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LEGISLATIVE ACTION

Senate

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The Conference Committee on CS for SB 1658 recommended the following:

Senate Conference Committee Amendment (with title amendment)

Delete everything after the enacting clause and insert:

Section 1. Section 395.7017, Florida Statutes, is created to read:

395.7017 Rulemaking authority.—The agency may adopt rules pursuant to ss. 120.536 and 120.54 to implement the provisions of this part, which shall include the authority to define terms and determine the date of imposition and the determination of



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12 the process for determination, collection, and imposition of the
13 Public Medical Assistance Trust Fund assessment and related
14 fines.

15 Section 2. Paragraphs (g) and (q) of subsection (2) of
16 section 409.815, Florida Statutes, are amended, and paragraph
17 (w) is added to that subsection, to read:

18 409.815 Health benefits coverage; limitations.-

19 (2) BENCHMARK BENEFITS.-In order for health benefits
20 coverage to qualify for premium assistance payments for an
21 eligible child under ss. 409.810-409.820, the health benefits
22 coverage, except for coverage under Medicaid and Medikids, must
23 include the following minimum benefits, as medically necessary.

24 (g) *Behavioral health services.*-

25 1. Mental health benefits include:

26 a. Inpatient services, limited to ~~not more than~~ 30
27 inpatient days per contract year for psychiatric admissions, or
28 residential services in facilities licensed under s. 394.875(6)
29 or s. 395.003 in lieu of inpatient psychiatric admissions;
30 however, a minimum of 10 of the 30 days shall be available only
31 for inpatient psychiatric services if ~~when~~ authorized by a
32 physician; and

33 b. Outpatient services, including outpatient visits for
34 psychological or psychiatric evaluation, diagnosis, and
35 treatment by a licensed mental health professional, limited to a
36 ~~maximum of~~ 40 outpatient visits each contract year.

37 2. Substance abuse services include:

38 a. Inpatient services, limited to ~~not more than~~ 7 inpatient
39 days per contract year for medical detoxification only and 30
40 days of residential services; and



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41 b. Outpatient services, including evaluation, diagnosis,
42 and treatment by a licensed practitioner, limited to ~~a maximum~~
43 ~~of~~ 40 outpatient visits per contract year.

44
45 Effective October 1, 2009, covered services include inpatient
46 and outpatient services for mental and nervous disorders as
47 defined in the most recent edition of the Diagnostic and
48 Statistical Manual of Mental Disorders published by the American
49 Psychiatric Association. Such benefits include psychological or
50 psychiatric evaluation, diagnosis, and treatment by a licensed
51 mental health professional and inpatient, outpatient, and
52 residential treatment of substance abuse disorders. Any benefit
53 limitations, including duration of services, number of visits,
54 or number of days for hospitalization or residential services,
55 shall not be any less favorable than those for physical
56 illnesses generally. The program may also implement appropriate
57 financial incentives, peer review, utilization requirements, and
58 other methods used for the management of benefits provided for
59 other medical conditions in order to reduce service costs and
60 utilization without compromising quality of care.

61 (q) *Dental services.*—Effective October 1, 2009, dental
62 services shall be covered as required under federal law and may
63 also include those dental benefits provided to children by the
64 Florida Medicaid program under s. 409.906(6).

65 (w) *Reimbursement of federally qualified health centers and*
66 *rural health clinics.*—Effective October 1, 2009, payments for
67 services provided to enrollees by federally qualified health
68 centers and rural health clinics under this section shall be
69 reimbursed using the Medicaid Prospective Payment System as



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70 provided for under s. 2107(e)(1)(D) of the Social Security Act.
71 If such services are paid for by health insurers or health care
72 providers under contract with the Florida Healthy Kids
73 Corporation, such entities are responsible for this payment. The
74 agency may seek any available federal grants to assist with this
75 transition.

76 Section 3. Paragraph (c) of subsection (3) of section
77 409.818, Florida Statutes, is amended to read:

78 409.818 Administration.—In order to implement ss. 409.810-
79 409.820, the following agencies shall have the following duties:

80 (3) The Agency for Health Care Administration, under the
81 authority granted in s. 409.914(1), shall:

82 (c) Monitor compliance with quality assurance and access
83 standards developed under s. 409.820 and in accordance with s.
84 2103(f) of the Social Security Act, 42 U.S.C. 1397cc(f).

85
86 The agency is designated the lead state agency for Title XXI of
87 the Social Security Act for purposes of receipt of federal
88 funds, for reporting purposes, and for ensuring compliance with
89 federal and state regulations and rules.

90 Section 4. Subsections (1) and (2) of section 409.904,
91 Florida Statutes, are amended to read:

92 409.904 Optional payments for eligible persons.—The agency
93 may make payments for medical assistance and related services on
94 behalf of the following persons who are determined to be
95 eligible subject to the income, assets, and categorical
96 eligibility tests set forth in federal and state law. Payment on
97 behalf of these Medicaid eligible persons is subject to the
98 availability of moneys and any limitations established by the



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99 General Appropriations Act or chapter 216.

100 (1) Effective January 1, 2006, and Subject to federal
101 waiver approval, a person who is age 65 or older or is
102 determined to be disabled, whose income is at or below 88
103 percent of the federal poverty level, whose assets do not exceed
104 established limitations, and who is not eligible for Medicare
105 or, if eligible for Medicare, is also eligible for and receiving
106 Medicaid-covered institutional care services, hospice services,
107 or home and community-based services. The agency shall seek
108 federal authorization through a waiver to provide this coverage.
109 This subsection expires December 31, 2010 ~~June 30, 2009~~.

110 (2) (a) A family, a pregnant woman, a child under age 21, a
111 person age 65 or over, or a blind or disabled person, who would
112 be eligible under any group listed in s. 409.903(1), (2), or
113 (3), except that the income or assets of such family or person
114 exceed established limitations. For a family or person in one of
115 these coverage groups, medical expenses are deductible from
116 income in accordance with federal requirements in order to make
117 a determination of eligibility. A family or person eligible
118 under the coverage known as the "medically needy," is eligible
119 to receive the same services as other Medicaid recipients, with
120 the exception of services in skilled nursing facilities and
121 intermediate care facilities for the developmentally disabled.
122 This paragraph subsection expires December 31, 2010 ~~June 30,~~
123 ~~2009~~.

124 (b) Effective January 1, 2011 ~~July 1, 2009~~, a pregnant
125 woman or a child younger than 21 years of age who would be
126 eligible under any group listed in s. 409.903, except that the
127 income or assets of such group exceed established limitations.



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128 For a person in one of these coverage groups, medical expenses
129 are deductible from income in accordance with federal
130 requirements in order to make a determination of eligibility. A
131 person eligible under the coverage known as the "medically
132 needy" is eligible to receive the same services as other
133 Medicaid recipients, with the exception of services in skilled
134 nursing facilities and intermediate care facilities for the
135 developmentally disabled.

136 Section 5. Subsections (4) and (5) of section 409.905,
137 Florida Statutes, are amended to read:

138 409.905 Mandatory Medicaid services.—The agency may make
139 payments for the following services, which are required of the
140 state by Title XIX of the Social Security Act, furnished by
141 Medicaid providers to recipients who are determined to be
142 eligible on the dates on which the services were provided. Any
143 service under this section shall be provided only when medically
144 necessary and in accordance with state and federal law.

145 Mandatory services rendered by providers in mobile units to
146 Medicaid recipients may be restricted by the agency. Nothing in
147 this section shall be construed to prevent or limit the agency
148 from adjusting fees, reimbursement rates, lengths of stay,
149 number of visits, number of services, or any other adjustments
150 necessary to comply with the availability of moneys and any
151 limitations or directions provided for in the General
152 Appropriations Act or chapter 216.

153 (4) HOME HEALTH CARE SERVICES.—The agency shall pay for
154 nursing and home health aide services, supplies, appliances, and
155 durable medical equipment, necessary to assist a recipient
156 living at home. An entity that provides services pursuant to



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157 this subsection shall be licensed under part III of chapter 400.
158 These services, equipment, and supplies, or reimbursement
159 therefor, may be limited as provided in the General
160 Appropriations Act and do not include services, equipment, or
161 supplies provided to a person residing in a hospital or nursing
162 facility.

163 (a) In providing home health care services, the agency may
164 require prior authorization of care based on diagnosis,
165 utilization rates, or billing rates. The agency shall require
166 prior authorization for visits for home health services that are
167 not associated with a skilled nursing visit when the home health
168 agency billing rates exceed the state average by 50 percent or
169 more. The home health agency must submit the recipient's plan of
170 care and documentation that supports the recipient's diagnosis
171 to the agency when requesting prior authorization.

172 (b) The agency shall implement a comprehensive utilization
173 management program that requires prior authorization of all
174 private duty nursing services, an individualized treatment plan
175 that includes information about medication and treatment orders,
176 treatment goals, methods of care to be used, and plans for care
177 coordination by nurses and other health professionals. The
178 utilization management program shall also include a process for
179 periodically reviewing the ongoing use of private duty nursing
180 services. The assessment of need shall be based on a child's
181 condition, family support and care supplements, a family's
182 ability to provide care, and a family's and child's schedule
183 regarding work, school, sleep, and care for other family
184 dependents. When implemented, the private duty nursing
185 utilization management program shall replace the current



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186 authorization program used by the Agency for Health Care
187 Administration and the Children's Medical Services program of
188 the Department of Health. The agency may competitively bid on a
189 contract to select a qualified organization to provide
190 utilization management of private duty nursing services. The
191 agency is authorized to seek federal waivers to implement this
192 initiative.

193 (c) The agency may not pay for home health services unless
194 the services are medically necessary and:

195 1. The services are ordered by a physician.

196 2. The written prescription for the services is signed and
197 dated by the recipient's physician before the development of a
198 plan of care and before any request requiring prior
199 authorization.

200 3. The physician ordering the services is not employed,
201 under contract with, or otherwise affiliated with the home
202 health agency rendering the services. However, this subparagraph
203 does not apply to a home health agency affiliated with a
204 retirement community, of which the parent corporation or a
205 related legal entity owns a rural health clinic certified under
206 42 C.F.R. part 491, subpart A, ss. 1-11, a nursing home licensed
207 under part II of chapter 400, or an apartment or single-family
208 home for independent living. For purposes of this subparagraph,
209 the agency may, on a case-by-case basis, provide an exception
210 for medically fragile children who are younger than 21 years of
211 age.

212 4. The physician ordering the services has examined the
213 recipient within the 30 days preceding the initial request for
214 the services and biannually thereafter.



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215 5. The written prescription for the services includes the
216 recipient's acute or chronic medical condition or diagnosis, the
217 home health service required, and, for skilled nursing services,
218 the frequency and duration of the services.

219 6. The national provider identifier, Medicaid
220 identification number, or medical practitioner license number of
221 the physician ordering the services is listed on the written
222 prescription for the services, the claim for home health
223 reimbursement, and the prior authorization request.

224 (5) HOSPITAL INPATIENT SERVICES.—The agency shall pay for
225 all covered services provided for the medical care and treatment
226 of a recipient who is admitted as an inpatient by a licensed
227 physician or dentist to a hospital licensed under part I of
228 chapter 395. However, the agency shall limit the payment for
229 inpatient hospital services for a Medicaid recipient 21 years of
230 age or older to 45 days or the number of days necessary to
231 comply with the General Appropriations Act.

232 (c) The agency ~~for Health Care Administration~~ shall adjust
233 a hospital's current inpatient per diem rate to reflect the cost
234 of serving the Medicaid population at that institution if:

235 1. The hospital experiences an increase in Medicaid
236 caseload by more than 25 percent in any year, primarily
237 resulting from the closure of a hospital in the same service
238 area occurring after July 1, 1995;

239 2. The hospital's Medicaid per diem rate is at least 25
240 percent below the Medicaid per patient cost for that year; or

241 3. The hospital is located in a county that has six ~~five~~ or
242 fewer general acute care hospitals, began offering obstetrical
243 services on or after September 1999, and has submitted a request



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244 in writing to the agency for a rate adjustment after July 1,
245 2000, but before September 30, 2000, in which case such
246 hospital's Medicaid inpatient per diem rate shall be adjusted to
247 cost, effective July 1, 2002.

248
249 By ~~No later than~~ October 1 of each year, the agency must provide
250 estimated costs for any adjustment in a hospital inpatient per
251 diem rate ~~pursuant to this paragraph~~ to the Executive Office of
252 the Governor, the House of Representatives General
253 Appropriations Committee, and the Senate Appropriations
254 Committee. Before the agency implements a change in a hospital's
255 inpatient per diem rate pursuant to this paragraph, the
256 Legislature must have specifically appropriated sufficient funds
257 in the General Appropriations Act to support the increase in
258 cost as estimated by the agency.

259 Section 6. Subsection (23) of section 409.906, Florida
260 Statutes, is amended to read:

261 409.906 Optional Medicaid services.—Subject to specific
262 appropriations, the agency may make payments for services which
263 are optional to the state under Title XIX of the Social Security
264 Act and are furnished by Medicaid providers to recipients who
265 are determined to be eligible on the dates on which the services
266 were provided. Any optional service that is provided shall be
267 provided only when medically necessary and in accordance with
268 state and federal law. Optional services rendered by providers
269 in mobile units to Medicaid recipients may be restricted or
270 prohibited by the agency. Nothing in this section shall be
271 construed to prevent or limit the agency from adjusting fees,
272 reimbursement rates, lengths of stay, number of visits, or



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273 number of services, or making any other adjustments necessary to
274 comply with the availability of moneys and any limitations or
275 directions provided for in the General Appropriations Act or
276 chapter 216. If necessary to safeguard the state's systems of
277 providing services to elderly and disabled persons and subject
278 to the notice and review provisions of s. 216.177, the Governor
279 may direct the Agency for Health Care Administration to amend
280 the Medicaid state plan to delete the optional Medicaid service
281 known as "Intermediate Care Facilities for the Developmentally
282 Disabled." Optional services may include:

283 (23) VISUAL SERVICES.—The agency may pay for visual
284 examinations, eyeglasses, and eyeglass repairs for a recipient
285 if they are prescribed by a licensed physician specializing in
286 diseases of the eye or by a licensed optometrist. Eyeglass
287 frames ~~Eyeglasses~~ for adult recipients shall be limited to one
288 pair ~~two pairs per year~~ per recipient every 2 years, except a
289 second ~~third~~ pair may be provided during that period after prior
290 authorization. Eyeglass lenses for adult recipients shall be
291 limited to one pair per year except a second pair may be
292 provided during that period after prior authorization.

293 Section 7. Paragraph (d) is added to subsection (3) of
294 section 409.9082, Florida Statutes, as created by section 1 of
295 chapter 2009-4, Laws of Florida, and subsections (4) and (6) of
296 that section are amended, to read:

297 409.9082 Quality assessment on nursing home facility
298 providers; exemptions; purpose; federal approval required;
299 remedies.—

300 (3)

301 (d) Effective July 1, 2009, the agency may exempt from the



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302 quality assessment or apply a lower quality assessment rate to a
303 qualified public, nonstate-owned or operated nursing home
304 facility whose total annual indigent census days are greater
305 than 25 percent of the facility's total annual census days.

306 (4) The purpose of the nursing home facility quality
307 assessment is to ensure continued quality of care. Collected
308 assessment funds shall be used to obtain federal financial
309 participation through the Medicaid program to make Medicaid
310 payments for nursing home facility services up to the amount of
311 nursing home facility Medicaid rates as calculated in accordance
312 with the approved state Medicaid plan in effect on December 31,
313 2007. The quality assessment and federal matching funds shall be
314 used exclusively for the following purposes and in the following
315 order of priority:

316 (a) To reimburse the Medicaid share of the quality
317 assessment as a pass-through, Medicaid-allowable cost;

318 (b) To increase to each nursing home facility's Medicaid
319 rate, as needed, an amount that restores the rate reductions
320 implemented January 1, 2008, ~~and~~ January 1, 2009, and March 1,
321 2009;

322 (c) To increase to each nursing home facility's Medicaid
323 rate, as needed, an amount that restores any rate reductions for
324 the 2009-2010 ~~2008-2009~~ fiscal year; and

325 (d) To increase each nursing home facility's Medicaid rate
326 that accounts for the portion of the total assessment not
327 included in paragraphs (a)-(c) which begins a phase-in to a
328 pricing model for the operating cost component.

329 (6) The quality assessment shall terminate and the agency
330 shall discontinue the imposition, assessment, and collection of



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331 the nursing facility quality assessment if ~~any of the following~~
332 ~~occur:~~

333 ~~(a) the agency does not obtain necessary federal approval~~
334 ~~for the nursing home facility quality assessment or the payment~~
335 ~~rates required by subsection (4) ~~or~~~~

336 ~~(b) The weighted average Medicaid rate paid to nursing home~~
337 ~~facilities is reduced below the weighted average Medicaid rate~~
338 ~~to nursing home facilities in effect on December 31, 2008, plus~~
339 ~~any future annual amount of the quality assessment and the~~
340 ~~applicable matching federal funds. Upon termination of the~~
341 ~~quality assessment, all collected assessment revenues, less any~~
342 ~~amounts expended by the agency, shall be returned on a pro rata~~
343 ~~basis to the nursing facilities that paid them.~~

344 Section 8. Section 409.9083, Florida Statutes, is created
345 to read:

346 409.9083 Quality assessment on privately operated
347 intermediate care facilities for the developmentally disabled;
348 exemptions; purpose; federal approval required; remedies.-

349 (1) As used in this section, the term:

350 (a) "Intermediate care facility for the developmentally
351 disabled" or "ICF/DD" means a privately operated intermediate
352 care facility for the developmentally disabled licensed under
353 part VIII of chapter 400.

354 (b) "Net patient service revenue" means gross revenues from
355 services provided to ICF/DD facility residents, less reductions
356 from gross revenue resulting from an inability to collect
357 payment of charges. Net patient service revenue excludes
358 nonresident care revenues such as gain or loss on asset
359 disposal, prior year revenue, donations, and physician billings,



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360 and all outpatient revenues. Reductions from gross revenue
361 include bad debts; contractual adjustments; uncompensated care;
362 administrative, courtesy, and policy discounts and adjustments;
363 and other such revenue deductions.

364 (c) "Resident day" means a calendar day of care provided to
365 an ICF/DD facility resident, including the day of admission and
366 excluding the day of discharge, except that, when admission and
367 discharge occur on the same day, 1 day of care exists.

368 (2) Effective October 1, 2009, there is imposed upon each
369 intermediate care facility for the developmentally disabled a
370 quality assessment. The aggregated amount of assessments for all
371 ICF/DDs in a given year shall be an amount not exceeding the
372 maximum percentage allowed under federal law of the total
373 aggregate net patient service revenue of assessed facilities.
374 The agency shall calculate the quality assessment rate annually
375 on a per-resident-day basis as reported by the facilities. The
376 per-resident-day assessment rate shall be uniform. Each facility
377 shall report monthly to the agency its total number of resident
378 days and shall remit an amount equal to the assessment rate
379 times the reported number of days. The agency shall collect, and
380 each facility shall pay, the quality assessment each month. The
381 agency shall collect the assessment from facility providers no
382 later than the 15th of the next succeeding calendar month. The
383 agency shall notify providers of the quality assessment rate and
384 provide a standardized form to complete and submit with
385 payments. The collection of the quality assessment shall
386 commence no sooner than 15 days after the agency's initial
387 payment to the facilities that implement the increased Medicaid
388 rates containing the elements prescribed in subsection (3) and



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389 monthly thereafter. Intermediate care facilities for the
390 developmentally disabled may increase their rates to incorporate
391 the assessment but may not create a separate line-item charge
392 for the purpose of passing through the assessment to residents.

393 (3) The purpose of the facility quality assessment is to
394 ensure continued quality of care. Collected assessment funds
395 shall be used to obtain federal financial participation through
396 the Medicaid program to make Medicaid payments for ICF/DD
397 services up to the amount of the Medicaid rates for such
398 facilities as calculated in accordance with the approved state
399 Medicaid plan in effect on April 1, 2008. The quality assessment
400 and federal matching funds shall be used exclusively for the
401 following purposes and in the following order of priority to:

402 (a) Reimburse the Medicaid share of the quality assessment
403 as a pass-through, Medicaid-allowable cost.

404 (b) Increase each privately operated ICF/DD Medicaid rate,
405 as needed, by an amount that restores the rate reductions
406 implemented on October 1, 2008.

407 (c) Increase each ICF/DD Medicaid rate, as needed, by an
408 amount that restores any rate reductions for the 2008-2009
409 fiscal year and the 2009-2010 fiscal year.

410 (d) Increase payments to such facilities to fund covered
411 services to Medicaid beneficiaries.

412 (4) The agency shall seek necessary federal approval in the
413 form of state plan amendments in order to implement the
414 provisions of this section.

415 (5) (a) The quality assessment shall terminate and the
416 agency shall discontinue the imposition, assessment, and
417 collection of the quality assessment if the agency does not



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418 obtain necessary federal approval for the facility quality
419 assessment or the payment rates required by subsection (3).

420 (b) Upon termination of the quality assessment, all
421 collected assessment revenues, less any amounts expended by the
422 agency, shall be returned on a pro rata basis to the facilities
423 that paid such assessments.

424 (6) The agency may seek any of the following remedies for
425 failure of any ICF/DD provider to timely pay its assessment:

426 (a) Withholding any medical assistance reimbursement
427 payments until the assessment amount is recovered.

428 (b) Suspending or revoking the facility's license.

429 (c) Imposing a fine of up to \$1,000 per day for each
430 delinquent payment, not to exceed the amount of the assessment.

431 (7) The agency shall adopt rules necessary to administer
432 this section.

433 (8) This section is repealed October 1, 2011.

434 Section 9. Paragraph (a) of subsection (2) of section
435 409.911, Florida Statutes, is amended, present subsections (5),
436 (6), (7), (8), and (9) are renumbered as subsections (6), (7),
437 (8), (9), and (10), respectively, and a new subsection (5) is
438 added to that section, to read:

439 409.911 Disproportionate share program.—Subject to specific
440 allocations established within the General Appropriations Act
441 and any limitations established pursuant to chapter 216, the
442 agency shall distribute, pursuant to this section, moneys to
443 hospitals providing a disproportionate share of Medicaid or
444 charity care services by making quarterly Medicaid payments as
445 required. Notwithstanding the provisions of s. 409.915, counties
446 are exempt from contributing toward the cost of this special



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447 reimbursement for hospitals serving a disproportionate share of
448 low-income patients.

449 (2) The agency for Health Care Administration shall use the
450 following actual audited data to determine the Medicaid days and
451 charity care to be used in calculating the disproportionate
452 share payment:

453 (a) The average of the ~~2002~~, 2003, ~~and 2004~~, and 2005
454 audited disproportionate share data to determine each hospital's
455 Medicaid days and charity care for the 2009-2010 ~~2008-2009~~ state
456 fiscal year.

457 (5) The following formula shall be used to pay
458 disproportionate share dollars to provider service network (PSN)
459 hospitals:

$$\text{DSHP} = \text{TAAPSNH} \times (\text{IHPSND} \times \text{THPSND})$$

461 Where:

462 DSHP = Disproportionate share hospital payments.

463 TAAPSNH = Total amount available for PSN hospitals.

464 IHPSND = Individual hospital PSN days.

465 THPSND = Total of all hospital PSN days.

466
467 For purposes of this paragraph, the PSN inpatient days shall be
468 provided in the General Appropriations Act.

469 Section 10. Section 409.9112, Florida Statutes, is amended
470 to read:

471 409.9112 Disproportionate share program for regional
472 perinatal intensive care centers.—In addition to the payments
473 made under s. 409.911, the agency ~~for Health Care Administration~~
474 shall design and implement a system for ~~of~~ making
475 disproportionate share payments to those hospitals that



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476 participate in the regional perinatal intensive care center
477 program established pursuant to chapter 383. ~~The~~ ~~This~~ system of
478 payments must ~~shall~~ conform to ~~with~~ federal requirements and
479 ~~shall~~ distribute funds in each fiscal year for which an
480 appropriation is made by making quarterly Medicaid payments.
481 Notwithstanding ~~the provisions of~~ s. 409.915, counties are
482 exempt from contributing toward the cost of this special
483 reimbursement for hospitals serving a disproportionate share of
484 low-income patients. For the 2009-2010 state fiscal year ~~2008-~~
485 ~~2009~~, the agency may ~~shall~~ not distribute moneys under the
486 regional perinatal intensive care centers disproportionate share
487 program.

488 (1) The following formula shall be used by the agency to
489 calculate the total amount earned for hospitals that participate
490 in the regional perinatal intensive care center program:

491
$$\text{TAE} = \text{HDSP}/\text{THDSP}$$

492

493 Where:

494 TAE = total amount earned by a regional perinatal intensive
495 care center.

496 HDSP = the prior state fiscal year regional perinatal
497 intensive care center disproportionate share payment to the
498 individual hospital.

499 THDSP = the prior state fiscal year total regional
500 perinatal intensive care center disproportionate share payments
501 to all hospitals.

502 (2) The total additional payment for hospitals that
503 participate in the regional perinatal intensive care center
504 program shall be calculated by the agency as follows:



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$$\text{TAP} = \text{TAE} \times \text{TA}$$

Where:

TAP = total additional payment for a regional perinatal intensive care center.

TAE = total amount earned by a regional perinatal intensive care center.

TA = total appropriation for the regional perinatal intensive care center disproportionate share program.

(3) In order to receive payments under this section, a hospital must be participating in the regional perinatal intensive care center program pursuant to chapter 383 and must meet the following additional requirements:

(a) Agree to conform to all departmental and agency requirements to ensure high quality in the provision of services, including criteria adopted by departmental and agency rule concerning staffing ratios, medical records, standards of care, equipment, space, and such other standards and criteria as the department and agency deem appropriate as specified by rule.

(b) Agree to provide information to the department and agency, in a form and manner to be prescribed by rule of the department and agency, concerning the care provided to all patients in neonatal intensive care centers and high-risk maternity care.

(c) Agree to accept all patients for neonatal intensive care and high-risk maternity care, regardless of ability to pay, on a functional space-available basis.

(d) Agree to develop arrangements with other maternity and neonatal care providers in the hospital's region for the



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534 appropriate receipt and transfer of patients in need of
535 specialized maternity and neonatal intensive care services.

536 (e) Agree to establish and provide a developmental
537 evaluation and services program for certain high-risk neonates,
538 as prescribed and defined by rule of the department.

539 (f) Agree to sponsor a program of continuing education in
540 perinatal care for health care professionals within the region
541 of the hospital, as specified by rule.

542 (g) Agree to provide backup and referral services to the
543 ~~department's~~ county health departments and other low-income
544 perinatal providers within the hospital's region, including the
545 development of written agreements between these organizations
546 and the hospital.

547 (h) Agree to arrange for transportation for high-risk
548 obstetrical patients and neonates in need of transfer from the
549 community to the hospital or from the hospital to another more
550 appropriate facility.

551 (4) Hospitals which fail to comply with any of the
552 conditions in subsection (3) or the applicable rules of the
553 department and agency may ~~shall~~ not receive any payments under
554 this section until full compliance is achieved. A hospital which
555 is not in compliance in two or more consecutive quarters may
556 ~~shall~~ not receive its share of the funds. Any forfeited funds
557 shall be distributed by the remaining participating regional
558 perinatal intensive care center program hospitals.

559 Section 11. Section 409.9113, Florida Statutes, is amended
560 to read:

561 409.9113 Disproportionate share program for teaching
562 hospitals.—In addition to the payments made under ss. 409.911



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563 and 409.9112, the agency ~~for Health Care Administration~~ shall
564 make disproportionate share payments to statutorily defined
565 teaching hospitals for their increased costs associated with
566 medical education programs and for tertiary health care services
567 provided to the indigent. This system of payments must ~~shall~~
568 conform to ~~with~~ federal requirements and ~~shall~~ distribute funds
569 in each fiscal year for which an appropriation is made by making
570 quarterly Medicaid payments. Notwithstanding s. 409.915,
571 counties are exempt from contributing toward the cost of this
572 special reimbursement for hospitals serving a disproportionate
573 share of low-income patients. For the 2009-2010 state fiscal
574 year ~~2008-2009~~, the agency shall distribute the moneys provided
575 in the General Appropriations Act to statutorily defined
576 teaching hospitals and family practice teaching hospitals under
577 the teaching hospital disproportionate share program. The funds
578 provided for statutorily defined teaching hospitals shall be
579 distributed in the same proportion as the state fiscal year
580 2003-2004 teaching hospital disproportionate share funds were
581 distributed or as otherwise provided in the General
582 Appropriations Act. The funds provided for family practice
583 teaching hospitals shall be distributed equally among family
584 practice teaching hospitals.

585 (1) On or before September 15 of each year, the agency ~~for~~
586 ~~Health Care Administration~~ shall calculate an allocation
587 fraction to be used for distributing funds to state statutory
588 teaching hospitals. Subsequent to the end of each quarter of the
589 state fiscal year, the agency shall distribute to each statutory
590 teaching hospital, as defined in s. 408.07, an amount determined
591 by multiplying one-fourth of the funds appropriated for this



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592 purpose by the Legislature times such hospital's allocation
593 fraction. The allocation fraction for each such hospital shall
594 be determined by the sum of the following three primary factors,
595 divided by three. ~~The primary factors are:~~

596 (a) The number of nationally accredited graduate medical
597 education programs offered by the hospital, including programs
598 accredited by the Accreditation Council for Graduate Medical
599 Education and the combined Internal Medicine and Pediatrics
600 programs acceptable to both the American Board of Internal
601 Medicine and the American Board of Pediatrics at the beginning
602 of the state fiscal year preceding the date on which the
603 allocation fraction is calculated. The numerical value of this
604 factor is the fraction that the hospital represents of the total
605 number of programs, where the total is computed for all state
606 statutory teaching hospitals.

607 (b) The number of full-time equivalent trainees in the
608 hospital, which comprises two components:

609 1. The number of trainees enrolled in nationally accredited
610 graduate medical education programs, as defined in paragraph
611 (a). Full-time equivalents are computed using the fraction of
612 the year during which each trainee is primarily assigned to the
613 given institution, over the state fiscal year preceding the date
614 on which the allocation fraction is calculated. The numerical
615 value of this factor is the fraction that the hospital
616 represents of the total number of full-time equivalent trainees
617 enrolled in accredited graduate programs, where the total is
618 computed for all state statutory teaching hospitals.

619 2. The number of medical students enrolled in accredited
620 colleges of medicine and engaged in clinical activities,



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621 including required clinical clerkships and clinical electives.
622 Full-time equivalents are computed using the fraction of the
623 year during which each trainee is primarily assigned to the
624 given institution, over the course of the state fiscal year
625 preceding the date on which the allocation fraction is
626 calculated. The numerical value of this factor is the fraction
627 that the given hospital represents of the total number of full-
628 time equivalent students enrolled in accredited colleges of
629 medicine, where the total is computed for all state statutory
630 teaching hospitals.

631
632 The primary factor for full-time equivalent trainees is computed
633 as the sum of these two components, divided by two.

634 (c) A service index that comprises three components:

635 1. The Agency for Health Care Administration Service Index,
636 computed by applying the standard Service Inventory Scores
637 established by the agency ~~for Health Care Administration~~ to
638 services offered by the given hospital, as reported on Worksheet
639 A-2 for the last fiscal year reported to the agency before the
640 date on which the allocation fraction is calculated. The
641 numerical value of this factor is the fraction that the given
642 hospital represents of the total Agency for Health Care
643 Administration Service Index values, where the total is computed
644 for all state statutory teaching hospitals.

645 2. A volume-weighted service index, computed by applying
646 the standard Service Inventory Scores established by the Agency
647 for Health Care Administration to the volume of each service,
648 expressed in terms of the standard units of measure reported on
649 Worksheet A-2 for the last fiscal year reported to the agency



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650 before the date on which the allocation factor is calculated.
651 The numerical value of this factor is the fraction that the
652 given hospital represents of the total volume-weighted service
653 index values, where the total is computed for all state
654 statutory teaching hospitals.

655 3. Total Medicaid payments to each hospital for direct
656 inpatient and outpatient services during the fiscal year
657 preceding the date on which the allocation factor is calculated.
658 This includes payments made to each hospital for such services
659 by Medicaid prepaid health plans, whether the plan was
660 administered by the hospital or not. The numerical value of this
661 factor is the fraction that each hospital represents of the
662 total of such Medicaid payments, where the total is computed for
663 all state statutory teaching hospitals.

664
665 The primary factor for the service index is computed as the sum
666 of these three components, divided by three.

667 (2) By October 1 of each year, the agency shall use the
668 following formula to calculate the maximum additional
669 disproportionate share payment for statutorily defined teaching
670 hospitals:

$$671 \qquad \qquad \qquad \text{TAP} = \text{THAF} \times \text{A}$$

672

673 Where:

674 TAP = total additional payment.

675 THAF = teaching hospital allocation factor.

676 A = amount appropriated for a teaching hospital
677 disproportionate share program.

678 Section 12. Section 409.9117, Florida Statutes, is amended



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679 to read:

680 409.9117 Primary care disproportionate share program.—For
681 the 2009-2010 state fiscal year ~~2008-2009~~, the agency shall not
682 distribute moneys under the primary care disproportionate share
683 program.

684 (1) If federal funds are available for disproportionate
685 share programs in addition to those otherwise provided by law,
686 there shall be created a primary care disproportionate share
687 program.

688 (2) The following formula shall be used by the agency to
689 calculate the total amount earned for hospitals that participate
690 in the primary care disproportionate share program:

691
$$\text{TAE} = \text{HDSP}/\text{THDSP}$$

692
693 Where:

694 TAE = total amount earned by a hospital participating in
695 the primary care disproportionate share program.

696 HDSP = the prior state fiscal year primary care
697 disproportionate share payment to the individual hospital.

698 THDSP = the prior state fiscal year total primary care
699 disproportionate share payments to all hospitals.

700 (3) The total additional payment for hospitals that
701 participate in the primary care disproportionate share program
702 shall be calculated by the agency as follows:

703
$$\text{TAP} = \text{TAE} \times \text{TA}$$

704
705 Where:

706 TAP = total additional payment for a primary care hospital.

707 TAE = total amount earned by a primary care hospital.



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708 TA = total appropriation for the primary care
709 disproportionate share program.

710 (4) In the establishment and funding of this program, the
711 agency shall use the following criteria in addition to those
712 specified in s. 409.911, and payments may not be made to a
713 hospital unless the hospital agrees to:

714 (a) Cooperate with a Medicaid prepaid health plan, if one
715 exists in the community.

716 (b) Ensure the availability of primary and specialty care
717 physicians to Medicaid recipients who are not enrolled in a
718 prepaid capitated arrangement and who are in need of access to
719 such physicians.

720 (c) Coordinate and provide primary care services free of
721 charge, except copayments, to all persons with incomes up to 100
722 percent of the federal poverty level who are not otherwise
723 covered by Medicaid or another program administered by a
724 governmental entity, and to provide such services based on a
725 sliding fee scale to all persons with incomes up to 200 percent
726 of the federal poverty level who are not otherwise covered by
727 Medicaid or another program administered by a governmental
728 entity, except that eligibility may be limited to persons who
729 reside within a more limited area, as agreed to by the agency
730 and the hospital.

731 (d) Contract with any federally qualified health center, if
732 one exists within the agreed geopolitical boundaries, concerning
733 the provision of primary care services, in order to guarantee
734 delivery of services in a nonduplicative fashion, and to provide
735 for referral arrangements, privileges, and admissions, as
736 appropriate. The hospital shall agree to provide at an onsite or



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737 offsite facility primary care services within 24 hours to which
738 all Medicaid recipients and persons eligible under this
739 paragraph who do not require emergency room services are
740 referred during normal daylight hours.

741 (e) Cooperate with the agency, the county, and other
742 entities to ensure the provision of certain public health
743 services, case management, referral and acceptance of patients,
744 and sharing of epidemiological data, as the agency and the
745 hospital find mutually necessary and desirable to promote and
746 protect the public health within the agreed geopolitical
747 boundaries.

748 (f) In cooperation with the county in which the hospital
749 resides, develop a low-cost, outpatient, prepaid health care
750 program to persons who are not eligible for the Medicaid
751 program, and who reside within the area.

752 (g) Provide inpatient services to residents within the area
753 who are not eligible for Medicaid or Medicare, and who do not
754 have private health insurance, regardless of ability to pay, on
755 the basis of available space, except that hospitals may not be
756 prevented ~~nothing shall prevent the hospital~~ from establishing
757 bill collection programs based on ability to pay.

758 (h) Work with the Florida Healthy Kids Corporation, the
759 Florida Health Care Purchasing Cooperative, and business health
760 coalitions, as appropriate, to develop a feasibility study and
761 plan to provide a low-cost comprehensive health insurance plan
762 to persons who reside within the area and who do not have access
763 to such a plan.

764 (i) Work with public health officials and other experts to
765 provide community health education and prevention activities



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766 designed to promote healthy lifestyles and appropriate use of
767 health services.

768 (j) Work with the local health council to develop a plan
769 for promoting access to affordable health care services for all
770 persons who reside within the area, including, but not limited
771 to, public health services, primary care services, inpatient
772 services, and affordable health insurance generally.

773

774 Any hospital that fails to comply with any of the provisions of
775 this subsection, or any other contractual condition, may not
776 receive payments under this section until full compliance is
777 achieved.

778 Section 13. Section 409.9119, Florida Statutes, is amended
779 to read:

780 409.9119 Disproportionate share program for specialty
781 hospitals for children.—In addition to the payments made under
782 s. 409.911, the Agency for Health Care Administration shall
783 develop and implement a system under which disproportionate
784 share payments are made to those hospitals that are licensed by
785 the state as specialty hospitals for children and were licensed
786 on January 1, 2000, as specialty hospitals for children. This
787 system of payments must conform to federal requirements and must
788 distribute funds in each fiscal year for which an appropriation
789 is made by making quarterly Medicaid payments. Notwithstanding
790 s. 409.915, counties are exempt from contributing toward the
791 cost of this special reimbursement for hospitals that serve a
792 disproportionate share of low-income patients. The agency may
793 make disproportionate share payments to specialty hospitals for
794 children as provided for ~~Payments are subject to specific~~



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795 ~~appropriations~~ in the General Appropriations Act.

796 (1) Unless specified in the General Appropriations Act, the
797 agency shall use the following formula to calculate the total
798 amount earned for hospitals that participate in the specialty
799 hospital for children disproportionate share program:

800
$$\text{TAE} = \text{DSR} \times \text{BMPD} \times \text{MD}$$

801

802 Where:

803 TAE = total amount earned by a specialty hospital for
804 children.

805 DSR = disproportionate share rate.

806 BMPD = base Medicaid per diem.

807 MD = Medicaid days.

808 (2) The agency shall calculate the total additional payment
809 for hospitals that participate in the specialty hospital for
810 children disproportionate share program as follows:

$$\text{TAP} = \frac{\text{TAE} \times \text{TA}}{\text{STAE}}$$

811

812

813 Where:

814 TAP = total additional payment for a specialty hospital for
815 children.

816 TAE = total amount earned by a specialty hospital for
817 children.

818 TA = total appropriation for the specialty hospital for
819 children disproportionate share program.

820 STAE = sum of total amount earned by each hospital that



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821 participates in the specialty hospital for children
822 disproportionate share program.

823 (3) A hospital may not receive any payments under this
824 section until it achieves full compliance with the applicable
825 rules of the agency. A hospital that is not in compliance for
826 two or more consecutive quarters may not receive its share of
827 the funds. Any forfeited funds must be distributed to the
828 remaining participating specialty hospitals for children that
829 are in compliance.

830 Section 14. Paragraph (g) is added to subsection (5) of
831 section 409.912, Florida Statutes, and subsection (8) of that
832 section, is amended to read:

833 409.912 Cost-effective purchasing of health care.—The
834 agency shall purchase goods and services for Medicaid recipients
835 in the most cost-effective manner consistent with the delivery
836 of quality medical care. To ensure that medical services are
837 effectively utilized, the agency may, in any case, require a
838 confirmation or second physician's opinion of the correct
839 diagnosis for purposes of authorizing future services under the
840 Medicaid program. This section does not restrict access to
841 emergency services or poststabilization care services as defined
842 in 42 C.F.R. part 438.114. Such confirmation or second opinion
843 shall be rendered in a manner approved by the agency. The agency
844 shall maximize the use of prepaid per capita and prepaid
845 aggregate fixed-sum basis services when appropriate and other
846 alternative service delivery and reimbursement methodologies,
847 including competitive bidding pursuant to s. 287.057, designed
848 to facilitate the cost-effective purchase of a case-managed
849 continuum of care. The agency shall also require providers to



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850 minimize the exposure of recipients to the need for acute
851 inpatient, custodial, and other institutional care and the
852 inappropriate or unnecessary use of high-cost services. The
853 agency shall contract with a vendor to monitor and evaluate the
854 clinical practice patterns of providers in order to identify
855 trends that are outside the normal practice patterns of a
856 provider's professional peers or the national guidelines of a
857 provider's professional association. The vendor must be able to
858 provide information and counseling to a provider whose practice
859 patterns are outside the norms, in consultation with the agency,
860 to improve patient care and reduce inappropriate utilization.
861 The agency may mandate prior authorization, drug therapy
862 management, or disease management participation for certain
863 populations of Medicaid beneficiaries, certain drug classes, or
864 particular drugs to prevent fraud, abuse, overuse, and possible
865 dangerous drug interactions. The Pharmaceutical and Therapeutics
866 Committee shall make recommendations to the agency on drugs for
867 which prior authorization is required. The agency shall inform
868 the Pharmaceutical and Therapeutics Committee of its decisions
869 regarding drugs subject to prior authorization. The agency is
870 authorized to limit the entities it contracts with or enrolls as
871 Medicaid providers by developing a provider network through
872 provider credentialing. The agency may competitively bid single-
873 source-provider contracts if procurement of goods or services
874 results in demonstrated cost savings to the state without
875 limiting access to care. The agency may limit its network based
876 on the assessment of beneficiary access to care, provider
877 availability, provider quality standards, time and distance
878 standards for access to care, the cultural competence of the



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879 provider network, demographic characteristics of Medicaid
880 beneficiaries, practice and provider-to-beneficiary standards,
881 appointment wait times, beneficiary use of services, provider
882 turnover, provider profiling, provider licensure history,
883 previous program integrity investigations and findings, peer
884 review, provider Medicaid policy and billing compliance records,
885 clinical and medical record audits, and other factors. Providers
886 shall not be entitled to enrollment in the Medicaid provider
887 network. The agency shall determine instances in which allowing
888 Medicaid beneficiaries to purchase durable medical equipment and
889 other goods is less expensive to the Medicaid program than long-
890 term rental of the equipment or goods. The agency may establish
891 rules to facilitate purchases in lieu of long-term rentals in
892 order to protect against fraud and abuse in the Medicaid program
893 as defined in s. 409.913. The agency may seek federal waivers
894 necessary to administer these policies.

895 (5) The Agency for Health Care Administration, in
896 partnership with the Department of Elderly Affairs, shall create
897 an integrated, fixed-payment delivery program for Medicaid
898 recipients who are 60 years of age or older or dually eligible
899 for Medicare and Medicaid. The Agency for Health Care
900 Administration shall implement the integrated program initially
901 on a pilot basis in two areas of the state. The pilot areas
902 shall be Area 7 and Area 11 of the Agency for Health Care
903 Administration. Enrollment in the pilot areas shall be on a
904 voluntary basis and in accordance with approved federal waivers
905 and this section. The agency and its program contractors and
906 providers shall not enroll any individual in the integrated
907 program because the individual or the person legally responsible



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908 for the individual fails to choose to enroll in the integrated
909 program. Enrollment in the integrated program shall be
910 exclusively by affirmative choice of the eligible individual or
911 by the person legally responsible for the individual. The
912 integrated program must transfer all Medicaid services for
913 eligible elderly individuals who choose to participate into an
914 integrated-care management model designed to serve Medicaid
915 recipients in the community. The integrated program must combine
916 all funding for Medicaid services provided to individuals who
917 are 60 years of age or older or dually eligible for Medicare and
918 Medicaid into the integrated program, including funds for
919 Medicaid home and community-based waiver services; all Medicaid
920 services authorized in ss. 409.905 and 409.906, excluding funds
921 for Medicaid nursing home services unless the agency is able to
922 demonstrate how the integration of the funds will improve
923 coordinated care for these services in a less costly manner; and
924 Medicare coinsurance and deductibles for persons dually eligible
925 for Medicaid and Medicare as prescribed in s. 409.908(13).

926 (g) The implementation of the integrated, fixed-payment
927 delivery program created under this subsection is subject to an
928 appropriation in the General Appropriations Act.

929 (8) (a) The agency may contract on a prepaid or fixed-sum
930 basis with an exclusive provider organization to provide health
931 care services to Medicaid recipients provided that the exclusive
932 provider organization meets applicable managed care plan
933 requirements in this section, ss. 409.9122, 409.9123, 409.9128,
934 and 627.6472, and other applicable provisions of law.

935 (b) For a period of no longer than 24 months after the
936 effective date of this paragraph, when a member of an exclusive



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937 provider organization that is contracted by the agency to
938 provide health care services to Medicaid recipients in rural
939 areas without a health maintenance organization obtains services
940 from a provider that participates in the Medicaid program in
941 this state, the provider shall be paid in accordance with the
942 appropriate fee schedule for services provided to eligible
943 Medicaid recipients. The agency may seek waiver authority to
944 implement this paragraph.

945 Section 15. Paragraph (e) of subsection (3) and subsection
946 (12) of section 409.91211, Florida Statutes, are amended to
947 read:

948 409.91211 Medicaid managed care pilot program.—

949 (3) The agency shall have the following powers, duties, and
950 responsibilities with respect to the pilot program:

951 (e) To implement policies and guidelines for phasing in
952 financial risk for approved provider service networks that, for
953 purposes of this paragraph, include the Children's Medical
954 Services Network, over a 5-year ~~3-year~~ period. These policies
955 and guidelines must include an option for a provider service
956 network to be paid fee-for-service rates. For any provider
957 service network established in a managed care pilot area, the
958 option to be paid fee-for-service rates must ~~shall~~ include a
959 savings-settlement mechanism that is consistent with s.
960 409.912(44). This model must ~~shall~~ be converted to a risk-
961 adjusted capitated rate by ~~no later than~~ the beginning of the
962 sixth ~~fourth~~ year of operation, and may be converted earlier at
963 the option of the provider service network. Federally qualified
964 health centers may be offered an opportunity to accept or
965 decline a contract to participate in any provider network for



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966 prepaid primary care services.

967 (12) For purposes of this section, the term "capitated
968 managed care plan" includes health insurers authorized under
969 chapter 624, exclusive provider organizations authorized under
970 chapter 627, health maintenance organizations authorized under
971 chapter 641, the Children's Medical Services Network under
972 chapter 391, and provider service networks that elect to be paid
973 fee-for-service for up to 5 ~~3~~ years as authorized under this
974 section.

975 Section 16. Paragraph (e) of subsection (2) of section
976 409.9122, Florida Statutes, is amended to read:

977 409.9122 Mandatory Medicaid managed care enrollment;
978 programs and procedures.—

979 (2)

980 (e) Medicaid recipients who are already enrolled in a
981 managed care plan or MediPass shall be offered the opportunity
982 to change managed care plans or MediPass providers on a
983 staggered basis, as defined by the agency. All Medicaid
984 recipients shall have 30 days in which to make a choice of
985 managed care plans or MediPass providers. ~~In counties that have
986 two or more managed care plans, a recipient already enrolled in
987 MediPass who fails to make a choice during the annual period
988 shall be assigned to a managed care plan if he or she is
989 eligible for enrollment in the managed care plan. The agency
990 shall apply for a state plan amendment or federal waiver
991 authority, if necessary, to implement the provisions of this
992 paragraph. All newly eligible Medicaid recipients shall have 30
993 days in which to make a choice of managed care plans or MediPass
994 providers.~~ Those Medicaid recipients who do not make a choice



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995 shall be assigned in accordance with paragraph (f). To
996 facilitate continuity of care, for a Medicaid recipient who is
997 also a recipient of Supplemental Security Income (SSI), prior to
998 assigning the SSI recipient to a managed care plan or MediPass,
999 the agency shall determine whether the SSI recipient has an
1000 ongoing relationship with a MediPass provider or managed care
1001 plan, and if so, the agency shall assign the SSI recipient to
1002 that MediPass provider or managed care plan. ~~If the SSI~~
1003 ~~recipient has an ongoing relationship with a managed care plan,~~
1004 ~~the agency shall assign the recipient to that managed care plan.~~
1005 Those SSI recipients who do not have such a provider
1006 relationship shall be assigned to a managed care plan or
1007 MediPass provider in accordance with paragraph (f).

1008 Section 17. Subsection (4) is added to section 409.916,
1009 Florida Statutes, to read:

1010 409.916 Grants and Donations Trust Fund.—

1011 (4) Quality assessment fees received from Medicaid
1012 providers shall be deposited into the Grants and Donations Trust
1013 Fund and used for purposes established by law and the General
1014 Appropriations Act.

1015 Section 18. Subsection (18) is added to section 430.04,
1016 Florida Statutes, to read:

1017 430.04 Duties and responsibilities of the Department of
1018 Elderly Affairs.—The Department of Elderly Affairs shall:

1019 (18) Administer all Medicaid waivers and programs relating
1020 to elders and their appropriations. The waivers include, but are
1021 not limited to:

1022 (a) The Alzheimer's Dementia-Specific Medicaid Waiver as
1023 established in s. 430.502(7), (8), and (9).



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- 1024 (b) The Assisted Living for the Frail Elderly Waiver.
- 1025 (c) The Aged and Disabled Adult Waiver.
- 1026 (d) The Adult Day Health Care Waiver.
- 1027 (e) The Consumer Directed Care Plus Program as defined in
1028 s. 409.221.
- 1029 (f) The Program for All-inclusive Care for the Elderly.
- 1030 (g) The Long-Term Care Community-Based Diversion Pilot
1031 Project as described in s. 430.705.

1032 (h) The Channeling Services Waiver for Frail Elders.
1033 Section 19. Section 430.707, Florida Statutes, is amended
1034 to read:

1035 430.707 Contracts.—

1036 (1) The department, in consultation with the agency, shall
1037 select and contract with managed care organizations and, on a
1038 prepaid basis, with other qualified providers as defined in s.
1039 430.703(7) to provide long-term care within community diversion
1040 pilot project areas. All providers shall report quarterly to the
1041 department regarding the entity's compliance with all the
1042 financial and quality assurance requirements of the contract.

1043 (2) The department, in consultation with the agency, may
1044 contract with entities that ~~which~~ have submitted an application
1045 as a community nursing home diversion project as of July 1,
1046 1998, to provide benefits pursuant to the "Program of All-
1047 inclusive Care for the Elderly" as established in Pub. L. No.
1048 105-33. For the purposes of this community nursing home
1049 diversion project, such entities are ~~shall be~~ exempt from the
1050 requirements of chapter 641, if the entity is a private,
1051 nonprofit, superior-rated nursing home and if ~~with~~ at least 50
1052 percent of its residents are eligible for Medicaid. The agency,



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1053 in consultation with the department, shall accept and forward to
1054 the Centers for Medicare and Medicaid Services an application
1055 for expansion of the pilot project from an entity that provides
1056 benefits pursuant to the Program of All-inclusive Care for the
1057 Elderly and that is in good standing with the agency, the
1058 department, and the Centers for Medicare and Medicaid Services.

1059 Section 20. Notwithstanding s. 430.707, Florida Statutes,
1060 and subject to federal approval of the application to be a site
1061 for the Program of All-inclusive Care for the Elderly, the
1062 Agency for Health Care Administration shall contract with one
1063 private, not-for-profit hospice organization located in
1064 Hillsborough County, which provides comprehensive services,
1065 including hospice care for frail and elderly persons. Such an
1066 entity shall be exempt from the requirements of chapter 641,
1067 Florida Statutes. The agency, in consultation with the
1068 Department of Elderly Affairs and subject to an appropriation,
1069 shall approve up to 100 initial enrollees in the Program of All-
1070 inclusive Care for the Elderly in Hillsborough County.

1071 Section 21. The Agency for Health Care Administration shall
1072 develop and implement a home health agency monitoring pilot
1073 project in Miami-Dade County by January 1, 2010. The agency
1074 shall contract with a vendor to verify the utilization and the
1075 delivery of home health services and provide an electronic
1076 billing interface for such services. The contract must require
1077 the creation of a program to submit claims for the home health
1078 services electronically. The program must verify visits for the
1079 delivery of home health services telephonically using voice
1080 biometrics. The agency may seek amendments to the Medicaid state
1081 plan and waivers of federal law, as necessary, to implement the



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1082 pilot project. Notwithstanding s. 287.057(5)(f), Florida
1083 Statutes, the agency must award the contract through the
1084 competitive solicitation process. The agency shall submit a
1085 report to the Governor, the President of the Senate, and the
1086 Speaker of the House of Representatives evaluating the pilot
1087 project by February 1, 2011.

1088 Section 22. The Agency for Health Care Administration shall
1089 implement a comprehensive care management pilot project in
1090 Miami-Dade County for home health services by January 1, 2010,
1091 which includes face-to-face assessments by a state-licensed
1092 nurse, consultation with physicians ordering services to
1093 substantiate the medical necessity for services, and on-site or
1094 desk reviews of recipients' medical records. The agency may
1095 enter into a contract with a qualified organization to implement
1096 the pilot project. The agency may seek amendments to the
1097 Medicaid state plan and waivers of federal law, as necessary, to
1098 implement the pilot project.

1099 Section 23. This act shall take effect July 1, 2009.

1100
1101 ===== T I T L E A M E N D M E N T =====

1102 And the title is amended as follows:

1103 Delete everything before the enacting clause
1104 and insert:

1105 A bill to be entitled
1106 An act relating to the health care; creating s.
1107 395.7017, F.S.; authorizing the Agency for Health Care
1108 Administration to adopt rules related to the Public
1109 Medical Assistance Trust Fund; amending s. 409.815,
1110 F.S.; revising behavioral health services and dental



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1111 services coverage under the Kidcare program; revising
1112 methods by which payments are made to federally
1113 qualified health centers and rural health clinics;
1114 amending s. 409.818, F.S.; revising the manner by
1115 which quality assurance and access standards are
1116 monitored in the Kidcare program; amending s. 409.904,
1117 F.S.; revising the expiration date of provisions
1118 authorizing the federal waiver for certain persons age
1119 65 and over or who have a disability; revising the
1120 expiration date of provisions authorizing a specified
1121 medically needy program; amending s. 409.905, F.S.;
1122 authorizing the Agency for Health Care Administration
1123 to require prior authorization of care based on
1124 utilization rates; requiring a home health agency to
1125 submit a plan of care and documentation of a
1126 recipient's medical condition to the Agency for Health
1127 Care Administration when requesting prior
1128 authorization; prohibiting the Agency for Health Care
1129 Administration from paying for home health services
1130 unless specified requirements are satisfied; revising
1131 the criteria for adjusting a hospital's inpatient per
1132 diem rate; amending s. 409.906, F.S., relating to
1133 optional Medicaid services; providing limitations on
1134 the provision of adult vision services; amending s.
1135 409.9082, F.S.; authorizing an exemption from the
1136 nursing home quality assessment to a nursing facility
1137 that has a certain number of indigent census days;
1138 revising the purposes of the use of quality assessment
1139 and federal matching funds; deleting an option for



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1140 discontinuing the nursing home quality assessment;
1141 creating s. 409.9083, F.S.; providing definitions;
1142 providing for a quality assessment to be imposed upon
1143 privately operated intermediate care facility
1144 providers for the developmentally disabled; requiring
1145 the agency to calculate the quality assessment rate
1146 annually; providing requirements for reporting and
1147 collecting the assessment; specifying the purposes of
1148 the assessment and an order of priority; requiring
1149 that the agency seek federal authorization to
1150 implement the act; specifying circumstances requiring
1151 discontinuance of the quality assessment; authorizing
1152 the agency to impose certain penalties against
1153 providers that fail to pay the assessment; requiring
1154 the agency to adopt rules; providing for future
1155 repeal; amending s. 409.911, F.S.; updating the data
1156 to be used in calculating disproportionate share;
1157 providing a formula for payment of disproportionate
1158 share dollars to provider service network hospitals;
1159 amending s. 409.9112, F.S.; continuing the prohibition
1160 against distributing moneys under the perinatal
1161 intensive care centers disproportionate share program;
1162 amending s. 409.9113, F.S.; continuing authorization
1163 for the distribution of moneys to teaching hospitals
1164 under the disproportionate share program; amending s.
1165 409.9117, F.S.; continuing the prohibition against
1166 distributing moneys for the primary care
1167 disproportionate share program; amending s. 409.9119,
1168 F.S.; authorizing the agency to make disproportionate



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1169 share payments to certain hospitals; amending s.
1170 409.912, F.S.; providing that the continuance of the
1171 integrated, fixed-payment delivery pilot program for
1172 certain elderly or dually eligible recipients is
1173 contingent upon an appropriation; providing that
1174 certain providers be paid in accordance with the
1175 appropriate fee schedule for services provided to
1176 eligible Medicaid recipients; authorizing the agency
1177 to seek waiver authority; amending s. 409.91211, F.S.;
1178 revising the timeline for phasing in financial risk
1179 for provider service networks; amending s. 409.9122,
1180 F.S.; revising and clarifying the procedure for a
1181 Medicaid recipient to change managed care plans or
1182 MediPass providers; amending s. 409.916, F.S.;
1183 requiring that quality assessment fees received from
1184 Medicaid providers be deposited into the Grants and
1185 Donations Trust Fund; amending s. 430.04, F.S.;
1186 requiring the Department of Elderly Affairs to
1187 administer all Medicaid waivers and programs relating
1188 to elders; amending s. 430.707, F.S.; requiring the
1189 agency, in consultation with the Department of Elderly
1190 Affairs, to accept and forward to the Centers for
1191 Medicare and Medicaid Services an application for
1192 expansion of a pilot project from an entity that
1193 provides certain benefits under a federal program;
1194 requiring the agency, in consultation with the
1195 Department of Elderly Affairs, to contract with a
1196 hospice organization to be a site for the Program of
1197 All-inclusive Care for the Elderly; directing the



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1198 Agency for Health Care Administration to establish
1199 pilot projects in Miami-Dade County relating to home
1200 health services; providing an effective date.