

Bill No. CS for SB 2-B

Barcode 923506

CHAMBER ACTION

Senate

House

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The Committee on Ways and Means (Atwater) recommended the following amendment:

**Senate Amendment (with title amendment)**

On page 37, line 4, through  
page 38, line 24, delete those lines

and insert:

(7)(a) The Secretary of Health Care Administration shall convene a technical advisory panel to advise the agency in the areas of risk-adjusted-rate setting, benefit design, and choice counseling. The panel shall include representatives from the Florida Association of Health Plans, representatives from provider-sponsored networks, and a representative from the Office of Insurance Regulation.

(b) The technical advisory panel shall advise the agency concerning:

1. The risk-adjusted rate methodology to be used by the agency, including recommendations on mechanisms to recognize the risk of all Medicaid enrollees and for the transition to a risk-adjustment system, including

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1 recommendations for phasing in risk adjustment and the use of  
2 risk corridors.

3 2. Implementation of an encounter data system to be  
4 used for risk-adjusted rates.

5 3. Administrative and implementation issues regarding  
6 the use of risk-adjusted rates, including, but not limited to,  
7 cost, simplicity, client privacy, data accuracy, and data  
8 exchange.

9 4. Issues of benefit design, including the actuarial  
10 equivalence and sufficiency standards to be used.

11 5. The implementation plan for the proposed  
12 choice-counseling system, including the information and  
13 materials to be provided to recipients, the methodologies by  
14 which recipients will be counseled regarding choice, criteria  
15 to be used to assess plan quality, the methodology to be used  
16 to assign recipients into plans if they fail to choose a  
17 managed care plan, and the standards to be used for  
18 responsiveness to recipient inquiries.

19 (c) The technical advisory panel shall continue in  
20 existence and advise the agency on matters outlined in this  
21 subsection.

22 (8) The agency must ensure, in the first two state  
23 fiscal years in which a risk-adjusted methodology is a  
24 component of rate setting, that no managed care plan providing  
25 comprehensive benefits to TANF and SSI recipients has an  
26 aggregate risk score that varies by more than 10 percent from  
27 the aggregate weighted mean of all managed care plans  
28 providing comprehensive benefits to TANF and SSI recipients in  
29 a reform area. The agency's payment to a managed care plan  
30 shall be based on such revised aggregate risk score.

31 (9) After any calculations of aggregate risk scores or

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1 revised aggregate risk scores in subsection (8), the  
2 capitation rates for plans participating under s. 409.91211  
3 shall be phased in as follows:

4 (a) In the first year, the capitation rates shall be  
5 weighted so that 75 percent of each capitation rate is based  
6 on the current methodology and 25 percent is based on a new  
7 risk-adjusted capitation rate methodology.

8 (b) In the second year, the capitation rates shall be  
9 weighted so that 50 percent of each capitation rate is based  
10 on the current methodology and 50 percent is based on a new  
11 risk-adjusted rate methodology.

12 (c) In the following fiscal year, the risk-adjusted  
13 capitation methodology may be fully implemented.

14 (10) Subsections (8) and (9) do not apply to managed  
15 care plans offering benefits exclusively to high-risk,  
16 specialty populations. The agency may set risk-adjusted rates  
17 immediately for such plans.

18 (11) Before the implementation of risk-adjusted rates,  
19 the rates shall be certified by an actuary and approved by the  
20 federal Centers for Medicare and Medicaid Services.

21 (12) For purposes of this section, the term "capitated  
22 managed care plan" includes health insurers authorized under  
23 chapter 624, exclusive provider organizations authorized under  
24 chapter 627, health maintenance organizations authorized under  
25 chapter 641, the Children's Medical Services Network under  
26 chapter 391, and provider service networks that elect to be  
27 paid fee-for-service for up to 3 years as authorized under  
28 this section.

29 (13)~~(7)~~ Upon review and approval of the applications  
30 for waivers of applicable federal laws and regulations to  
31 implement the managed care pilot program by the Legislature,

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1 the agency may initiate adoption of rules pursuant to ss.  
2 120.536(1) and 120.54 to implement and administer the managed  
3 care pilot program as provided in this section.

4 (14) It is the intent of the Legislature that if any  
5 conflict exists between the provisions contained in this  
6 section and other provisions of this chapter which relate to  
7 the implementation of the Medicaid managed care pilot program,  
8 the provisions contained in this section shall control. The  
9 agency shall provide a written report to the Legislature by  
10 April 1, 2006, identifying any provisions of this chapter  
11 which conflict with the implementation of the Medicaid managed  
12 care pilot program created in this section. After April 1,  
13 2006, the agency shall provide a written report to the  
14 Legislature immediately upon identifying any provisions of  
15 this chapter which conflict with the implementation of the  
16 Medicaid managed care pilot program created in this section.

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

20 And the title is amended as follows:

21 On page 2, line 30, through  
22 page 3, line 6, delete those lines

23

24 and insert:

25 requiring the Secretary of Health Care  
26 Administration to convene a technical advisory  
27 panel to advise the agency in matters relating  
28 to rate setting, benefit design, and choice  
29 counseling; providing for panel members;  
30 providing certain requirements for managed care  
31 plans providing benefits to TANF and SSI

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1 recipients; providing for capitation rates to  
2 be phased in; providing an exception for  
3 high-risk, specialty populations; requiring the  
4 certification of rates by an actuary and  
5 federal approval; providing that, if any  
6 conflict exists between the provisions  
7 contained in s. 409.91211, F.S., and ch. 409,  
8 F.S., concerning the implementation of the  
9 pilot program, the provisions contained in s.  
10 409.91211, F.S., control;

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