

1 A bill to be entitled
 2 An act relating to elderly affairs; amending s. 430.205,
 3 F.S.; deleting provisions relating to implementation plans
 4 to integrate certain functions of the Agency for Health
 5 Care Administration; providing for development of uniform
 6 case management standards within the Aged and Disabled
 7 Adult Medicaid waiver program; authorizing, rather than
 8 requiring, coordination of acute and chronic medical
 9 service between the agency and the Department of Elderly
 10 Affairs to be included in the capitated rate for case
 11 management services; requiring the agency to consult with
 12 the department before adopting rules relating to
 13 reimbursement of providers and case management standards;
 14 revising provisions relating to certain reimbursement
 15 rates; deleting obsolete provisions; providing that
 16 evaluation of a specified pilot project relating to elder
 17 care is subject to an appropriation; amending s. 430.7031,
 18 F.S.; deleting provision that requires the department and
 19 agency to review the case files of a specified percentage
 20 of Medicaid nursing home residents annually for the
 21 purpose of determining whether the residents are able to
 22 move to community placements; providing an effective date.

23
 24 Be It Enacted by the Legislature of the State of Florida:

25
 26 Section 1. Paragraphs (b) and (c) of subsection (6) of
 27 section 430.205, Florida Statutes, are amended to read:

28 430.205 Community care service system.--

29 (6) Notwithstanding other requirements of this chapter,
30 the Department of Elderly Affairs and the Agency for Health Care
31 Administration shall develop an integrated long-term-care
32 delivery system.

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

34 1. ~~The agency, in consultation with the department, shall~~
35 ~~develop an implementation plan to integrate the Frail Elder~~
36 ~~Option into the Nursing Home Diversion pilot project and each~~
37 ~~program's funds into one capitated program serving the aged.~~
38 ~~Beginning July 1, 2004, the agency may not enroll additional~~
39 ~~individuals in the Frail Elder Option.~~

40 2. ~~The agency, in consultation with the department, shall~~
41 ~~integrate the Aged and Disabled Adult Medicaid waiver program~~
42 ~~and the Assisted Living for the Elderly Medicaid waiver program~~
43 ~~and each program's funds into one fee-for-service Medicaid~~
44 ~~waiver program serving the aged and disabled. Once the programs~~
45 ~~are integrated, funding to provide care in assisted-living~~
46 ~~facilities under the new waiver may not be less than the amount~~
47 ~~appropriated in the 2003-2004 fiscal year for the Assisted~~
48 ~~Living for the Elderly Medicaid waiver.~~

49 a. ~~The agency shall seek federal waivers necessary to~~
50 ~~integrate these waiver programs.~~

51 b. The agency and the department shall reimburse providers
52 for case management services on a capitated basis and develop
53 uniform standards for case management within the Aged and
54 Disabled Adult ~~in this fee-for-service~~ Medicaid waiver program.
55 The coordination of acute and chronic medical services for

56 individuals may ~~shall~~ be included in the capitated rate for case
57 management services.

58 ~~e.~~ The agency, in consultation with ~~and~~ the department,
59 shall adopt any rules necessary to comply with or administer
60 these requirements, ~~effect and implement interagency agreements~~
61 ~~between the department and the agency, and comply with federal~~
62 ~~requirements.~~

63 ~~2.3.~~ The Legislature finds that preservation of the
64 historic aging network of lead agencies is essential to the
65 well-being of Florida's elderly population. The Legislature
66 finds that the Florida aging network constitutes a system of
67 essential community providers which should be nurtured and
68 assisted to develop systems of operations which allow the
69 gradual assumption of responsibility and financial risk for
70 managing a client through the entire continuum of long-term care
71 services within the area the lead agency is currently serving,
72 and which allow lead agency providers to develop managed systems
73 of service delivery. The department, in consultation with the
74 agency, shall therefore:

75 a. Develop a demonstration project in which existing
76 community care for the elderly lead agencies are assisted in
77 transferring their business model and the service delivery
78 system within their current community care service area to
79 enable assumption, over a period of time, of full risk as a
80 community diversion pilot project contractor providing long-term
81 care services in the areas of operation. The department, in
82 consultation with the agency and the Department of Children and

83 Family Services, shall develop an implementation plan for no
 84 more than three lead agencies by October 31, 2004.

85 b. In the demonstration area, a community care for the
 86 elderly lead agency shall be initially reimbursed on a prepaid
 87 or fixed-sum basis for all home and community-based services
 88 provided under the long-term care community diversion pilot
 89 project ~~newly integrated fee-for-service Medicaid waiver~~. By the
 90 end of the third year of operation, the lead agency shall be
 91 reimbursed on a prepaid or fixed-sum basis for demonstration
 92 ~~project shall include~~ all services under the long-term care
 93 community diversion pilot project.

94 c. During the first year of operation, the department, in
 95 consultation with the agency, may place providers at risk to
 96 provide nursing home services for the enrolled individuals who
 97 are participating in the demonstration project. During the 3-
 98 year development period, the agency and the department may limit
 99 the level of custodial nursing home risk that the administering
 100 entities assume. Under risk-sharing arrangements, during the
 101 first 3 years of operation, the department, in consultation with
 102 the agency, may reimburse the administering entity for the cost
 103 of providing nursing home care for Medicaid-eligible
 104 participants who have been permanently placed and remain in a
 105 nursing home for more than 1 year, or may disenroll such
 106 participants from the demonstration project.

107 d. The agency, in consultation with the department, shall
 108 develop reimbursement rates based on the federally approved,
 109 actuarially certified rate methodology for the long-term care
 110 community diversion pilot project ~~historical cost experience of~~

111 ~~the state in providing long-term care and nursing home services~~
112 ~~under Medicaid waiver programs to the population 65 years of age~~
113 ~~and older in the area served by the pilot project.~~

114 e. The department, in consultation with the agency, shall
115 ensure that the entity or entities receiving prepaid or fixed-
116 sum reimbursement are assisted in developing internal management
117 and financial control systems necessary to manage the risk
118 associated with providing services under a prepaid or fixed-sum
119 rate system.

120 f. If the department and the agency share risk of
121 custodial nursing home placement, payment rates during the first
122 3 years of operation shall be set at not more than 100 percent
123 of the costs to the agency and the department of providing
124 equivalent services to the population within the area of the
125 pilot project for the year prior to the year in which the pilot
126 project is implemented, adjusted forward to account for
127 inflation and policy changes in the Medicaid program. ~~In~~
128 ~~subsequent years, the rate shall be negotiated, based on the~~
129 ~~cost experience of the entity in providing contracted services,~~
130 ~~but may not exceed 95 percent of the amount that would have been~~
131 ~~paid in the pilot project area absent the prepaid or fixed sum~~
132 ~~reimbursement methodology.~~

133 g. Community care for the elderly lead agencies that have
134 operated for a period of at least 20 years, which provide
135 Medicare-certified services to elders, and which have developed
136 a system of service provision by health care volunteers shall be
137 given priority in the selection of the pilot project if they

138 meet the minimum requirements specified in the competitive
139 procurement.

140 h. The agency and the department shall adopt rules
141 necessary to comply with or administer these requirements,
142 effect and implement interagency agreements between the agency
143 and the department, and comply with federal requirements.

144 i. The department and the agency shall seek federal
145 waivers necessary to implement the requirements of this section.

146 j. The Department of Elderly Affairs shall conduct or
147 contract for an evaluation of the demonstration project. The
148 department shall submit the evaluation to the Governor and the
149 Legislature by January 1, 2007. The evaluation must address the
150 effectiveness of the pilot project in providing a comprehensive
151 system of appropriate and high-quality, long-term care services
152 to elders in the least restrictive setting and make
153 recommendations on expanding the project to other parts of the
154 state. This subparagraph is subject to an appropriation by the
155 Legislature.

156 ~~4. The department, in consultation with the agency, shall~~
157 ~~study the integration of the database systems for the~~
158 ~~Comprehensive Assessment and Review of Long Term Care (CARES)~~
159 ~~program and the Client Information and Referral Tracking System~~
160 ~~(CIRTS) and develop a plan for database integration. The~~
161 ~~department shall submit the plan to the Governor, the President~~
162 ~~of the Senate, and the Speaker of the House of Representatives~~
163 ~~by December 31, 2004.~~

164 ~~3.5.~~ The agency, in consultation with the department,
165 shall work with the fiscal agent for the Medicaid program to

166 develop a service utilization reporting system that operates
 167 through the fiscal agent for the capitated plans.

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

169 1. The agency, in consultation with the department, shall
 170 monitor the newly integrated programs and report on the progress
 171 of those programs to the Governor, the President of the Senate,
 172 and the Speaker of the House of Representatives by June 30,
 173 2006. The report must include an initial evaluation of the
 174 programs in their early stages following the evaluation plan
 175 developed by the department, in consultation with the agency and
 176 the selected contractor.

177 2. The department shall monitor the pilot projects for
 178 resource centers on aging and report on the progress of those
 179 projects to the Governor, the President of the Senate, and the
 180 Speaker of the House of Representatives by June 30, 2006. The
 181 report must include an evaluation of the implementation process
 182 in its early stages.

183 3. The department, in consultation with the agency, shall
 184 integrate the database systems for the Comprehensive Assessment
 185 and Review for of Long-Term Care Services (CARES) program and
 186 the Client Information and Referral Tracking System (CIRTS) into
 187 a single operating assessment information system by June 30,
 188 2006.

189 ~~4. The agency, in consultation with the department, shall~~
 190 ~~integrate the Frail Elder Option into the Nursing Home Diversion~~
 191 ~~pilot project and each program's funds into one capitated~~
 192 ~~program serving the aged.~~

193 a. ~~The department, in consultation with the agency, shall~~
 194 ~~develop uniform standards for case management in this newly~~
 195 ~~integrated capitated system.~~

196 b. ~~The agency shall seek federal waivers necessary to~~
 197 ~~integrate these programs.~~

198 c. ~~The department, in consultation with the agency, shall~~
 199 ~~adopt any rules necessary to comply with or administer these~~
 200 ~~requirements, effect and implement interagency agreements~~
 201 ~~between the department and the agency, and comply with federal~~
 202 ~~requirements.~~

203 Section 2. Subsection (2) of section 430.7031, Florida
 204 Statutes, is amended to read:

205 430.7031 Nursing home transition program.--The department
 206 and the Agency for Health Care Administration:

207 (2) Shall collaboratively work to identify nursing home
 208 residents who are able to move to community placements, and to
 209 provide case management and supportive services to such
 210 individuals while they are in nursing homes to assist such
 211 individuals to move ~~in moving~~ to less expensive and less
 212 restrictive settings. ~~CARES program staff shall annually review~~
 213 ~~at least 20 percent of the case files for nursing home residents~~
 214 ~~who are Medicaid recipients to determine which nursing home~~
 215 ~~residents are able to move to community placements.~~

216 Section 3. This act shall take effect upon becoming a law.