

By Senator Negrón

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Senate Memorial

A memorial to the Congress of the United States, urging Congress to amend Title XIX of the Social Security Act and declaring the intent of the Florida Legislature to amend Florida Statutes relating to the Florida Medicaid program.

WHEREAS, the Constitution of the United States establishes a limited Federal Government and guarantees the rights of individuals and the rights of states, and

WHEREAS, the Florida Constitution requires a balanced budget and establishes the foundation for the state's fiscal responsibilities, and

WHEREAS, the Medicaid program was established in 1965 as a federal and state partnership, based on shared responsibility, distinct authority, and mutual financial participation, and

WHEREAS, Florida's Medicaid program has operated for 45 years with authority to determine eligibility, define covered services, and set payment levels, and

WHEREAS, decisions by the Florida Legislature about Medicaid must be made after consideration of the ongoing tax burden carried by Floridians, the state's available resources, and other state obligations, and

WHEREAS, the federal Patient Protection and Affordable Care Act eliminates state discretionary powers over eligibility by mandating coverage of at least 1.8 million new enrollees in Florida and prohibiting any changes to current eligibility standards, and

WHEREAS, the Patient Protection and Affordable Care Act

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30 further hinders the state's ability to manage its resources by  
31 mandating previously optional services, requiring specific  
32 payment levels to certain providers, and imposing numerous  
33 additional administrative requirements, and

34 WHEREAS, the cumulative effect of new federal requirements  
35 is to commandeer an increasing amount of Florida's resources  
36 while leaving the state with few options for cost containment or  
37 program improvement, and

38 WHEREAS, Florida's current Medicaid program is expected to  
39 cost more than \$20 billion per year, including \$5.5 billion in  
40 state funds, and will require more than \$2.5 billion in  
41 additional general revenue to meet current commitments in the  
42 next 3 fiscal years, and

43 WHEREAS, additional requirements imposed by the Patient  
44 Protection and Affordable Care Act will add nearly another \$1  
45 billion more to the state's financial obligation by 2016,  
46 require an escalating state financial commitment, and disallow  
47 essential means of state fiscal control, and

48 WHEREAS, the performance of Florida's Medicaid program is  
49 undermined by limited physician participation, complex  
50 programmatic design, extensive fraud, and inadequate quality  
51 controls, and

52 WHEREAS, Medicaid participants are poorly served by a  
53 program that cannot deliver coordinated and accessible health  
54 care, and

55 WHEREAS, the future of Florida's Medicaid program requires  
56 the delivery of more effective and affordable services to a  
57 growing, diverse, and aging population, and

58 WHEREAS, the rebuilding of Florida's Medicaid program is

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59 best accomplished through extension and modification of the  
60 current Medicaid reform waiver, and

61 WHEREAS, the Agency for Health Care Administration is  
62 negotiating pursuant to chapter 2010-144, Laws of Florida, an  
63 extension of the current Medicaid reform waiver beyond its 5-  
64 year term, and requires additional legislative guidance to  
65 successfully complete the negotiation, and

66 WHEREAS, the objectives contained in this memorial are  
67 meant to be instructive to the Agency for Health Care  
68 Administration in its negotiations for the extension of the  
69 Medicaid reform waiver, and

70 WHEREAS, the Florida Legislature intends to transform the  
71 Florida Medicaid program into a statewide integrated managed  
72 care program for all services, NOW, THEREFORE,

73

74 Be It Resolved by the Legislature of the State of Florida:

75

76 (1) That the Florida Legislature urges Congress to amend  
77 Title XIX of the Social Security Act in order to reestablish a  
78 fair and prudent federal-state partnership that respects the  
79 constitutional requirements and fiscal constraints of each  
80 government and enables states to provide cost-effective health  
81 care services to low-income residents.

82 (2) That the Florida Legislature urges Congress to  
83 restructure the Medicaid program based on the following  
84 principles:

85 (a) The federal-state partnership for Medicaid should be  
86 modeled on the Personal Responsibility and Work Opportunity  
87 Reconciliation Act of 1996, with federal funding distributed

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88 based on population and tied to specific goals and objectives,  
89 thereby allowing each state the freedom to craft a Medicaid  
90 program that meets the needs of its residents.

91 (b) Participants should be empowered to use the public  
92 resources provided for their health care to purchase private  
93 health insurance when they determine such insurance better meets  
94 their needs.

95 (c) A focus on prevention and the cost-effective use of  
96 services should be established by fostering personal  
97 responsibility and rewarding healthy behaviors.

98 (d) Decisionmaking should be decentralized in order to  
99 allow providers and plans to compete to deliver better value to  
100 consumers through innovative service packages, organizational  
101 forms, delivery systems, and payment methods.

102 (e) Participants should be given every opportunity to  
103 achieve optimal health through systematic, transparent, and  
104 continuous outcome measurement and quality improvement.

105 (3) That the Florida Legislature resolves, even without the  
106 federal reforms described herein, to adopt comprehensive  
107 legislation in the 2011 Regular Session to accomplish the  
108 following objectives:

109 (a) To improve program performance by expanding key  
110 components of the Medicaid managed care pilot program statewide,  
111 while strengthening accountability for improved patient outcomes  
112 and preserving meaningful choices for participants.

113 (b) To improve access to coordinated care by enrolling all  
114 Medicaid participants in managed care except those specifically  
115 exempted due to short-term eligibility, limited service  
116 eligibility, or institutional placement.

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117 (c) To enhance fiscal predictability and financial  
118 management by converting the purchase of Medicaid services to  
119 capitated, risk-adjusted payment systems.

120 (d) To use the expertise of managed care organizations,  
121 including both health maintenance organizations and provider  
122 service networks, to provide all coverage and services for  
123 medical assistance and long-term care, including home and  
124 community-based services.

125 (e) To make the state a more prudent purchaser through the  
126 use of regional, competitive procurements to select, based on  
127 quality and price, a limited number of managed care  
128 organizations, including at least one provider service network  
129 in each region.

130 (f) To protect participants' choices and dignity by  
131 expanding the use of the opt-out provisions of the pilot program  
132 and allowing Medicaid funds to be used for any state-regulated  
133 private coverage, rather than limiting this option to  
134 employment-based health benefits.

135 (g) To phase in implementation of the statewide managed  
136 care program, allowing adequate time for development of managed  
137 long-term care and reserving the final phase of the  
138 implementation of managed care for persons with developmental  
139 disabilities.

140 (4) That the Florida Legislature resolves to enact reforms  
141 that establish a more fair and predictable civil justice system  
142 and reduce disincentives for serving Medicaid participants.

143 BE IT FURTHER RESOLVED that copies of this memorial be  
144 dispatched to the President of the United States, to the  
145 President of the United States Senate, to the Speaker of the

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146 United States House of Representatives, and to each member of  
147 the Florida delegation to the United States Congress.