

Amendment No. (for drafter's use only)

CHAMBER ACTION

Senate

House

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1 Representative Sands offered the following:

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3 **Amendment (with title amendments)**

4 Between lines 152 and 153 insert:

5 Section 4. Paragraph (b) of subsection (4) of section
6 409.912, Florida Statutes, is amended to read:

7 409.912 Cost-effective purchasing of health care.--The
8 agency shall purchase goods and services for Medicaid recipients
9 in the most cost-effective manner consistent with the delivery
10 of quality medical care. To ensure that medical services are
11 effectively utilized, the agency may, in any case, require a
12 confirmation or second physician's opinion of the correct
13 diagnosis for purposes of authorizing future services under the
14 Medicaid program. This section does not restrict access to
15 emergency services or poststabilization care services as defined

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16 in 42 C.F.R. part 438.114. Such confirmation or second opinion
17 shall be rendered in a manner approved by the agency. The agency
18 shall maximize the use of prepaid per capita and prepaid
19 aggregate fixed-sum basis services when appropriate and other
20 alternative service delivery and reimbursement methodologies,
21 including competitive bidding pursuant to s. 287.057, designed
22 to facilitate the cost-effective purchase of a case-managed
23 continuum of care. The agency shall also require providers to
24 minimize the exposure of recipients to the need for acute
25 inpatient, custodial, and other institutional care and the
26 inappropriate or unnecessary use of high-cost services. The
27 agency may mandate prior authorization, drug therapy management,
28 or disease management participation for certain populations of
29 Medicaid beneficiaries, certain drug classes, or particular
30 drugs to prevent fraud, abuse, overuse, and possible dangerous
31 drug interactions. The Pharmaceutical and Therapeutics Committee
32 shall make recommendations to the agency on drugs for which
33 prior authorization is required. The agency shall inform the
34 Pharmaceutical and Therapeutics Committee of its decisions
35 regarding drugs subject to prior authorization. The agency is
36 authorized to limit the entities it contracts with or enrolls as
37 Medicaid providers by developing a provider network through
38 provider credentialing. The agency may limit its network based
39 on the assessment of beneficiary access to care, provider
40 availability, provider quality standards, time and distance
41 standards for access to care, the cultural competence of the
42 provider network, demographic characteristics of Medicaid

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43 beneficiaries, practice and provider-to-beneficiary standards,
44 appointment wait times, beneficiary use of services, provider
45 turnover, provider profiling, provider licensure history,
46 previous program integrity investigations and findings, peer
47 review, provider Medicaid policy and billing compliance records,
48 clinical and medical record audits, and other factors. Providers
49 shall not be entitled to enrollment in the Medicaid provider
50 network. The agency is authorized to seek federal waivers
51 necessary to implement this policy.

52 (4) The agency may contract with:

53 (b) An entity that is providing comprehensive behavioral
54 health care services to certain Medicaid recipients through a
55 capitated, prepaid arrangement pursuant to the federal waiver
56 provided for by s. 409.905(5). Such an entity must be licensed
57 under chapter 624, chapter 636, or chapter 641 and must possess
58 the clinical systems and operational competence to manage risk
59 and provide comprehensive behavioral health care to Medicaid
60 recipients. As used in this paragraph, the term "comprehensive
61 behavioral health care services" means covered mental health and
62 substance abuse treatment services that are available to
63 Medicaid recipients. The secretary of the Department of Children
64 and Family Services shall approve provisions of procurements
65 related to children in the department's care or custody prior to
66 enrolling such children in a prepaid behavioral health plan. Any
67 contract awarded under this paragraph must be competitively
68 procured. In developing the behavioral health care prepaid plan
69 procurement document, the agency shall ensure that the

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70 procurement document requires the contractor to develop and
71 implement a plan to ensure compliance with s. 394.4574 related
72 to services provided to residents of licensed assisted living
73 facilities that hold a limited mental health license. Except as
74 provided in subparagraph 8., the agency shall seek federal
75 approval to contract with a single entity meeting these
76 requirements to provide comprehensive behavioral health care
77 services to all Medicaid recipients not enrolled in a managed
78 care plan in an AHCA area. Each entity must offer sufficient
79 choice of providers in its network to ensure recipient access to
80 care and the opportunity to select a provider with whom they are
81 satisfied. The network shall include all public mental health
82 hospitals. To ensure unimpaired access to behavioral health care
83 services by Medicaid recipients, all contracts issued pursuant
84 to this paragraph shall require 80 percent of the capitation
85 paid to the managed care plan, including health maintenance
86 organizations, to be expended for the provision of behavioral
87 health care services. In the event the managed care plan expends
88 less than 80 percent of the capitation paid pursuant to this
89 paragraph for the provision of behavioral health care services,
90 the difference shall be returned to the agency. The agency shall
91 provide the managed care plan with a certification letter
92 indicating the amount of capitation paid during each calendar
93 year for the provision of behavioral health care services
94 pursuant to this section. The agency may reimburse for substance
95 abuse treatment services on a fee-for-service basis until the

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96 agency finds that adequate funds are available for capitated,
97 prepaid arrangements.

98 1. By January 1, 2001, the agency shall modify the
99 contracts with the entities providing comprehensive inpatient
100 and outpatient mental health care services to Medicaid
101 recipients in Hillsborough, Highlands, Hardee, Manatee, and Polk
102 Counties, to include substance abuse treatment services.

103 2. By July 1, 2003, the agency and the Department of
104 Children and Family Services shall execute a written agreement
105 that requires collaboration and joint development of all policy,
106 budgets, procurement documents, contracts, and monitoring plans
107 that have an impact on the state and Medicaid community mental
108 health and targeted case management programs.

109 3. Except as provided in subparagraph 8., by July 1, 2006,
110 the agency and the Department of Children and Family Services
111 shall contract with managed care entities in each AHCA area
112 except area 6 or arrange to provide comprehensive inpatient and
113 outpatient mental health and substance abuse services through
114 capitated prepaid arrangements to all Medicaid recipients who
115 are eligible to participate in such plans under federal law and
116 regulation. In AHCA areas where eligible individuals number less
117 than 150,000, the agency shall contract with a single managed
118 care plan to provide comprehensive behavioral health services to
119 all recipients who are not enrolled in a Medicaid health
120 maintenance organization. The agency may contract with more than
121 one comprehensive behavioral health provider to provide care to
122 recipients who are not enrolled in a Medicaid health maintenance

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123 organization in AHCA areas where the eligible population exceeds
124 150,000. Contracts for comprehensive behavioral health providers
125 awarded pursuant to this section shall be competitively
126 procured. Both for-profit and not-for-profit corporations shall
127 be eligible to compete. Managed care plans contracting with the
128 agency under subsection (3) shall provide and receive payment
129 for the same comprehensive behavioral health benefits as
130 provided in AHCA rules, including handbooks incorporated by
131 reference. Notwithstanding the provisions of this section,
132 Medicaid-eligible individuals within District 10 who receive
133 comprehensive inpatient and outpatient mental health and
134 substance abuse services under the MediPass program may choose
135 to continue to receive services under this program.

136 4. By October 1, 2003, the agency and the department shall
137 submit a plan to the Governor, the President of the Senate, and
138 the Speaker of the House of Representatives which provides for
139 the full implementation of capitated prepaid behavioral health
140 care in all areas of the state.

141 a. Implementation shall begin in 2003 in those AHCA areas
142 of the state where the agency is able to establish sufficient
143 capitation rates.

144 b. If the agency determines that the proposed capitation
145 rate in any area is insufficient to provide appropriate
146 services, the agency may adjust the capitation rate to ensure
147 that care will be available. The agency and the department may
148 use existing general revenue to address any additional required

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149 match but may not over-obligate existing funds on an annualized
150 basis.

151 c. Subject to any limitations provided for in the General
152 Appropriations Act, the agency, in compliance with appropriate
153 federal authorization, shall develop policies and procedures
154 that allow for certification of local and state funds.

155 5. Children residing in a statewide inpatient psychiatric
156 program, or in a Department of Juvenile Justice or a Department
157 of Children and Family Services residential program approved as
158 a Medicaid behavioral health overlay services provider shall not
159 be included in a behavioral health care prepaid health plan or
160 any other Medicaid managed care plan pursuant to this paragraph.

161 6. In converting to a prepaid system of delivery, the
162 agency shall in its procurement document require an entity
163 providing only comprehensive behavioral health care services to
164 prevent the displacement of indigent care patients by enrollees
165 in the Medicaid prepaid health plan providing behavioral health
166 care services from facilities receiving state funding to provide
167 indigent behavioral health care, to facilities licensed under
168 chapter 395 which do not receive state funding for indigent
169 behavioral health care, or reimburse the unsubsidized facility
170 for the cost of behavioral health care provided to the displaced
171 indigent care patient.

172 7. Traditional community mental health providers under
173 contract with the Department of Children and Family Services
174 pursuant to part IV of chapter 394, child welfare providers
175 under contract with the Department of Children and Family

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176 Services in areas 1 and 6, and inpatient mental health providers
177 licensed pursuant to chapter 395 must be offered an opportunity
178 to accept or decline a contract to participate in any provider
179 network for prepaid behavioral health services.

180 8. For fiscal year 2004-2005, all Medicaid eligible
181 children, except children in areas 1 and 6, whose cases are open
182 for child welfare services in the HomeSafeNet system, shall be
183 enrolled in MediPass or in Medicaid fee-for-service and all
184 their behavioral health care services including inpatient,
185 outpatient psychiatric, community mental health, and case
186 management shall be reimbursed on a fee-for-service basis.
187 Beginning July 1, 2005, such children, who are open for child
188 welfare services in the HomeSafeNet system, shall receive their
189 behavioral health care services through a specialty prepaid plan
190 operated by community-based lead agencies either through a
191 single agency or formal agreements among several agencies. The
192 specialty prepaid plan must result in savings to the state
193 comparable to savings achieved in other Medicaid managed care
194 and prepaid programs. Such plan must provide mechanisms to
195 maximize state and local revenues. The specialty prepaid plan
196 shall be developed by the agency and the Department of Children
197 and Family Services. The agency is authorized to seek any
198 federal waivers to implement this initiative.

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

201 Remove line 28 and insert:

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HOUSE AMENDMENT

Bill No. HB 881

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202 amending s. 409.912, F.S.; providing for certain Medicaid-
203 eligible individuals to continue receiving comprehensive
204 inpatient and outpatient mental health services; providing an
205 effective date.

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