

Amendment No. (for drafter's use only)

CHAMBER ACTION

Senate

House

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Representative Detert offered the following:

Amendment

Remove lines 1038-1174 and insert:

(5) This section does not authorize the agency to implement any provision of s. 1115 of the Social Security Act experimental, pilot, or demonstration project waiver to reform the state Medicaid program in any part of the state other than the two geographic areas specified in this section unless approved by the Legislature.

(6) The agency shall develop and submit for approval applications for waivers of applicable federal laws and regulations as necessary to implement the managed care pilot project as defined in this section. The agency shall post all waiver applications under this section on its Internet website

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HOUSE AMENDMENT

Bill No. HB 3B CS

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16 30 days before submitting the applications to the United States
17 Centers for Medicare and Medicaid Services. All waiver
18 applications shall be provided for review and comment to the
19 appropriate committees of the Senate and House of
20 Representatives for at least 10 working days prior to
21 submission. All waivers submitted to and approved by the United
22 States Centers for Medicare and Medicaid Services under this
23 section must be approved by the Legislature. Federally approved
24 waivers must be submitted to the President of the Senate and the
25 Speaker of the House of Representatives for referral to the
26 appropriate legislative committees. The appropriate committees
27 shall recommend whether to approve the implementation of any
28 waivers to the Legislature as a whole. The agency shall submit a
29 plan containing a recommended timeline for implementation of any
30 waivers and budgetary projections of the effect of the pilot
31 program under this section on the total Medicaid budget for the
32 2006-2007 through 2009-2010 state fiscal years. This
33 implementation plan shall be submitted to the President of the
34 Senate and the Speaker of the House of Representatives at the
35 same time any waivers are submitted for consideration by the
36 Legislature. The agency is authorized to implement the waiver
37 and Centers for Medicare and Medicaid Services Special Terms and
38 Conditions number 11-W-00206/4. If the agency seeks approval by
39 the Federal Government of any modifications to these special
40 terms and conditions, the agency shall provide written
41 notification of its intent to modify these terms and conditions
42 to the President of the Senate and Speaker of the House of

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43 Representatives at least 15 days prior to submitting the
44 modifications to the Federal Government for consideration. The
45 notification shall identify all modifications being pursued and
46 the reason they are needed. Upon receiving federal approval of
47 any modifications to the special terms and conditions, the
48 agency shall report to the Legislature describing the federally
49 approved modifications to the special terms and conditions
50 within 7 days after their approval by the Federal Government.

51 (7) Upon review and approval of the applications for
52 waivers of applicable federal laws and regulations to implement
53 the managed care pilot program by the Legislature, the agency
54 may initiate adoption of rules pursuant to ss. 120.536(1) and
55 120.54 to implement and administer the managed care pilot
56 program as provided in this section.

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

64 (b) The technical advisory panel shall advise the agency
65 on the following:

66 1. The risk-adjusted rate methodology to be used by the
67 agency including recommendations on mechanisms to recognize the
68 risk of all Medicaid enrollees and transitioning to a risk-

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69 adjustment system, including recommendations for phasing in risk
70 adjustment and the uses of risk corridors.

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

73 3. Administrative and implementation issues regarding the
74 use of risk-adjusted rates, including, but not limited to, cost,
75 simplicity, client privacy, data accuracy, and data exchange.

76 4. Benefit design issues, including the actuarial
77 equivalence and sufficiency standards to be used.

78 5. The implementation plan for the proposed choice
79 counseling system, including the information and materials to be
80 provided to recipients, the methodologies by which recipients
81 will be counseled regarding choices, criteria to be used to
82 assess plan quality, the methodology to be used to assign
83 recipients to plans if they fail to choose a managed care plan,
84 and the standards to be used for responsiveness to recipient
85 inquiries.

86 (c) The technical advisory panel shall continue in
87 existence and advise the secretary on matters outlined in this
88 subsection.

89 (9) The agency must ensure in the first 2 state fiscal
90 years in which a risk-adjusted methodology is a component of
91 rate setting that no managed care plan providing comprehensive
92 benefits to TANF and SSI recipients has an aggregate risk score
93 that varies by more than 10 percent from the aggregate weighted
94 mean of all managed care plans providing comprehensive benefits
95 to TANF and SSI recipients in a reform area. The agency's

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96 payment to a managed care plan shall be based on such revised
97 aggregate risk score.

98 (10) After any calculations of aggregate risk scores or
99 revised aggregate risk scores pursuant to subsection (9), the
100 capitation rates for plans participating under 409.91211 shall
101 be phased in as follows:

102 (a) In the first fiscal year, the capitation rates shall
103 be weighted so that 75 percent of each capitation rate is based
104 on the current methodology and 25 percent is based upon a new
105 risk-adjusted capitation rate methodology.

106 (b) In the second fiscal year, the capitation rates shall
107 be weighted so that 50 percent of each capitation rate is based
108 on the current methodology and 50 percent is based on a new
109 risk-adjusted rate methodology.

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

112 (11) Subsections (9) and (10) shall not apply to managed
113 care plans offering benefits exclusively to high-risk, specialty
114 populations. The agency shall have the discretion to set risk-
115 adjusted rates immediately for said plans.

116 (12) Prior to the implementation of risk-adjusted rates,
117 rates shall be certified by an actuary and approved by the
118 federal Centers for Medicare and Medicaid Services.

119 (13) For purposes of this section, the term "capitated
120 managed care plan" includes health insurers authorized under
121 chapter 624, exclusive provider organizations authorized under
122 chapter 627, health maintenance organizations authorized under

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123 chapter 641, the Children's Medical Services Network authorized
124 under chapter 391, and provider service networks that elect to
125 be paid fee-for-service for up to 3 years as authorized under
126 this section.

127 (14) It is the intent of the Legislature that if any
128 conflict exists between the provisions contained in this section
129 and other provisions of chapter 409, as they relate to
130 implementation of the Medicaid managed care pilot program, the
131 provisions contained in this section shall control. The agency
132 shall provide a written report to the President of the Senate
133 and the Speaker of the House of Representatives by April 1,
134 2006, identifying any provisions of chapter 409 that conflict
135 with the implementation of the Medicaid managed care pilot
136 program as created in this section. After April 1, 2006, the
137 agency shall provide a written report to the President of the
138 Senate and the Speaker of the House of Representatives
139 immediately upon identifying any provisions of chapter 409 that
140 conflict with the implementation of the Medicaid managed care
141 pilot program as created in this section.

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