

HB 1317

2007

1                   A bill to be entitled  
2           An act relating to reimbursement for managed care;  
3           amending s. 409.9124, F.S.; requiring the Agency for  
4           Health Care Administration to amend its rule pertaining to  
5           the methodology for reimbursing managed care plans;  
6           providing for an increase in the percentage of the payment  
7           limit specified in the rule for the 2006-2007 fiscal year;  
8           prohibiting the payment limit from exceeding 100 percent;  
9           deleting a provision prohibiting rates from exceeding the  
10          amounts allowed in the General Appropriations Act;  
11          providing an effective date.

12  
13   Be It Enacted by the Legislature of the State of Florida:

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15          Section 1. Subsections (1) and (2) of section 409.9124,  
16          Florida Statutes, are amended to read:

17          409.9124 Managed care reimbursement.--The agency shall  
18          develop and adopt by rule a methodology for reimbursing managed  
19          care plans.

20          (1) Final managed care rates shall be published annually  
21          prior to September 1 of each year, based on methodology that:

22                  (a) Uses Medicaid's fee-for-service expenditures.

23                  (b) Is certified as an actuarially sound computation of  
24          Medicaid fee-for-service expenditures for comparable groups of  
25          Medicaid recipients and includes all fee-for-service  
26          expenditures, including those fee-for-service expenditures  
27          attributable to recipients who are enrolled for a portion of a  
28          year in a managed care plan or waiver program.

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29 (c) Is compliant with applicable federal laws and  
30 regulations, including, but not limited to, the requirements to  
31 include an allowance for administrative expenses and to account  
32 for all fee-for-service expenditures, including fee-for-service  
33 expenditures for those groups enrolled for part of a year.

34 (d) Effective for contracts beginning in the 2007-2008  
35 fiscal year and thereafter, the agency shall amend its rule  
36 pertaining to the methodology for reimbursing managed care  
37 plans, created pursuant to this section, and for each agency  
38 area and eligibility category, the percentage of the payment  
39 limit shall be increased by 3.9 percentage points from the  
40 percentage of the payment limit specified in the rule applicable  
41 to the 2006-2007 fiscal year. The percentage of the payment  
42 limit may not exceed 100 percent in any agency area or  
43 eligibility category.

44 (2) Each year prior to establishing new managed care  
45 rates, the agency shall review all prior year adjustments for  
46 changes in trend, and shall reduce or eliminate those  
47 adjustments which are not reasonable and which reflect policies  
48 or programs which are not in effect. In addition, the agency  
49 shall apply only those policy reductions applicable to the  
50 fiscal year for which the rates are being set, which can be  
51 accurately estimated and verified by an independent actuary, and  
52 which have been implemented prior to or will be implemented  
53 during the fiscal year. ~~The agency shall pay rates at per-~~  
54 ~~member, per month averages that do not exceed the amounts~~  
55 ~~allowed for in the General Appropriations Act applicable to the~~  
56 ~~fiscal year for which the rates will be in effect.~~

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Section 2. This act shall take effect July 1, 2007.