

CHAMBER ACTION

1 The Health & Families Council recommends the following:

2
3 **Council/Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to Medicaid; amending s. 409.912, F.S.;
7 authorizing the Agency for Health Care Administration to
8 implement a federal waiver to administer an integrated,
9 fixed-payment delivery system for Medicaid recipients;
10 providing applicability; creating s. 409.91212, F.S.;
11 requiring the Agency for Health Care Administration to
12 establish a comprehensive geriatric fall prevention
13 program for certain Medicaid recipients; directing the
14 agency to develop the program as an expansion of a certain
15 pilot project conducted in Miami-Dade County; requiring
16 the agency to evaluate the program and report to the
17 Legislature; requiring a plan and timetable for statewide
18 implementation contingent upon certain findings;
19 specifying a timeframe for implementing a certain form of
20 reimbursement; providing a contingent effective date.

21
22 Be It Enacted by the Legislature of the State of Florida:

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24 Section 1. Paragraph (e) of subsection (5) of section
25 409.912, Florida Statutes, is amended, and paragraph (f) is
26 added to that subsection, to read:

27 409.912 Cost-effective purchasing of health care.--The
28 agency shall purchase goods and services for Medicaid recipients
29 in the most cost-effective manner consistent with the delivery
30 of quality medical care. To ensure that medical services are
31 effectively utilized, the agency may, in any case, require a
32 confirmation or second physician's opinion of the correct
33 diagnosis for purposes of authorizing future services under the
34 Medicaid program. This section does not restrict access to
35 emergency services or poststabilization care services as defined
36 in 42 C.F.R. part 438.114. Such confirmation or second opinion
37 shall be rendered in a manner approved by the agency. The agency
38 shall maximize the use of prepaid per capita and prepaid
39 aggregate fixed-sum basis services when appropriate and other
40 alternative service delivery and reimbursement methodologies,
41 including competitive bidding pursuant to s. 287.057, designed
42 to facilitate the cost-effective purchase of a case-managed
43 continuum of care. The agency shall also require providers to
44 minimize the exposure of recipients to the need for acute
45 inpatient, custodial, and other institutional care and the
46 inappropriate or unnecessary use of high-cost services. The
47 agency shall contract with a vendor to monitor and evaluate the
48 clinical practice patterns of providers in order to identify
49 trends that are outside the normal practice patterns of a
50 provider's professional peers or the national guidelines of a
51 provider's professional association. The vendor must be able to

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52 | provide information and counseling to a provider whose practice
53 | patterns are outside the norms, in consultation with the agency,
54 | to improve patient care and reduce inappropriate utilization.
55 | The agency may mandate prior authorization, drug therapy
56 | management, or disease management participation for certain
57 | populations of Medicaid beneficiaries, certain drug classes, or
58 | particular drugs to prevent fraud, abuse, overuse, and possible
59 | dangerous drug interactions. The Pharmaceutical and Therapeutics
60 | Committee shall make recommendations to the agency on drugs for
61 | which prior authorization is required. The agency shall inform
62 | the Pharmaceutical and Therapeutics Committee of its decisions
63 | regarding drugs subject to prior authorization. The agency is
64 | authorized to limit the entities it contracts with or enrolls as
65 | Medicaid providers by developing a provider network through
66 | provider credentialing. The agency may competitively bid single-
67 | source-provider contracts if procurement of goods or services
68 | results in demonstrated cost savings to the state without
69 | limiting access to care. The agency may limit its network based
70 | on the assessment of beneficiary access to care, provider
71 | availability, provider quality standards, time and distance
72 | standards for access to care, the cultural competence of the
73 | provider network, demographic characteristics of Medicaid
74 | beneficiaries, practice and provider-to-beneficiary standards,
75 | appointment wait times, beneficiary use of services, provider
76 | turnover, provider profiling, provider licensure history,
77 | previous program integrity investigations and findings, peer
78 | review, provider Medicaid policy and billing compliance records,
79 | clinical and medical record audits, and other factors. Providers

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80 shall not be entitled to enrollment in the Medicaid provider
81 network. The agency shall determine instances in which allowing
82 Medicaid beneficiaries to purchase durable medical equipment and
83 other goods is less expensive to the Medicaid program than long-
84 term rental of the equipment or goods. The agency may establish
85 rules to facilitate purchases in lieu of long-term rentals in
86 order to protect against fraud and abuse in the Medicaid program
87 as defined in s. 409.913. The agency may seek federal waivers
88 necessary to administer these policies.

89 (5) By December 1, 2005, the Agency for Health Care
90 Administration, in partnership with the Department of Elderly
91 Affairs, shall create an integrated, fixed-payment delivery
92 system for Medicaid recipients who are 60 years of age or older.
93 The Agency for Health Care Administration shall implement the
94 integrated system initially on a pilot basis in two areas of the
95 state. In one of the areas enrollment shall be on a voluntary
96 basis. The program must transfer all Medicaid services for
97 eligible elderly individuals who choose to participate into an
98 integrated-care management model designed to serve Medicaid
99 recipients in the community. The program must combine all
100 funding for Medicaid services provided to individuals 60 years
101 of age or older into the integrated system, including funds for
102 Medicaid home and community-based waiver services; all Medicaid
103 services authorized in ss. 409.905 and 409.906, excluding funds
104 for Medicaid nursing home services unless the agency is able to
105 demonstrate how the integration of the funds will improve
106 coordinated care for these services in a less costly manner; and

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107 Medicare coinsurance and deductibles for persons dually eligible
108 for Medicaid and Medicare as prescribed in s. 409.908(13).

109 (e) The agency may seek federal waivers and adopt rules as
110 necessary to administer the integrated system and may implement
111 an approved waiver. ~~The agency must receive specific~~
112 ~~authorization from the Legislature prior to implementing the~~
113 ~~waiver for the integrated system.~~

114 (f) It is the intent of the Legislature that if any
115 conflict exists between the provisions contained in this section
116 and other provisions of this chapter that relate to the
117 implementation of the Medicaid integrated system, the provisions
118 contained in this section shall control.

119 Section 2. Section 409.91212, Florida Statutes, is created
120 to read:

121 409.91212 Medicaid comprehensive geriatric fall prevention
122 program.--

123 (1) (a) The Agency for Health Care Administration shall
124 establish a comprehensive geriatric fall prevention program for
125 Medicaid recipients in Miami-Dade County. The program shall be
126 evidence-based and shall expand the geriatric fall prevention
127 demonstration project awarded under contract in 2002 by the
128 Agency for Health Care Administration. The program shall serve
129 up to 7,000 Medicaid recipients during the first year of
130 operation and shall be in operation within 120 days after the
131 effective date of this act.

132 (b) The agency shall evaluate the cost-effectiveness and
133 clinical effectiveness of the program and report its findings to
134 the President of the Senate and the Speaker of the House of

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135 Representatives by January 1, 2009. If the findings indicate the
136 program is cost-effective and clinically effective, the report
137 shall include a plan and timetable for statewide implementation.
138 In evaluating the cost-effectiveness and clinical effectiveness
139 of the program, the agency must consider findings from program
140 evaluations and site visit reports relating to the demonstration
141 project described in paragraph (a).

142 (2) Services provided under subsection (1) shall be
143 reimbursed on the same basis as provided for under the
144 demonstration project contracts described in subsection (1).
145 Beginning on the first day of operation in the third year of
146 program implementation, as authorized under this section,
147 services shall be reimbursed only on a capitated, risk-adjusted
148 basis.

149 Section 3. This act shall take effect July 1, 2006;
150 however, section 2 shall take effect only if a specific
151 appropriation to implement the Medicaid comprehensive geriatric
152 fall prevention program as created in s. 409.91212, Florida
153 Statutes, in this act is made in the General Appropriations Act
154 for fiscal year 2006-2007.