



436972

LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
03/26/2010	.	
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The Policy and Steering Committee on Ways and Means (Gelber) recommended the following:

Senate Amendment (with directory and title amendments)

Between lines 179 and 180
insert:

(55) (a) Each Medicaid managed care organization authorized pursuant to this section or s. 409.91211 which receives capitated payments from the Florida Medicaid program for providing direct health care benefits to Medicaid beneficiaries shall have a medical loss ratio of at least 85 to 15. Medical loss ratio refers to the ratio of total revenue from monthly capitated payments received by the managed care organization which were expended for direct health care benefits to the total



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13 of such payments expended for any other purpose. Costs and
14 expenditures not related to direct health care benefits include,
15 but are not limited to, profit, salaries, bonuses, and
16 administration and operation expenses, including expenses
17 relating to prior authorization or other utilization review
18 regarding the provision of direct health care benefits. These
19 items pertain to both the managed care organization and the
20 managed care organization's subcontractors.

21 (b) Each managed care organization shall certify to the
22 agency its medical loss ratio for the preceding calendar
23 quarter. Those entities that enroll Medicaid beneficiaries in
24 both Medicaid reform and nonreform plans are each considered
25 separate and distinct managed care organizations for purposes of
26 reporting medical loss ratios. The medical loss ratio for
27 behavioral health shall be reported separately by each managed
28 care organization.

29 (c) The agency shall adopt rules to administer the
30 provisions of this subsection, including, but not limited to,
31 rules pertaining to fines for a medical loss ratio of less than
32 85 to 15 for a given calendar quarter. Such fines collected
33 shall be used to supplement the Agency for Health Care
34 Administration's Medicaid budget and shall not revert to the
35 General Revenue Fund.

36
37 ===== D I R E C T O R Y C L A U S E A M E N D M E N T =====

38 And the directory clause is amended as follows:

39 Delete lines 40 - 44

40 and insert:

41 Section 1. Present subsections (23) through (53) of section



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42 409.912, Florida Statutes, are renumbered as subsections (24)
43 through (54), respectively, new subsections (23) and (55) are
44 added to that section, and present subsections (21) and (22) of
45 that section are amended, to read:

46
47 ===== T I T L E A M E N D M E N T =====

48 And the title is amended as follows:

49 Delete line 11

50 and insert:

51 agency before the end date of the contract; requiring
52 that certain Medicaid managed care organizations that
53 receive capitated payments from the Florida Medicaid
54 program for providing direct health care benefits to
55 Medicaid beneficiaries to have a certain medical loss
56 ratio; requiring managed care organizations to certify
57 to the agency its medical loss ratio for the preceding
58 calendar quarter; requiring that the medical loss
59 ratio for behavioral health be reported separately by
60 each managed care organization; requiring the agency
61 to adopt rules; amending