designated as a model~~
2 ~~area and the entity to administer the model system based on~~
3 ~~demonstration of capacity of the entity to:~~
4 1. ~~Develop contracts with providers currently under~~
5 ~~contract with the department, area agencies on aging, or~~
6 ~~community-care-for-the-elderly lead agencies;~~
7 2. ~~Provide a comprehensive system of appropriate~~
8 ~~medical and long-term-care services that provides high-quality~~
9 ~~medical and social services to assist older individuals in~~
10 ~~remaining in the least restrictive setting;~~
11 3. ~~Demonstrate a quality assurance and quality~~
12 ~~improvement system satisfactory to the department and the~~
13 ~~agency;~~
14 4. ~~Develop a system to identify participants who have~~
15 ~~special health care needs such as polypharmacy, mental health~~
16 ~~and substance abuse problems, falls, chronic pain, nutritional~~
17 ~~deficits, and cognitive deficits, in order to respond to and~~
18 ~~meet these needs;~~
19 5. ~~Use a multidisciplinary team approach to~~
20 ~~participant management which ensures that information is~~
21 ~~shared among providers responsible for delivering care to a~~
22 ~~participant;~~
23 6. ~~Ensure medical oversight of care plans and service~~
24 ~~delivery, regular medical evaluation of care plans, and the~~
25 ~~availability of medical consultation for case managers and~~
26 ~~service coordinators;~~
27 7. ~~Develop, monitor, and enforce quality-of-care~~
28 ~~requirements;~~
29 8. ~~Secure subcontracts with providers of medical,~~
30 ~~nursing home, and community-based long-term-care services~~
31 ~~sufficient to assure access to and choice of providers;~~

1 ~~9. Ensure a system of case management and service~~
2 ~~coordination which includes educational and training standards~~
3 ~~for case managers and service coordinators;~~

4 ~~10. Develop a business plan that considers the ability~~
5 ~~of the applicant to organize and operate a risk-bearing~~
6 ~~entity;~~

7 ~~11. Furnish evidence of adequate liability insurance~~
8 ~~coverage or an adequate plan of self-insurance to respond to~~
9 ~~claims for injuries arising out of the furnishing of health~~
10 ~~care; and~~

11 ~~12. Provide, through contract or otherwise, for~~
12 ~~periodic review of its medical facilities as required by the~~
13 ~~department and the agency.~~

14
15 ~~The department shall give preference in selecting an area to~~
16 ~~be designated as a model area to that in which the~~
17 ~~administering entity is an existing area agency on aging or~~
18 ~~community-care-for-the-elderly lead agency demonstrating the~~
19 ~~ability to perform the functions described in this paragraph.~~

20 ~~(e) The department in consultation with the selected~~
21 ~~entity shall develop a statewide proposal regarding the~~
22 ~~long-term use and structure of a program that addresses a risk~~
23 ~~pool to reduce financial risk.~~

24 ~~(f) The department and the agency shall develop~~
25 ~~capitation rates based on the historical cost experience of~~
26 ~~the state in providing acute and long-term care services to~~
27 ~~the population over 65 years of age in the area served.~~

28 ~~1. Payment rates in the first 2 years of operation~~
29 ~~shall be set at no more than 100 percent of the costs to the~~
30 ~~state of providing equivalent services to the population of~~
31 ~~the model area for the year prior to the year in which the~~

1 ~~model system is implemented, adjusted forward to account for~~
2 ~~inflation and population growth. In subsequent years, the rate~~
3 ~~shall be negotiated based on the cost experience of the model~~
4 ~~system in providing contracted services, but may not exceed 95~~
5 ~~percent of the amount that would have been paid by the state~~
6 ~~in the model planning and service area absent the model~~
7 ~~integrated service delivery system.~~

8 ~~2. The agency and the department may develop~~
9 ~~innovative risk-sharing agreements that limit the level of~~
10 ~~custodial nursing home risk that the administering entity~~
11 ~~assumes, consistent with the intent of the Legislature to~~
12 ~~reduce the use and cost of nursing home care. Under~~
13 ~~risk-sharing arrangements, the agency and the department may~~
14 ~~reimburse the administering entity for the cost of providing~~
15 ~~nursing home care for Medicaid-eligible participants who have~~
16 ~~been permanently placed and remain in nursing home care for~~
17 ~~more than 1 year.~~

18 ~~(g) The department and the Agency for Health Care~~
19 ~~Administration shall seek federal waivers necessary to~~
20 ~~implement the requirements of this section.~~

21 ~~(h) The Department of Children and Family Services~~
22 ~~shall develop a streamlined and simplified eligibility system~~
23 ~~and shall outstation a sufficient number and quality of~~
24 ~~eligibility determination staff with the administering entity~~
25 ~~to assure determination of Medicaid eligibility for the~~
26 ~~integrated service delivery system in the model planning and~~
27 ~~service area within 10 days after receipt of a complete~~
28 ~~application.~~

29 ~~(i) The Department of Elderly Affairs shall make~~
30 ~~arrangements to outstation a sufficient number of nursing home~~
31 ~~preadmission screening staff with the administering entity to~~

1 ~~assure timely assessment of level of need for long-term care~~
2 ~~services in the model area.~~

3 ~~(j) The Department of Elderly Affairs shall conduct or~~
4 ~~contract for an evaluation of the pilot project. The~~
5 ~~department shall submit the evaluation to the Governor and the~~
6 ~~Legislature by January 1, 2005. The evaluation must address~~
7 ~~the effects of the pilot project on the effectiveness of the~~
8 ~~entity providing a comprehensive system of appropriate and~~
9 ~~high-quality medical and long-term-care services to elders in~~
10 ~~the least restrictive setting and make recommendations on a~~
11 ~~phased-in implementation expansion for the rest of the state.~~

12 Section 3. Subsection (2) of section 430.7031, Florida
13 Statutes, is amended to read:

14 430.7031 Nursing home transition program.--The
15 department and the Agency for Health Care Administration:

16 (2) Shall collaboratively work to identify ~~long-stay~~
17 nursing home residents who are able to move to community
18 placements, and to provide case management and supportive
19 services to such individuals while they are in nursing homes
20 to assist such individuals in moving to less expensive and
21 less restrictive settings. CARES program staff shall annually
22 review at least 20 percent of the case files for nursing home
23 residents who are Medicaid recipients to determine which
24 nursing home residents are able to move to community
25 placements.

26 Section 4. Section 430.705, Florida Statutes, is
27 amended to read:

28 430.705 Implementation of the long-term care community
29 diversion pilot projects.--

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1 (1) In designing and implementing the community
2 diversion pilot projects, the department shall work in
3 consultation with the agency.

4 (2) The department shall select projects whose design
5 and providers demonstrate capacity to maximize the placement
6 of participants in the least restrictive appropriate care
7 setting. The department shall select providers that have a
8 plan administrator who is dedicated to the diversion pilot
9 project and project staff who perform the necessary project
10 administrative functions, including data collection,
11 reporting, and analysis. The department shall select providers
12 that demonstrate the ability to:

13 (a) Meet surplus requirements that are comparable to
14 those specified in s. 641.225;

15 (b) Comply with the standards for financial solvency
16 comparable to those provided in s. 641.285;

17 (c) Provide for the prompt payment of claims in a
18 manner comparable to the requirements of s. 641.3155;

19 (d) Provide technology with the capability for data
20 collection which meets the security requirements of the
21 federal Health Insurance Portability and Accountability Act of
22 1996, 42 C.F.R. ss. 160 and 164;

23 (e) Contract with multiple providers that provide the
24 same type of service.

25 (3) Pursuant to 42 C.F.R. s. 438.6(c), the agency, in
26 consultation with the department, shall annually reevaluate
27 and recertify the capitation rates for the diversion pilot
28 projects. The agency, in consultation with the department,
29 shall secure the claims data for Medicare beneficiaries which
30 shall be used in developing rates for the diversion pilot
31 projects.

1 (4)~~(3)~~ The department shall provide to prospective
2 participants a choice of participating in a community
3 diversion pilot project or any other appropriate placement
4 available. To the extent possible, individuals shall be
5 allowed to choose their care providers, including long-term
6 care service providers affiliated with an individual's
7 religious faith or denomination.

8 (5)~~(4)~~ The department shall enroll participants.
9 Providers shall not directly enroll participants in community
10 diversion pilot projects.

11 (6)~~(5)~~ In selecting the pilot project area, the
12 department shall consider the following factors in the area:

13 (a) The nursing home occupancy level.

14 (b) The number of certificates of need awarded for
15 nursing home beds for which renovation, expansion, or
16 construction has not begun.

17 (c) The annual number of additional nursing home beds.

18 (d) The annual number of nursing home admissions.

19 (e) The adequacy of community-based long-term care
20 service providers.

21 (7)~~(6)~~ The department may require participants to
22 contribute to their cost of care in an amount not to exceed
23 the cost-sharing required of Medicaid-eligible nursing home
24 residents.

25 (8)~~(7)~~ Community diversion pilot projects must:

26 (a) Provide services for participants that are of
27 sufficient quality, quantity, type, and duration to prevent or
28 delay nursing facility placement.

29 (b) Integrate acute and long-term care services, and
30 the funding sources for such services, as feasible.

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1 (c) Encourage individuals, families, and communities
2 to plan for their long-term care needs.

3 (d) Provide skilled and intermediate nursing facility
4 care for participants who cannot be adequately cared for in
5 noninstitutional settings.

6 Section 5. Subsection (2) of section 430.709, Florida
7 Statutes, is amended to read:

8 430.709 Reports and evaluations.--

9 (2) The agency, in consultation with the department,
10 shall contract for an independent, comprehensive evaluation of
11 the community diversion pilot projects operating prior to the
12 2003-2004 fiscal year. Such evaluation must include a careful
13 review and assessment of the actual cost for the provision of
14 services to participants. The agency shall select a contractor
15 with experience and expertise in evaluating capitation rates
16 for managed care organizations that serve persons who are
17 disabled or frail and elderly in order to evaluate the
18 community diversion pilot projects operated under s. 430.705.
19 The contractor shall analyze and report on the individual
20 services and the array of services most associated with
21 effective diversion of frail and elderly enrollees from
22 placement in a nursing home, consumer and family satisfaction
23 with the projects, the quality of care and quality of life for
24 participants, the cost-effectiveness of the projects, and the
25 demonstrated savings to the agency, as compared to the
26 fee-for-service Medicaid program. The evaluation must also
27 include an organizational analysis of each project site. By
28 June 30, 2005, the agency shall submit to the Governor, the
29 President of the Senate, and the Speaker of the House of
30 Representatives a report of the findings from the evaluation.

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1 The report must contain recommendations and proposals for
2 changes to the community diversion pilot projects.

3 Section 6. Section 430.041, Florida Statutes, is
4 repealed.

5 Section 7. This act shall take effect upon becoming a
6 law.

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9 SENATE SUMMARY

10 Revises various provisions governing long-term-care
11 programs and the community care service system. Requires
12 the Department of Elderly Affairs and the Agency for
13 Health Care Administration to develop an integrated
14 long-term-care system. Provides for the integrated
15 long-term-care system to be phased in. Provides
16 timeframes and activities for each phase of
17 implementation. Provides for pilot projects. Requires the
18 agency and the department to develop capitation rates for
19 certain services. Authorizes the agency and the
20 department to adopt rules. Requires the agency and the
21 department to review the case files of 20 percent of
22 Medicaid nursing home residents annually for the purpose
23 of determining whether the residents are able to move to
24 community placements. Provides eligibility requirements
25 for entities that provide services under the
26 long-term-care community diversion pilot projects.
27 Eliminates the Office of Long-Term-Care Policy and its
28 advisory council. (See bill for details.)
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