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603-04312D-08

Proposed Committee Substitute by the Committee on Health and Human
Services Appropriations

1 A bill to be entitled

2 An act relating to reimbursement of Medicaid providers;
3 amending s. 409.908, F.S.; requiring the Agency for Health
4 Care Administration to limit the reimbursement rate for
5 certain specified providers notwithstanding certain
6 provisions and rules to the contrary; providing that the
7 limitations apply to prepaid health plans and nursing home
8 diversion programs; providing for application; providing
9 an effective date.

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

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13 Section 1. Subsection (23) is added to section 409.908,
14 Florida Statutes, to read:

15 409.908 Reimbursement of Medicaid providers.--Subject to
16 specific appropriations, the agency shall reimburse Medicaid
17 providers, in accordance with state and federal law, according to
18 methodologies set forth in the rules of the agency and in policy
19 manuals and handbooks incorporated by reference therein. These
20 methodologies may include fee schedules, reimbursement methods
21 based on cost reporting, negotiated fees, competitive bidding
22 pursuant to s. 287.057, and other mechanisms the agency considers
23 efficient and effective for purchasing services or goods on
24 behalf of recipients. If a provider is reimbursed based on cost
25 reporting and submits a cost report late and that cost report
26 would have been used to set a lower reimbursement rate for a rate
27 semester, then the provider's rate for that semester shall be



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28 retroactively calculated using the new cost report, and full
29 payment at the recalculated rate shall be effected retroactively.
30 Medicare-granted extensions for filing cost reports, if
31 applicable, shall also apply to Medicaid cost reports. Payment
32 for Medicaid compensable services made on behalf of Medicaid
33 eligible persons is subject to the availability of moneys and any
34 limitations or directions provided for in the General
35 Appropriations Act or chapter 216. Further, nothing in this
36 section shall be construed to prevent or limit the agency from
37 adjusting fees, reimbursement rates, lengths of stay, number of
38 visits, or number of services, or making any other adjustments
39 necessary to comply with the availability of moneys and any
40 limitations or directions provided for in the General
41 Appropriations Act, provided the adjustment is consistent with
42 legislative intent.

43 (23) (a) Notwithstanding the provisions of this section to
44 the contrary and any rules adopted thereunder to the contrary,
45 the agency shall limit each provider's reimbursement rate by
46 reducing the provider's reimbursement rate in an amount necessary
47 to reduce the statewide weighted average rate so that the new
48 rate semester equals the statewide weighted average rate for the
49 preceding rate semester.

50 (b) This subsection applies to the following types of
51 providers:

- 52 1. Inpatient hospitals;
- 53 2. Outpatient hospitals;
- 54 3. Nursing homes;
- 55 4. County health departments; and
- 56 5. Community intermediate care facilities for the
57 developmentally disabled.



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59 The agency shall apply the effect of these limitations to the
60 reimbursement rates for prepaid health plans and nursing home
61 diversion programs.

62 (c) This subsection applies to reimbursement rates paid on
63 July 1, 2008, and thereafter.

64 Section 2. This act shall take effect upon becoming a law.