

By Senator Fasano

11-1207A-07

1 A bill to be entitled

2 An act relating to reimbursement for managed

3 care; amending s. 409.9124, F.S.; requiring the

4 Agency for Health Care Administration to amend

5 its rule pertaining to the methodology for

6 reimbursing managed care plans; providing for

7 an increase in the percentage of the payment

8 limit specified in the rule for the 2006-2007

9 fiscal year; prohibiting the payment limit from

10 exceeding 100 percent; deleting a provision

11 prohibiting rates from exceeding the amounts

12 allowed in the General Appropriations Act;

13 providing an effective date.

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15 Be It Enacted by the Legislature of the State of Florida:

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17 Section 1. Subsections (1) and (2) of section

18 409.9124, Florida Statutes, are amended to read:

19 409.9124 Managed care reimbursement.--The agency shall

20 develop and adopt by rule a methodology for reimbursing

21 managed care plans.

22 (1) Final managed care rates shall be published

23 annually prior to September 1 of each year, based on

24 methodology that:

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

26 (b) Is certified as an actuarially sound computation

27 of Medicaid fee-for-service expenditures for comparable groups

28 of Medicaid recipients and includes all fee-for-service

29 expenditures, including those fee-for-service expenditures

30 attributable to recipients who are enrolled for a portion of a

31 year in a managed care plan or waiver program.

1 (c) Is compliant with applicable federal laws and
2 regulations, including, but not limited to, the requirements
3 to include an allowance for administrative expenses and to
4 account for all fee-for-service expenditures, including
5 fee-for-service expenditures for those groups enrolled for
6 part of a year.

7 (d) Effective for contracts beginning in the 2007-2008
8 fiscal year and thereafter, the agency shall amend its rule
9 pertaining to the methodology for reimbursing managed care
10 plans, created pursuant to this section, and for each agency
11 area and eligibility category, the percentage of the payment
12 limit shall be increased by 3.9 percentage points from the
13 percentage of the payment limit specified in the rule
14 applicable to the 2006-2007 fiscal year. The percentage of the
15 payment limit may not exceed 100 percent in any agency area or
16 eligibility category.

17 (2) Each year prior to establishing new managed care
18 rates, the agency shall review all prior year adjustments for
19 changes in trend, and shall reduce or eliminate those
20 adjustments which are not reasonable and which reflect
21 policies or programs which are not in effect. In addition, the
22 agency shall apply only those policy reductions applicable to
23 the fiscal year for which the rates are being set, which can
24 be accurately estimated and verified by an independent
25 actuary, and which have been implemented prior to or will be
26 implemented during the fiscal year. ~~The agency shall pay rates~~
27 ~~at per member, per month averages that do not exceed the~~
28 ~~amounts allowed for in the General Appropriations Act~~
29 ~~applicable to the fiscal year for which the rates will be in~~
30 ~~effect.~~

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

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SENATE SUMMARY

Requires the Agency for Health Care Administration to amend its rule pertaining to the methodology for reimbursing managed care plans. Provides for an increase of 3.9 percentage points from the percentage of the payment limit specified in the 2006-2007 rule. Requires that the payment limit may not exceed 100 percent. Deletes a provision that required that rates paid must not exceed the amounts allowed for in the General Appropriations Act applicable to the fiscal year for which the rates would be in effect.