

LEGISLATIVE ACTION

Senate House

Comm: RCS 04/25/2013

The Committee on Appropriations (Grimsley) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause and insert:

Section 1. Section 409.915, Florida Statutes, is amended to read:

409.915 County contributions to Medicaid.—Although the state is responsible for the full portion of the state share of the matching funds required for the Medicaid program, in order to acquire a certain portion of these funds, the state shall charge the counties an annual contribution in order to acquire a certain portion of these funds for certain items of care and

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service as provided in this section.

- (1) As used in this section, the term "state Medicaid expenditures" means those expenditures used as matching funds for the federal Medicaid program.
- (2) (a) For the 2013-2014 state fiscal year, the total amount of the counties' contribution is \$269.6 million. For each fiscal year thereafter, the annual amount shall be adjusted by the percentage change in the state Medicaid expenditures as determined by the Social Services Estimating Conference.
- (b) By March 15 of each year, the Social Services Estimating Conference shall determine the percentage change in state Medicaid expenditures by comparing expenditures for the 2 most recent completed state fiscal years.
- (3) (a) 1. The amount of each county's annual contribution is equal to the product of the amount determined under subsection (2) multiplied by the sum of the percentages calculated in subsubparagraphs a. and b.:
- a. The enrollment weight provided in subparagraph 2. is multiplied by a fraction, the numerator of which is the number of the county's Medicaid enrollees as of March 1 of each year, and the denominator of which is the number of all counties' Medicaid enrollees as of March 1 of each year. The agency shall calculate this amount for each county and provide the information to the Department of Revenue by May 15 of each year.
- b. The payment weight provided in subparagraph 2. is multiplied by the percentage share of payments provided in subparagraph 3. for each county.
 - 2. The weights for each fiscal year are equal to:



42			
		Weights	
43			
	Fiscal Year	Enrollment	Payment
44	1	1	
4.5	2013-14	<u>0</u> %	100%
45	2014-15	16.67%	83.33%
46	2011 10	10.070	
	2015-16	33.34%	66.66%
47	ı	I	
	2016-17	<u>50%</u>	50%
48	2017-18	66 66%	22 24%
49	2017-18	66.66%	33.34%
	2018-19	83.33%	16.67%
50		1	
	2019-20+	100%	<u>0%</u>
51	,		
52 53	3. The p	ercentage sh	nare of payments for each county is:
55		Share of	f
	County	Payments	
54			
	ALACHUA	1.278%	
55	I		
E (BAKER	0.116%	
56			



	BAY	0.607%
57	1	1
	BRADFORD	0.179%
58	1	
59	BREVARD	2.471%
39	BROWARD	9.226%
60	BROWING	3.2200
	CALHOUN	0.084%
61	1	
	CHARLOTTE	0.578%
62	1.	
63	CITRUS	0.663%
03	CLAY	0.635%
64		
	COLLIER	1.160%
65	1	1
	COLUMBIA	<u>0.557%</u>
66		
	DADE (MIAMI- DADE)	18.850%
67	<u> </u>	10.000
	DESOTO	0.167%
68		
	DIXIE	0.098%
69		1
	DUVAL	5.336%



70		
	<u>ESCAMBIA</u>	1.614%
71	1	Į I
	FLAGLER	0.397%
72	1	
	FRANKLIN	0.091%
73	I	l I
	GADSDEN	0.239%
74	1	
	GILCHRIST	0.078%
75	GLADES	0.055%
76	GLADES	0.0558
70	GULF	0.076%
77	<u> </u>	<u> </u>
	HAMILTON	0.075%
78		
	HARDEE	0.110%
79		<u> </u>
	<u>HENDRY</u>	0.163%
80	ī	1
	<u>HERNANDO</u>	<u>0.862%</u>
81	1	l I
	HIGHLANDS	0.468%
82	1	I
	HILLSBOROUGH	6.952%
83		
	HOLMES	0.101%



84		
	INDIAN RIVER	0.397%
85		
	JACKSON	0.218%
86		
	<u>JEFFERSON</u>	0.083%
87		
	LAFAYETTE	0.014%
88	1	1
	<u>LAKE</u>	1.525%
89		1
	<u>LEE</u>	<u>2.511%</u>
90		1
	<u>LEON</u>	<u>0.929%</u>
91		I I
	LEVY	0.256%
92		i i
	LIBERTY	0.050%
93		
	MADISON	0.086%
94		1
0.5	MANATEE	1.622%
95		1.629%
0.6	<u>MARION</u>	1.629%
96	MADIITN	0.252%
97	MARTIN	0.352%
9/	MONDOE	0.262%
	MONROE	<u>U.2026</u>



98		
	NASSAU	0.240%
99		
	OKALOOSA	0.566%
100		
	OKEECHOBEE	0.235%
101	1	1
	<u>ORANGE</u>	6.680%
102	T.	1
	OSCEOLA	1.613%
103	T:	I
	PALM BEACH	5.898%
104	1	1
	PASCO	2.391%
105	1	
100	PINELLAS	6.644%
106		2 6420
1 0 7	POLK	3.642%
107	PUTNAM	0.417%
108	POINAM	0.41/3
100	SAINT JOHNS	0.459%
109	2711111 0011110	0.1000
103	SAINT LUCIE	1.154%
110	<u> </u>	1.1010
	SANTA ROSA	0.462%
111		
	SARASOTA	1.230%
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	SEMINOLE	1.739%	
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	SUMTER	0.218%	
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	SUWANNEE	<u>0.252%</u>	
115			ı
	TAYLOR	<u>0.103%</u>	
116		ı	,
	UNION	0.075%	
117			i
	VOLUSIA	<u>2.298%</u>	
118	1	ı	1
	WAKULLA	<u>0.103%</u>	
119	1	ı	1
	WALTON	<u>0.229%</u>	
120	1	ı	ı
	WASHINGTON	0.114%	

122 (b) 1. The Legislature intends to replace the county 123 percentage share provided in subparagraph (a) 3. with percentage 124 shares based upon each county's proportion of the total 125 statewide amount of county billings made under this section from 126 April 1, 2012, through March 31, 2013, for which the state

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2. By February 1 of each year and continuing until a certification is made under sub-subparagraph b., the agency shall report to the President of the Senate and the Speaker of the House of Representatives the status of the county billings

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132 made under this section from April 1, 2012, through March 31, 133 2013, by county, including:

- a. The amounts billed to each county which remain unpaid, if any; and
- b. A certification from the agency of a final accounting of the amount of funds received by the state from such billings, by county, upon the expiration of all appeal rights that counties may have to contest such billings.
- 3. By March 15 of the state fiscal year in which the state receives the certification provided for in sub-subparagraph (b) 2.b., the Social Services Estimating Conference shall calculate each county's percentage share of the total statewide amount of county billings made under this section from April 1, 2012, through March 31, 2013, for which the state ultimately receives payment.
- 4. Beginning in the state fiscal year following the receipt by the state of the certification provided in sub-subparagraph (b) 2.b., each county's percentage share under subparagraph (a) 3. shall be replaced by the percentage calculated under subparagraph (b) 3.
- 5. If the court invalidates the replacement of each county's share as provided in this paragraph, the county share set forth in subparagraph (a) 3. shall continue to apply.
- (4) By June 1 of each year, the Department of Revenue shall notify each county of its required annual contribution. Each county shall pay its contribution, by check or electronic transfer, in equal monthly installments to the department by the 5th day of each month. If a county fails to remit the payment by the 5th day of the month, the department shall reduce the

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monthly distribution of that county pursuant to s. 218.61 and, if necessary, by the amount of the monthly installment pursuant to s. 218.26. The payments and the amounts by which the distributions are reduced shall be transferred to the General Revenue Fund.

- (1) Each county shall participate in the following items of care and service:
- (a) For both health maintenance members and fee-for-service beneficiaries, payments for inpatient hospitalization in excess of 10 days, but not in excess of 45 days, with the exception of pregnant women and children whose income is in excess of the federal poverty level and who do not participate in the Medicaid medically needy program, and for adult lung transplant services.
- (b) For both health maintenance members and fee-for-service beneficiaries, payments for nursing home or intermediate facilities care in excess of \$170 per month, with the exception of skilled nursing care for children under age 21.
- (2) A county's participation must be 35 percent of the total cost, or the applicable discounted cost paid by the state for Medicaid recipients enrolled in health maintenance organizations or prepaid health plans, of providing the items listed in subsection (1), except that the payments for items listed in paragraph (1) (b) may not exceed \$55 per month per person.
- (3) Each county shall set aside sufficient funds to pay for items of care and service provided to the county's eligible recipients for which county contributions are required, regardless of where in the state the care or service is rendered.

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(4) Each county shall contribute its pro rata share of the total county participation based upon statements rendered by the agency. The agency shall render such statements monthly based on each county's eligible recipients. For purposes of this section, each county's eligible recipients shall be determined by the recipient's address information contained in the federally approved Medicaid eligibility system within the Department of Children and Family Services. A county may use the process developed under subsection (10) to request a refund if it determines that the statement rendered by the agency contains errors.

(5) In any county in which a special taxing district or authority is located which benefits will benefit from the Medicaid program medical assistance programs covered by this section, the board of county commissioners may divide the county's financial responsibility for this purpose proportionately, and each such district or authority must furnish its share to the board of county commissioners in time for the board to comply with subsection (4) (3). Any appeal of the proration made by the board of county commissioners must be made to the Department of Financial Services, which shall then set the proportionate share for of each party.

(6) Counties are exempt from contributing toward the cost of new exemptions on inpatient ceilings for statutory teaching hospitals, specialty hospitals, and community hospital education program hospitals that came into effect July 1, 2000, and for special Medicaid payments that came into effect on or after July 1, 2000.

(6) $\frac{(7)}{(a)}$ By August 1, 2012, the agency shall certify to

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each county the amount of such county's billings from November 1, 2001, through April 30, 2012, which remain unpaid. A county may contest the amount certified by filing a petition under the applicable provisions of chapter 120 on or before September 1, 2012. This procedure is the exclusive method to challenge the amount certified. In order to successfully challenge the amount certified, a county must show, by a preponderance of the evidence, that a recipient was not an eligible recipient of that county or that the amount certified was otherwise in error.

- (b) By September 15, 2012, the agency shall certify to the Department of Revenue:
- 1. For each county that files a petition on or before September 1, 2012, the amount certified under paragraph (a); and
- 2. For each county that does not file a petition on or before September 1, 2012, an amount equal to 85 percent of the amount certified under paragraph (a).
- (c) The filing of a petition under paragraph (a) does shall not stay or stop the Department of Revenue from reducing distributions in accordance with paragraph (b) and subsection (7) (8). If a county that files a petition under paragraph (a) is able to demonstrate that the amount certified should be reduced, the agency shall notify the Department of Revenue of the amount of the reduction. The Department of Revenue shall adjust all future monthly distribution reductions under subsection (7) $\frac{(8)}{}$ in a manner that results in the remaining total distribution reduction being applied in equal monthly amounts.
- (7) (a) Beginning with the October 2012 distribution, the Department of Revenue shall reduce each county's distributions

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pursuant to s. 218.26 by one thirty-sixth of the amount certified by the agency under subsection (6) (7) for that county, minus any amount required under paragraph (b). Beginning with the October 2013 distribution, the Department of Revenue shall reduce each county's distributions pursuant to s. 218.26 by one forty-eighth of two-thirds of the amount certified by the agency under subsection (6) $\frac{(7)}{(7)}$ for that county, minus any amount required under paragraph (b). However, the amount of the reduction may not exceed 50 percent of each county's distribution. If, after 60 months, the reductions for any county do not equal the total amount initially certified by the agency, the Department of Revenue shall continue to reduce such county's distribution by up to 50 percent until the total amount certified is reached. The amounts by which the distributions are reduced shall be transferred to the General Revenue Fund.

(b) As an assurance to holders of bonds issued before the effective date of this act to which distributions made pursuant to s. 218.26 are pledged, or bonds issued to refund such bonds which mature no later than the bonds they refunded and which result in a reduction of debt service payable in each fiscal year, the amount available for distribution to a county shall remain as provided by law and continue to be subject to any lien or claim on behalf of the bondholders. The Department of Revenue must ensure, based on information provided by an affected county, that any reduction in amounts distributed pursuant to paragraph (a) does not reduce the amount of distribution to a county below the amount necessary for the timely payment of principal and interest when due on the bonds and the amount necessary to comply with any covenant under the bond resolution

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or other documents relating to the issuance of the bonds. If a reduction to a county's monthly distribution must be decreased in order to comply with this paragraph, the Department of Revenue must notify the agency of the amount of the decrease and the agency must send a bill for payment of such amount to the affected county.

(9) (a) Beginning May 1, 2012, and each month thereafter, the agency shall certify to the Department of Revenue by the 7th day of each month the amount of the monthly statement rendered to each county pursuant to subsection (4). Beginning with the May 2012 distribution, the Department of Revenue shall reduce each county's monthly distribution pursuant to s. 218.61 by the amount certified by the agency minus any amount required under paragraph (b). The amounts by which the distributions are reduced shall be transferred to the General Revenue Fund.

(b) As an assurance to holders of bonds issued before the effective date of this act to which distributions made pursuant to s. 218.61 are pledged, or bonds issued to refund such bonds which mature no later than the bonds they refunded and which result in a reduction of debt service payable in each fiscal year, the amount available for distribution to a county shall remain as provided by law and continue to be subject to any lien or claim on behalf of the bondholders. The Department of Revenue must ensure, based on information provided by an affected county, that any reduction in amounts distributed pursuant to paragraph (a) does not reduce the amount of distribution to a county below the amount necessary for the timely payment of principal and interest when due on the bonds and the amount necessary to comply with any covenant under the bond resolution

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or other documents relating to the issuance of the bonds. If a reduction to a county's monthly distribution must be decreased in order to comply with this paragraph, the Department of Revenue must notify the agency of the amount of the decrease and the agency must send a bill for payment of such amount to the affected county.

- (10) The agency, in consultation with the Department of Revenue and the Florida Association of Counties, shall develop a process for refund requests which:
- (a) Allows counties to submit to the agency written requests for refunds of any amounts by which the distributions were reduced as provided in subsection (9) and which set forth the reasons for the refund requests.
- (b) Requires the agency to make a determination as to whether a refund request is appropriate and should be approved, in which case the agency shall certify the amount of the refund to the department.
- (c) Requires the department to issue the refund for the certified amount to the county from the General Revenue Fund. The Department of Revenue may issue the refund in the form of a credit against reductions to be applied to subsequent monthly distributions.
- (8) (11) Beginning in the 2013-2014 fiscal year and each year thereafter through the 2020-2021 fiscal year, the Chief Financial Officer shall transfer from the General Revenue Fund to the Lawton Chiles Endowment Fund an amount equal to the amounts transferred to the General Revenue Fund in the previous fiscal year pursuant to subsections (4) and (7) subsections (8) and (9), reduced by the amount of refunds paid pursuant to

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subsection $(10)_{r}$ which are in excess of the official estimate for medical hospital fees for such previous fiscal year adopted by the Revenue Estimating Conference on January 12, 2012, as reflected in the conference's workpapers. By July 20 of each year, the Office of Economic and Demographic Research shall certify the amount to be transferred to the Chief Financial Officer. Such transfers must be made before July 31 of each year until the total transfers for all years equal \$350 million. If In the event that such transfers do not total \$350 million by July 1, 2021, the Legislature shall provide for the transfer of amounts necessary to total \$350 million. The Office of Economic and Demographic Research shall publish the official estimates reflected in the conference's workpapers on its website.

(9) (12) The agency may adopt rules to administer this section.

Section 2. Notwithstanding s. 409.915(3) and (4), Florida Statutes, as amended by this act, the amount of each county's contribution during the 2013-2014 state fiscal year shall be determined and provided to the Department of Revenue by the Agency for Health Care Administration by June 15, 2013. The Department of Revenue shall notify each county of its annual contribution by June 20, 2013.

Section 3. This act shall take effect upon becoming a law.

======== T I T L E A M E N D M E N T ========== And the title is amended as follows:

Delete everything before the enacting clause and insert:

A bill to be entitled

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An act relating to county Medicaid contributions; amending s. 409.915, F.S.; specifying the total contribution for the year and specifying the method for determining the amount in the following years; revising the method for calculating each county's contribution; providing tables for calculating county contributions; requiring the Agency for Health Care Administration to annually report the status of county billings to the Legislature; authorizing the Department of Revenue to withhold county distributions for failure to remit Medicaid contributions; deleting provisions specifying the care and services that counties must participate in, obsolete bond provisions, and a process for refund requests; specifying the method for calculating each county's contribution for the 2013-2014 fiscal year; providing an effective date.