2010

1	A bill to be entitled
2	An act relating to the physician workforce; repealing s.
3	381.0403, F.S., relating to the Community Hospital
4	Education Act and the Community Hospital Education
5	Council; amending s. 381.4018, F.S.; providing
6	definitions; revising the list of governmental
7	stakeholders that the Department of Health is required to
8	work with regarding the state strategic plan and in
9	assessing the state's physician workforce; creating the
10	Physician Workforce Advisory Council; providing membership
11	of the council; providing for appointments to the council;
12	providing terms of membership; providing for removal of a
13	council member; providing for the chair and vice chair of
14	the council; providing that council members are not
15	entitled to receive compensation or reimbursement for per
16	diem or travel expenses; providing the duties of the
17	council; establishing the physician workforce graduate
18	medical education innovation pilot projects under the
19	department; providing the purposes of the pilot projects;
20	providing for the appropriation of state funds for the
21	pilot projects; requiring the pilot projects to meet
22	certain policy needs of the physician workforce in this
23	state; providing criteria for prioritizing proposals for
24	pilot projects; requiring the department to adopt by rule
25	appropriate performance measures; requiring participating
26	pilot projects to submit an annual report to the
27	department; requiring state funds to be used to supplement
28	funds from other sources; requiring the department to
I	Page 1 of 19

Page 1 of 19

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb0935-00

29 adopt rules; amending ss. 458.3192 and 459.0082, F.S.; 30 requiring the department to determine by geographic area and specialty the number of physicians and osteopathic 31 32 physicians who plan to relocate outside the state, 33 practice medicine in this state, and reduce or modify the 34 scope of their practice; authorizing the department to 35 report additional information in its findings to the 36 Governor and the Legislature; amending s. 409.908, F.S.; 37 conforming a cross-reference; providing an effective date. 38 39 Be It Enacted by the Legislature of the State of Florida: 40 Section 381.0403, Florida Statutes, is 41 Section 1. 42 repealed. Section 2. Section 381.4018, Florida Statutes, is amended 43 44 to read: 45 381.4018 Physician workforce assessment and development.-DEFINITIONS.-As used in this section, the term: 46 (1) 47 (a) "Consortium" or "consortia" means a combination of 48 statutory teaching hospitals, statutory rural hospitals, other 49 hospitals, accredited medical schools, clinics operated by the 50 Department of Health, clinics operated by the Department of 51 Veterans' Affairs, area health education centers, community 52 health centers, federally qualified health centers, prison 53 clinics, local community clinics, or other programs. At least 54 one member of the consortium shall be a sponsoring institution 55 accredited or currently seeking accreditation by the 56 Accreditation Council for Graduate Medical Education or the

Page 2 of 19

CODING: Words stricken are deletions; words underlined are additions.

57 American Osteopathic Association. 58 (b) "Council" means the Physician Workforce Advisory 59 Council. 60 "Department" means the Department of Health. (C) 61 (d) "Graduate medical education program" means a program 62 accredited by the Accreditation Council for Graduate Medical 63 Education or the American Osteopathic Association. 64 (e) "Primary care specialty" means emergency medicine, family practice, internal medicine, pediatrics, psychiatry, 65 obstetrics and gynecology, and combined internal medicine and 66 67 other specialties as determined by the Physician Workforce 68 Advisory Council or the Department of Health.

69 (2) (1) LEGISLATIVE INTENT. - The Legislature recognizes that 70 physician workforce planning is an essential component of 71 ensuring that there is an adequate and appropriate supply of 72 well-trained physicians to meet this state's future health care 73 service needs as the general population and elderly population 74 of the state increase. The Legislature finds that items to 75 consider relative to assessing the physician workforce may 76 include physician practice status; specialty mix; geographic 77 distribution; demographic information, including, but not 78 limited to, age, gender, race, and cultural considerations; and 79 needs of current or projected medically underserved areas in the 80 state. Long-term strategic planning is essential as the period from the time a medical student enters medical school to 81 82 completion of graduate medical education may range from 7 to 10 years or longer. The Legislature recognizes that strategies to 83 84 provide for a well-trained supply of physicians must include Page 3 of 19

CODING: Words stricken are deletions; words underlined are additions.

85 ensuring the availability and capacity of quality graduate 86 medical schools <u>and graduate medical education programs</u> in this 87 state, as well as using new or existing state and federal 88 programs providing incentives for physicians to practice in 89 needed specialties and in underserved areas in a manner that 90 addresses projected needs for physician manpower.

91 <u>(3)(2)</u> PURPOSE.—The Department of Health shall serve as a 92 coordinating and strategic planning body to actively assess the 93 state's current and future physician workforce needs and work 94 with multiple stakeholders to develop strategies and 95 alternatives to address current and projected physician 96 workforce needs.

97 <u>(4)(3)</u> GENERAL FUNCTIONS.—The department shall maximize 98 the use of existing programs under the jurisdiction of the 99 department and other state agencies and coordinate governmental 100 and nongovernmental stakeholders and resources in order to 101 develop a state strategic plan and assess the implementation of 102 such strategic plan. In developing the state strategic plan, the 103 department shall:

(a) Monitor, evaluate, and report on the supply and
distribution of physicians licensed under chapter 458 or chapter
459. The department shall maintain a database to serve as a
statewide source of data concerning the physician workforce.

(b) Develop a model and quantify, on an ongoing basis, the
adequacy of the state's current and future physician workforce
as reliable data becomes available. Such model must take into
account demographics, physician practice status, place of
education and training, generational changes, population growth,

### Page 4 of 19

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb0935-00

113 economic indicators, and issues concerning the "pipeline" into 114 medical education.

(C) Develop and recommend strategies to determine whether 115 116 the number of qualified medical school applicants who might 117 become competent, practicing physicians in this state will be 118 sufficient to meet the capacity of the state's medical schools. 119 If appropriate, the department shall, working with 120 representatives of appropriate governmental and nongovernmental 121 entities, develop strategies and recommendations and identify 122 best practice programs that introduce health care as a 123 profession and strengthen skills needed for medical school admission for elementary, middle, and high school students, and 124 125 improve premedical education at the precollege and college level 126 in order to increase this state's potential pool of medical 127 students.

(d) Develop strategies to ensure that the number of
graduates from the state's public and private allopathic and
osteopathic medical schools are adequate to meet physician
workforce needs, based on the analysis of the physician
workforce data, so as to provide a high-quality medical
education to students in a manner that recognizes the uniqueness
of each new and existing medical school in this state.

(e) Pursue strategies and policies to create, expand, and maintain graduate medical education positions in the state based on the analysis of the physician workforce data. Such strategies and policies must take into account the effect of federal funding limitations on the expansion and creation of positions in graduate medical education. The department shall develop

#### Page 5 of 19

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb0935-00

141 options to address such federal funding limitations. The 142 department shall consider options to provide direct state 143 funding for graduate medical education positions in a manner 144 that addresses requirements and needs relative to accreditation 145 of graduate medical education programs. The department shall consider funding residency positions as a means of addressing 146 147 needed physician specialty areas, rural areas having a shortage 148 of physicians, and areas of ongoing critical need, and as a 149 means of addressing the state's physician workforce needs based on an ongoing analysis of physician workforce data. 150

151 (f) Develop strategies to maximize federal and state 152 programs that provide for the use of incentives to attract 153 physicians to this state or retain physicians within the state. 154 Such strategies should explore and maximize federal-state 155 partnerships that provide incentives for physicians to practice 156 in federally designated shortage areas. Strategies shall also 157 consider the use of state programs, such as the Florida Health 158 Service Corps established pursuant to s. 381.0302 and the 159 Medical Education Reimbursement and Loan Repayment Program 160 pursuant to s. 1009.65, which provide for education loan 161 repayment or loan forgiveness and provide monetary incentives 162 for physicians to relocate to underserved areas of the state.

(g) Coordinate and enhance activities relative to physician workforce needs, undergraduate medical education, and graduate medical education provided by the Division of Medical Quality Assurance, the Community Hospital Education Program and the Graduate Medical Education Committee established pursuant to s. 381.0403, area health education center networks established Page 6 of 19

CODING: Words stricken are deletions; words underlined are additions.

hb0935-00

pursuant to s. 381.0402, and other offices and programs within the Department of Health as designated by the State Surgeon General.

172 (h) Work in conjunction with and act as a coordinating 173 body for governmental and nongovernmental stakeholders to 174 address matters relating to the state's physician workforce 175 assessment and development for the purpose of ensuring an 176 adequate supply of well-trained physicians to meet the state's 177 future needs. Such governmental stakeholders shall include, but 178 need not be limited to, the State Surgeon General or his or her 179 designee, the Commissioner of Education or his or her designee, 180 the Secretary of Health Care Administration or his or her 181 designee, and the Chancellor of the State University System or 182 his or her designee from the Board of Governors of the State 183 University System, and, at the discretion of the department, 184 other representatives of state and local agencies that are 185 involved in assessing, educating, or training the state's 186 current or future physicians. Other stakeholders shall include, 187 but need not be limited to, organizations representing the state's public and private allopathic and osteopathic medical 188 189 schools; organizations representing hospitals and other 190 institutions providing health care, particularly those that have 191 an interest in providing accredited medical education and graduate medical education to medical students and medical 192 193 residents; organizations representing allopathic and osteopathic 194 practicing physicians; and, at the discretion of the department, 195 representatives of other organizations or entities involved in 196 assessing, educating, or training the state's current or future Page 7 of 19

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb0935-00

197 physicians. Serve as a liaison with other states and federal 198 (i) 199 agencies and programs in order to enhance resources available to 200 the state's physician workforce and medical education continuum. 201 Act as a clearinghouse for collecting and (j) 202 disseminating information concerning the physician workforce and 203 medical education continuum in this state. 204 (5) PHYSICIAN WORKFORCE ADVISORY COUNCIL.-There is created 205 in the Department of Health the Physician Workforce Advisory Council, an advisory council as defined in s. 20.03. The council 206 207 shall comply with the requirements of s. 20.052, except as 208 otherwise provided in this section. 209 The council shall be composed of the following 23 (a) 210 members: 211 1. The following members appointed by the State Surgeon General: 212 213 a. A designee from the department. 214 b. An individual recommended by the Area Health Education 215 Center Network. 216 Two individuals recommended by the Council of Florida с. 217 Medical School Deans, one representing a college of allopathic 218 medicine and one representing a college of osteopathic medicine. 219 d. Two individuals recommended by the Florida Hospital 220 Association, one representing a statutory teaching hospital and 221 one representing a hospital that is licensed under chapter 395, 222 has an accredited graduate medical education program, and is not 223 a statutory teaching hospital. 224 e. Two individuals recommended by the Florida Medical

Page 8 of 19

CODING: Words stricken are deletions; words underlined are additions.

FLORIDA HOUSE OF REPRESENT	ATIVES
----------------------------	--------

	HB 935 2010
225	Association, one representing a primary care specialty and one
226	representing a nonprimary care specialty.
227	f. Two individuals recommended by the Florida Osteopathic
228	Medical Association, one representing a primary care specialty
229	and one representing a nonprimary care specialty.
230	g. Two individuals who are program directors of accredited
231	graduate medical education programs, one representing a program
232	that is accredited by the Accreditation Council for Graduate
233	Medical Education and one representing a program that is
234	accredited by the American Osteopathic Association.
235	h. An individual recommended by the Florida Justice
236	Association.
237	i. An individual representing a profession in the field of
238	health services administration.
239	j. A layperson member.
240	
241	Each entity authorized to make recommendations under this
242	subparagraph shall make at least two recommendations to the
243	State Surgeon General for each appointment to the council. The
244	State Surgeon General shall appoint one member for each position
245	from among the recommendations made by each authorized entity.
246	2. The following members appointed by the respective
247	agency head, legislative presiding officer, or congressional
248	delegation:
249	a. The Commissioner of Education or his or her designee.
250	b. The Chancellor of the State University System or his or
251	her designee.
252	c. The Secretary of Health Care Administration or his or
	Page 9 of 19

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

ΗB	935
----	-----

253	her designee.
254	d. The executive director of the Department of Veterans'
255	Affairs or his or her designee.
256	e. The Secretary of Elderly Affairs or his or her
257	designee.
258	f. The President of the Senate or his or her designee.
259	g. The Speaker of the House of Representatives or his or
260	her designee.
261	h. A designee of Florida's Congressional Delegation.
262	(b) Each council member shall be appointed to a 4-year
263	term. An individual may not serve more than two terms. Any
264	council member may be removed from office for malfeasance;
265	misfeasance; neglect of duty; incompetence; permanent inability
266	to perform official duties; or pleading guilty or nolo
267	contendere to, or being found guilty of, a felony. Any council
268	member who meets the criteria for removal, or who is otherwise
269	unwilling or unable to properly fulfill the duties of the
270	office, shall be succeeded by an individual chosen by the State
271	Surgeon General to serve out the remainder of the council
272	member's term. If the remainder of the replaced council member's
273	term is less than 18 months, notwithstanding the provisions of
274	this paragraph, the succeeding council member may be reappointed
275	twice by the State Surgeon General.
276	(c) The chair of the council is the State Surgeon General,
277	who shall designate a vice chair to serve in the absence of the
278	State Surgeon General. A vacancy shall be filled for the
279	remainder of the unexpired term in the same manner as the
280	original appointment.

## Page 10 of 19

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

281 (d) Council members are not entitled to receive compensation or reimbursement for per diem or travel expenses. 282 283 The council shall meet twice a year in person or by (e) 284 teleconference. 285 The council shall: (f) 286 Advise the State Surgeon General and the department on 1. 287 matters concerning current and future physician workforce needs 288 in this state. 289 2. Review survey materials and the compilation of survey 290 information. 291 3. Provide recommendations to the department for the 292 development of additional items to be incorporated in the survey 293 completed by physicians licensed under chapter 458 or chapter 294 459. 295 4. Assist the department in preparing the annual report to 296 the Legislature pursuant to ss. 458.3192 and 459.0082. 297 5. Assist the department in preparing an initial strategic 298 plan, conduct ongoing strategic planning in accordance with this 299 section, and provide ongoing advice on implementing the 300 recommendations. 301 Monitor the need for an increased number of primary 6. 302 care physicians to provide the necessary current and projected 303 health and medical services for the state. 304 7. Monitor the status of graduate medical education in 305 this state, including, but not limited to, as considered 306 appropriate: 307 a. The effectiveness of graduate medical education pilot 308 projects funded pursuant to subsection (6).

Page 11 of 19

CODING: Words stricken are deletions; words underlined are additions.

|--|

2010

309	b. The role of residents and medical faculty in the
310	provision of health care.
311	c. The relationship of graduate medical education to the
312	state's physician workforce.
313	d. The availability and use of state and federal
314	appropriated funds for graduate medical education.
315	(6) PHYSICIAN WORKFORCE GRADUATE MEDICAL EDUCATION
316	INNOVATION PILOT PROJECTS
317	(a) The Legislature finds that:
318	1. In order to ensure a physician workforce that is
319	adequate to meet the needs of this state's residents and its
320	health care system, policymakers must consider the training of
321	future generations of well-trained health care providers.
322	2. Physicians are likely to practice in the state where
323	they complete their graduate medical education. The in-state
324	retention rate following graduate medical education for
325	physicians in this state is more than 61 percent.
326	3. It can directly affect the makeup of the physician
327	workforce by selectively funding graduate medical education
328	programs to provide needed specialists in geographic areas of
329	the state which have a deficient number of such specialists.
330	4. Developing additional positions in graduate medical
331	education programs is essential to the future of this state's
332	health care system.
333	5. It was necessary in 2007 to pass legislation that
334	provided for an assessment of the status of this state's current
335	and future physician workforce. The department is collecting and
336	analyzing information on an ongoing basis to assess this state's
•	Page 12 of 10

Page 12 of 19

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

FLORIDA HOUSE OF REPRESENTATI	VES
-------------------------------	-----

2010

337	physician workforce needs, and such assessment can serve as a
338	basis for determining graduate medical education needs and
339	strategies for the state.
340	(b) There is established under the department a program to
341	foster innovative graduate medical education pilot projects that
342	are designed to promote the expansion of graduate medical
343	education programs or positions to prepare physicians to
344	practice in needed specialties and underserved areas or settings
345	and to provide demographic and cultural representation in a
346	manner that addresses projected needs for this state's physician
347	workforce. Funds appropriated annually by the Legislature for
348	this purpose shall be distributed to participating hospitals,
349	medical schools, other sponsors of graduate medical education
350	programs, consortia engaged in developing new graduate medical
351	education programs or positions in those programs, or pilot
352	projects providing innovative graduate medical education in
353	community-based clinical settings. Pilot projects shall be
354	selected on a competitive grant basis, subject to available
355	<u>funds.</u>
356	(c) Pilot projects shall be designed to meet one or more
357	of this state's physician workforce needs, as determined
358	pursuant to this section, including, but not limited to:
359	1. Increasing the number of residencies or fellowships in
360	primary care or other needed specialties.
361	2. Enhancing the retention of primary care physicians or
362	other needed specialties in this state.
363	3. Promoting practice in rural or medically underserved
364	areas of the state.

# Page 13 of 19

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

FLORIDA HOUSE OF REPRESENT	ATIVES
----------------------------	--------

2010 365 4. Encouraging racial and ethnic diversity within the 366 state's physician workforce. 367 5. Encouraging practice in community health care or other 368 ambulatory care settings. 369 6. Encouraging practice in clinics operated by the Department of Health, clinics operated by the Department of 370 Veterans' Affairs, prison clinics, or similar settings of need. 371 372 7. Encouraging the increased production of geriatricians. 373 (d) Priority shall be given to a proposal for a pilot 374 project that: 375 1. Demonstrates a collaboration of federal, state, and 376 local entities that are public or private. 377 2. Obtains funding from multiple sources. 378 3. Focuses on enhancing graduate medical education in 379 rural or underserved areas. 4. Focuses on enhancing graduate medical education in 380 381 ambulatory or community-based settings other than a hospital 382 environment. 383 Includes the use of technology, such as electronic 5. 384 medical records, distance consultation, and telemedicine, to 385 ensure that residents are better prepared to care for patients 386 in this state, regardless of the community in which the 387 residents practice. 388 6. Is designed to meet multiple policy needs as enumerated in subsection (3). 389 390 7. Uses a consortium to provide for graduate medical 391 education experiences. 392 (e) The department shall adopt by rule appropriate

Page 14 of 19

CODING: Words stricken are deletions; words underlined are additions.

F	L	0	R	D	А	H	1	0	U	S	Е	(	0	F	R	Е	Ρ	R	Е	S	Е	Ν	Т	A	Т	-	۱ I	V	Е	S

2010 393 performance measures to use in order to consistently evaluate 394 the effectiveness, safety, and quality of the programs, as well 395 as the impact of each program on meeting this state's physician 396 workforce needs. 397 (f) Participating pilot projects shall submit to the 398 department an annual report on the project in a manner required 399 by the department. 400 (g) Funding provided to a pilot project may be used only for the direct costs of providing graduate medical education. 401 402 Accounting of such costs and expenditures shall be documented in 403 the annual report. 404 (h) State funds shall be used to supplement funds from any 405 local government, community, or private source. The state may 406 provide up to 50 percent of the funds, and local governmental 407 grants or community or private sources shall provide the 408 remainder of the funds. 409 (7) RULEMAKING.-The department shall adopt rules as 410 necessary to administer this section. 411 Section 3. Section 458.3192, Florida Statutes, is amended 412 to read: 413 458.3192 Analysis of survey results; report.-414 Each year, the Department of Health shall analyze the (1)415 results of the physician survey required by s. 458.3191 and 416 determine by geographic area and specialty the number of 417 physicians who: 418 (a) Perform deliveries of children in this state Florida. 419 (b) Read mammograms and perform breast-imaging-quided 420 procedures in this state Florida. Page 15 of 19

CODING: Words stricken are deletions; words underlined are additions.

FL	0	RΙ	D	А	Н	0	U	S	Е	0	F	R	Е	Р	R	Е	S	Е	Ν	Т	Α	Т	I	V	Е	S
----	---	----	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

421 Perform emergency care on an on-call basis for a (C) 422 hospital emergency department. 423 Plan to reduce or increase emergency on-call hours in (d) 424 a hospital emergency department. 425 (e) Plan to relocate their allopathic or osteopathic 426 practice outside the state. Practice medicine in this state. 427 (f) 428 (g) Reduce or modify the scope of their practice. 429 (2)The Department of Health must report its findings to 430 the Governor, the President of the Senate, and the Speaker of the House of Representatives by November 1 each year. The 431 432 department may also include in its report findings, recommendations, or other information requested by the council. 433 434 Section 4. Section 459.0082, Florida Statutes, is amended 435 to read: 436 459.0082 Analysis of survey results; report.-437 Each year, the Department of Health shall analyze the (1)438 results of the physician survey required by s. 459.0081 and 439 determine by geographic area and specialty the number of 440 physicians who: 441 (a) Perform deliveries of children in this state Florida. 442 (b) Read mammograms and perform breast-imaging-guided 443 procedures in this state Florida. 444 Perform emergency care on an on-call basis for a (C) 445 hospital emergency department. Plan to reduce or increase emergency on-call hours in 446 (d) 447 a hospital emergency department. 448 (e) Plan to relocate their allopathic or osteopathic Page 16 of 19

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

449 practice outside the state.

450 (f) Practice medicine in this state. 451 Reduce or modify the scope of their practice. (g) 452 The Department of Health must report its findings to (2) 453 the Governor, the President of the Senate, and the Speaker of 454 the House of Representatives by November 1 each year. The 455 department may also include in its report findings, 456 recommendations, or other information requested by the council. 457 Section 5. Paragraph (a) of subsection (1) of section 409.908, Florida Statutes, is amended to read: 458 459 409.908 Reimbursement of Medicaid providers.-Subject to 460 specific appropriations, the agency shall reimburse Medicaid providers, in accordance with state and federal law, according 461 462 to methodologies set forth in the rules of the agency and in 463 policy manuals and handbooks incorporated by reference therein. 464 These methodologies may include fee schedules, reimbursement 465 methods based on cost reporting, negotiated fees, competitive 466 bidding pursuant to s. 287.057, and other mechanisms the agency 467 considers efficient and effective for purchasing services or 468 goods on behalf of recipients. If a provider is reimbursed based 469 on cost reporting and submits a cost report late and that cost 470 report would have been used to set a lower reimbursement rate 471 for a rate semester, then the provider's rate for that semester 472 shall be retroactively calculated using the new cost report, and full payment at the recalculated rate shall be effected 473 474 retroactively. Medicare-granted extensions for filing cost reports, if applicable, shall also apply to Medicaid cost 475 476 reports. Payment for Medicaid compensable services made on

### Page 17 of 19

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb0935-00

477 behalf of Medicaid eligible persons is subject to the 478 availability of moneys and any limitations or directions 479 provided for in the General Appropriations Act or chapter 216. 480 Further, nothing in this section shall be construed to prevent 481 or limit the agency from adjusting fees, reimbursement rates, 482 lengths of stay, number of visits, or number of services, or 483 making any other adjustments necessary to comply with the 484 availability of moneys and any limitations or directions 485 provided for in the General Appropriations Act, provided the 486 adjustment is consistent with legislative intent.

487 Reimbursement to hospitals licensed under part I of (1)488 chapter 395 must be made prospectively or on the basis of 489 negotiation.

490 Reimbursement for inpatient care is limited as (a) provided for in s. 409.905(5), except for: 491

The raising of rate reimbursement caps, excluding rural 492 1. 493 hospitals.

494

Recognition of the costs of graduate medical education. 2. 495 3. Other methodologies recognized in the General Appropriations Act. 496

497

498 During the years funds are transferred from the Department of 499 Health, any reimbursement supported by such funds shall be 500 subject to certification by the Department of Health that the hospital has complied with s. 381.4018 s. 381.0403. The agency 501 may is authorized to receive funds from state entities, 502 503 including, but not limited to, the Department of Health, local 504 governments, and other local political subdivisions, for the

### Page 18 of 19

CODING: Words stricken are deletions; words underlined are additions.

hb0935-00

505 purpose of making special exception payments, including federal 506 matching funds, through the Medicaid inpatient reimbursement 507 methodologies. Funds received from state entities or local 508 governments for this purpose shall be separately accounted for 509 and shall not be commingled with other state or local funds in 510 any manner. The agency may certify all local governmental funds 511 used as state match under Title XIX of the Social Security Act, 512 to the extent that the identified local health care provider that is otherwise entitled to and is contracted to receive such 513 514 local funds is the benefactor under the state's Medicaid program 515 as determined under the General Appropriations Act and pursuant to an agreement between the Agency for Health Care 516 517 Administration and the local governmental entity. The local 518 governmental entity shall use a certification form prescribed by the agency. At a minimum, the certification form shall identify 519 520 the amount being certified and describe the relationship between 521 the certifying local governmental entity and the local health 522 care provider. The agency shall prepare an annual statement of 523 impact which documents the specific activities undertaken during 524 the previous fiscal year pursuant to this paragraph, to be 525 submitted to the Legislature no later than January 1, annually. 526 Section 6. This act shall take effect July 1, 2010.

Page 19 of 19

CODING: Words stricken are deletions; words underlined are additions.

hb0935-00