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1 A bill to be entitled
2 An act relating to the Medicaid Pilot Private Care
3 Program; providing a short title; providing
4 legislative intent; providing definitions;
5 establishing the Medicaid Pilot Private Care Program
6 in Alachua, Levy, Gilchrist, Dixie, and Union
7 Counties; providing program requirements; authorizing
8 the program to obtain a waiver for a specified period
9 of time from the requirements of the Federal
10 Government Medicaid mandates to develop a private-
11 public health insurance policy purchase program;
12 providing for the establishment of a program oversight
13 committee; providing membership and duties of the
14 committee; requiring Medicaid enrollees not enrolled
15 in the program to purchase certain hospitalization-
16 only policies from specified providers; providing an
17 effective date.

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

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21 Section 1. Short title.—This act may be cited as the
22 "Medicaid Pilot Private Care Program."

23 Section 2. Legislative intent.—It is the intent of the
24 Legislature that if any conflict exists between this act and
25 part IV of chapter 409, Florida Statutes, this act shall
26 control. The Agency for Health Care Administration shall adopt
27 rules necessary to comply with or administer this act, and all
28 rules necessary to comply with retained federal requirements but

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29 not with waived or modified federal requirements. The agency
30 shall adopt and accept the transfer of any rules necessary to
31 carry out the department's responsibility for receiving and
32 processing Medicaid Pilot Private Care Program applications,
33 determining Medicaid Pilot Private Care Program eligibility, and
34 ensuring compliance with and administering this act.

35 Section 3. Definitions.—As used in this act, the term:

36 (1) "Agency" means the Agency for Health Care
37 Administration.

38 (2) Department" means the Department of Children and
39 Family Services.

40 (3) "MPPCP" means the Medicaid Pilot Private Care Program
41 created under this act and modified from the medical assistance
42 program authorized by Title XIX of the Social Security Act, 42
43 U.S.C. ss. 1396 et seq., and regulations thereunder, as
44 administered in this state by the agency.

45 (4) "MPPCP provider" means an eligible insurance company
46 that is providing a health insurance policy or group plan under
47 contract with the agency to provide services in the MPPCP
48 program.

49 (5) "MPPCP recipient" or "recipient" means an individual
50 who the department or, for Supplemental Security Income, the
51 Social Security Administration determines is eligible pursuant
52 to federal and state law to receive medical assistance and
53 related services for which the agency may make payments under
54 the MPPCP program. For the purposes of determining third-party
55 liability, the term includes an individual formerly determined
56 to be eligible for the MPPCP, an individual who has received

57 medical assistance under the MPPCP, or an individual on whose
 58 behalf the MPPCP has become obligated.

59 Section 4. The Medicaid Pilot Private Care Program.—The
 60 Medicaid Pilot Private Care Program is established in Alachua,
 61 Levy, Gilchrist, Dixie, and Union Counties.

62 (1) The program shall:

63 (a) Examine the waiver requests for Medicaid health
 64 maintenance organizations and alter the requests to conform to
 65 the insurance purchase model waiver.

66 (b) Obtain a 5-year waiver from Federal Government
 67 Medicaid mandates.

68 (c) Develop a private-public health insurance policy
 69 purchase program.

70 (d) Improve access to health care for Medicaid patients.

71 (e) Appoint a program oversight committee that is
 72 recommended to be composed of members from the following
 73 representative groups, but it is not imperative for the progress
 74 of the program or success of the committee that a member of each
 75 of the following groups be represented:

76 1. Hospitals.

77 2. Physicians.

78 3. Allied health professionals.

79 4. State Medicaid actuarials and representatives of the
 80 department.

81 5. Insurance actuarials.

82 6. Individuals representing the pilot counties.

83 7. Federal Medicaid representatives, if necessary.

84 (2) The program oversight committee shall:

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85 (a) Permit 20 percent per year of new and existing
86 Medicaid enrollees in the pilot program area to enroll in the
87 MPPCP. After 5 years, all Medicaid enrollees in the pilot area
88 shall be enrolled in a private care plan or a hybrid of a state
89 and Medicaid pilot private care program provider plan.

90 (b) Develop a hybrid system of payment for the management
91 of chronic disease between the state and the MPPCP provider that
92 allows for cost sharing with regard to the management of chronic
93 disease through premium support and reinsurance premium support
94 for Medicaid patients who:

95 1. Are totally disabled and are covered by Medicare and
96 Medicaid.

97 2. Have a chronic disease that consumes a disproportionate
98 amount of health care dollars.

99
100 Medicaid patients who develop an acute disease process not
101 related to their disabling or chronic medical condition that
102 would otherwise be covered by the MPPCP policy in the usual and
103 customary manner shall be covered by the MPPCP policy in the
104 usual and customary manner and this acute disease process is
105 excluded from the hybrid chronic care model for care. If after
106 18 months the patient is further disabled from this new acute
107 disease process, the patient's costs shall then be included in
108 the cost-sharing arrangement provided under this paragraph.

109 (c) Design a plan under which, at the end of the 5-year
110 pilot program, all Medicaid enrollees receive their coverage
111 through the MPPCP provider plans and only receive cost-sharing
112 and reinsurance coverage if provided by the Insurance

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113 Commissioner based on the criteria established by the MPPCP
114 committee.

115 (d) Establish metrics that:

116 1. Evaluate whether the quality assurance and quality
117 improvement metrics are consistent with those mandated by the
118 Insurance Commissioner for private insurance companies.

119 2. Determine if there is a backlog of care needs for
120 Medicaid enrollees.

121 3. Compare costs incurred by individuals enrolled in
122 Medicaid with costs incurred by private insurance company
123 policyholders, including an evaluation of:

124 a. The 10 most-used diagnostic and procedure codes for
125 individuals enrolled in Medicaid compared to individuals
126 participating in private-pay plans.

127 b. The cost of the 10 most-used diagnostic and procedure
128 codes for individuals enrolled in Medicaid compared to
129 individuals participating in private-pay plans.

130 c. The variations in the top 20 diagnostic and procedure
131 codes between traditional Medicaid patients, HMO Medicaid
132 patients, MPPCP Medicaid patients, and privately insured,
133 private-pay patients.

134 d. Compliance with medical care treatment plans.

135 e. Whether individuals enrolled in Medicaid are more,
136 less, or equally compliant or noncompliant compared to
137 individuals participating in private-pay plans.

138 f. Utilization metrics that compare the first 3 years of
139 enrollment in MPPCP to the last 3 years of enrollment.

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140 4. Require a report to the committee every 6 months that
141 provides comparisons based on diagnostic and procedure codes.

142 5. Require the use of disproportionate share program
143 moneys not paid to the Shands Teaching Hospital and Clinics,
144 Inc., and North Florida regional hospitals to develop
145 reinsurance programs for state and private insurance carriers.

146 6. Require the state to purchase a reinsurance policy for
147 catastrophic events.

148 7. Require the state to reimburse a private insurance
149 company's reinsurance premium in proportion to the number of
150 Medicaid enrollees covered based on the enrollee's chronic or
151 disabling medical condition, provided this condition actually
152 requires additional or disproportionate care costs not supported
153 by the company's insurance premium.

154 8. Use the cost savings to promote and ensure job
155 training, educational advancement, and employment.

156 (3) Eligibility and enrollment criteria for the program
157 shall:

158 (a) Use current Medicaid eligibility criteria for enrollee
159 patients.

160 (b) Use the same enrollment process as traditional
161 Medicaid.

162 (c) Provide an enrollee with options regarding a choice of
163 health care programs.

164 (d) Enroll 20 percent of eligible individuals a year under
165 the following conditions:

166 1. During the first 3 years after the program is
167 established, only existing and newly eligible individuals may be

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168 enrolled and existing or newly fully disabled Medicare or
169 Medicaid patients may not be enrolled.

170 2. During the last 2 years after the program is
171 established, existing Medicaid patients with chronic and
172 disabling conditions and new Medicare and Medicaid-eligible
173 individuals may be enrolled, notwithstanding any preexisting
174 medical condition.

175 (e) Require every enrollee in the MPPCP region to purchase
176 a cost-effective hospitalization-only policy from an MPPCP
177 provider's hospitalization-only policy selections that are
178 included in the state-selected list of approved policies, which
179 shall require the policy to be purchased by the enrollee for the
180 enrollee and for each child in the enrollee's family and provide
181 that family policy options are acceptable only if they are
182 determined to be more cost effective.

183 (f) Require an enrollee to agree to undergo drug testing
184 and, if the enrollee receives a positive confirmed drug testing
185 result, the individual shall be ineligible for enrollment in the
186 plan. An enrollee may be eligible if he or she participates in a
187 drug rehabilitation program and remains drug free for 1 year.

188 (g) Require an enrollee to participate in family
189 counseling, if the department determines that family counseling
190 is necessary.

191 (h) Require an enrollee to agree to participate in
192 individual family financial planning and debt management
193 courses.

194 (i) Require an enrollee to seek full-time employment.

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195 (j) If not employed, require an enrollee to pursue a
196 general education development certificate, an associate of arts
197 or associate of science degree, a bachelor of arts or bachelor
198 of science degree, or an equivalent undergraduate degree, or a
199 master's degree, if academically capable, or pursue additional
200 educational or vocational training to ensure a better chance of
201 obtaining full-time employment.

202 (4) For the state to directly purchase individual Medicaid
203 policies:

204 (a) The three largest private insurance companies in the
205 pilot counties should be included in program.

206 (b) All medical provider reimbursements shall be
207 determined by the existing fee schedules of private carriers,
208 and providers shall receive private-policy reimbursement rates
209 based on the policy that the MPPCP enrollee owns.

210 (c) The state shall purchase the same policy that any
211 citizen in the state could purchase from a private company.

212 (5) A Medicaid enrollee not enrolled in the MPPCP must
213 purchase a commercial hospitalization-only policy. Medical
214 providers for such policies shall include:

215 (a) Shands Teaching Hospital and Clinics, Inc.

216 (b) Hospital Corporation of America hospitals.

217 (c) Tri-County Hospital-Williston, contingent upon the
218 collection of baseline data from private and public university
219 systems.

220 (d) Physicians and providers who participate in the
221 Medicaid program.

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222 | (e) Allied providers currently approved and participating
223 | in the delivery of Medicaid services.

224 | Section 5. This act shall take effect July 1, 2012.