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A bill to be entitled
 An act relating to Medicaid; providing waiver authority
 for the Agency for Health Care Administration; providing
 definitions; identifying categorical groups for
 eligibility under the waiver; establishing the choice
 counseling process; providing for managed care plans;
 including behavioral health care benefits in the capitated
 structure; providing for applicability and enforcement;
 granting rulemaking authority to the agency; requiring
 legislative authority to implement the waiver; providing
 for future review and repeal of the act; providing an
 effective date.

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

Section 1. Medicaid reform; eligibility determination;
 services.--

(1) WAIVER AUTHORITY.--Notwithstanding any other law to
 the contrary, the Agency for Health Care Administration is
 authorized to seek an experimental, pilot, or demonstration
 project waiver, pursuant to s. 1115 of the Social Security Act,
 to reform Florida's Medicaid program pursuant to this section in
 urban and rural demonstration sites contingent on federal
 approval to preserve the upper-payment-limit funding method and
 the disproportionate share program pursuant to chapter 409,
 Florida Statutes.

(2) DEFINITIONS.--As used in this section, the term:

(a) "Agency" means the Agency for Health Care

29 Administration.

30 (b) "Managed care plan" means a health maintenance
 31 organization authorized under part I of chapter 641, Florida
 32 Statutes; an entity under part II or part III of chapter 641,
 33 chapter 627, chapter 636, or s. 409.912, Florida Statutes; the
 34 Children's Medical Services network under chapter 391, Florida
 35 Statutes; a licensed mental health provider under chapter 394,
 36 Florida Statutes; a licensed substance abuse provider under
 37 chapter 397, Florida Statutes; a certified administrator under
 38 chapter 626, Florida Statutes; or a hospital under chapter 395,
 39 Florida Statutes, certified by the agency to operate as a
 40 managed care plan.

41 (c) "Medicaid opt-out option" means a program that allows
 42 recipients to purchase health care insurance through the private
 43 insurance market instead of through a Medicaid-certified plan.

44 (d) "Plan benefits" means the mandatory services specified
 45 in s. 409.905, Florida Statutes, behavioral health services
 46 specified in s. 409.906(8), Florida Statutes, and pharmacy
 47 services specified in s. 409.906(20), Florida Statutes, and may
 48 include any supplemental coverage offered to attract recipients
 49 and provide needed care.

50 (3) ELIGIBILITY.--The agency may pursue a waiver to reform
 51 Medicaid for the following categorical groups:

52 (a) Temporary assistance for needy families consistent
 53 with ss. 402 and 1931 of the Social Security Act and chapter
 54 409, chapter 414, or chapter 445, Florida Statutes.

55 (b) Supplemental security income recipients as defined in
 56 Title XVI of the Social Security Act, except for persons who are

57 dually eligible for Medicaid and Medicare.

58 (c) All children covered pursuant to Title XIX and Title
 59 XXI of the Social Security Act.

60 (4) CHOICE COUNSELING.--

61 (a) At the time of eligibility application, a recipient
 62 shall be temporarily placed in a managed care plan. Within 30
 63 days after initial placement in a plan, a recipient shall choose
 64 either to remain in the plan to receive health care coverage
 65 through Medicaid benefits or through the private insurance
 66 market.

67 (b) During the 30-day period between initial placement in
 68 a plan and the recipient choosing a plan, the agency shall
 69 provide the recipient with all the Medicaid health care options
 70 available in that community and shall provide choice counseling
 71 to assist the recipient in making an informed decision regarding
 72 health coverage options.

73 (c) The agency shall ensure that the recipient is provided
 74 with:

- 75 1. A list and description of the benefits provided.
- 76 2. Cost data.
- 77 3. Plan performance data, if available.
- 78 4. Explanation of benefit limitations.
- 79 5. Contact information, including geographic locations and
 80 phone numbers of all plan providers and transportation
 81 limitations.
- 82 6. Any other information the agency determines would
 83 facilitate a recipient's understanding of the plan or insurance
 84 that would best meet his or her needs.

85 (d) The agency shall ensure that there is a record of
86 recipient acknowledgment that choice counseling has been
87 provided.

88 (e) The agency shall ensure that the choice counseling
89 process and material provided are designed to allow recipients
90 with limited education, mental impairment, physical impairment,
91 sensory impairment, cultural differences, and language barriers
92 to understand the choices they must make and the consequences of
93 their choices.

94 (f) The agency shall require the entity performing choice
95 counseling to determine if the recipient has made a choice of a
96 plan or has opted out because of duress, threats, payment to the
97 recipient, or incentives promised to the recipient by a third
98 party. If the choice counseling entity determines that the
99 decision to choose a plan was unlawfully influenced or a plan
100 violated any of the provisions of s. 409.912(21), Florida
101 Statutes, the choice counseling entity shall immediately report
102 the violation to the agency's program integrity section for
103 investigation. Verification of choice counseling by the
104 recipient shall include a stipulation that the recipient
105 acknowledges the provisions of this subsection.

106 (g) It is the intent of the Legislature, within the
107 authority of the waiver and within available resources, that the
108 agency promote health literacy through outreach activities for
109 Medicaid recipients.

110 (h) The agency is authorized to contract with entities to
111 perform choice counseling and may establish standards and
112 performance contracts.

113 (5) PLANS.--

114 (a) The agency shall develop a capitated system of care
 115 that promotes choice and competition.

116 (b) Plan benefits shall include the mandatory services
 117 specified in s. 409.905, Florida Statutes, behavioral health
 118 services specified in s. 409.906(8), Florida Statutes, and
 119 pharmacy services specified in s. 409.906(20), Florida Statutes,
 120 and may include any supplemental coverage offered to attract
 121 recipients and provide needed care.

122 (c)1. The agency shall include behavioral health care
 123 benefits as part of the capitation structure to enable a plan to
 124 coordinate and fully manage all aspects of patient care.

125 2. The agency may set standards for behavioral health care
 126 benefits for managed care plans and health insurance plans
 127 participating in the Medicaid opt-out option pursuant to this
 128 section.

129 3. The agency may set appropriate medication guidelines,
 130 including copayments.

131 (6) APPLICABILITY OF OTHER LAW.--The Legislature
 132 authorizes the Agency for Health Care Administration to apply
 133 and enforce any provision of law not referenced in this section
 134 to ensure the safety, quality, and integrity of the waiver.

135 (7) RULEMAKING.--The Agency for Health Care Administration
 136 is authorized to adopt rules to implement the provisions of this
 137 section.

138 (8) IMPLEMENTATION.--Upon approval of a waiver by the
 139 Centers for Medicare and Medicaid Services, the Agency for
 140 Health Care Administration shall report the provisions and

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141 structure of the approved waiver and any deviations from this
142 section to the Legislature. The agency shall implement the
143 waiver after authority to implement the waiver is granted by the
144 Legislature.

145 (9) REVIEW AND REPEAL.--This section shall stand repealed
146 on July 1, 2010, unless reviewed and saved from repeal through
147 reenactment by the Legislature.

148 Section 2. This act shall take effect July 1, 2005.