

By the Committee on Health Policy

588-04482-13

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1 A bill to be entitled

2 An act relating to county Medicaid contributions;  
3 amending s. 409.915, F.S.; specifying the initial  
4 contribution and revising the method for calculating  
5 county contributions; providing timetables for  
6 calculating contributions and for payment of  
7 contributions; deleting provisions specifying the care  
8 and services that counties must participate in,  
9 obsolete bond provisions, and a process for refund  
10 requests; specifying the method for calculating each  
11 county's contribution for the 2013-2014 fiscal year;  
12 providing an effective date.

13  
14 Be It Enacted by the Legislature of the State of Florida:

15  
16 Section 1. Section 409.915, Florida Statutes, is amended to  
17 read:

18 409.915 County contributions to Medicaid.—Although the  
19 state is responsible for the full portion of the state share of  
20 the matching funds required for the Medicaid program, ~~in order~~  
21 ~~to acquire a certain portion of these funds,~~ the state shall  
22 charge the counties an annual contribution in order to acquire a  
23 certain portion of these funds ~~for certain items of care and~~  
24 ~~service as provided in this section.~~

25 (1) As used in this section, the term "state Medicaid  
26 expenditures," means those expenditures used as matching funds  
27 for the federal Medicaid program.

28 (2) (a) For the 2013-2014 state fiscal year, the total  
29 amount of the counties' contribution is \$269.6 million. For each

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30 fiscal year thereafter, the annual amount shall be adjusted by  
31 the percentage change in the state Medicaid expenditures as  
32 determined by the Social Services Estimating Conference.

33 (b) By March 15 of each year, the Social Services  
34 Estimating Conference shall determine the percentage change in  
35 state Medicaid expenditures by comparing expenditures for the 2  
36 most recent completed state fiscal years.

37 (3) The amount of each county's annual contribution shall  
38 be equal to the product of the amount determined under  
39 subsection (2) multiplied by a fraction, the numerator of which  
40 is the number of the county's Medicaid enrollees as of March 1  
41 of each year, and the denominator of which is the number of all  
42 counties' Medicaid enrollees as of March 1 of each year. The  
43 agency shall calculate this amount for each county and provide  
44 the information to the Department of Revenue by May 15 of each  
45 year.

46 (4) By June 1 of each year, the Department of Revenue shall  
47 notify each county of its annual contribution. Each county shall  
48 pay its contribution, by check or electronic transfer, in equal  
49 monthly installments to the Department of Revenue by the 5th day  
50 of each month. If a county fails to remit the payment by the 5th  
51 day of the month, the Department of Revenue shall reduce each  
52 county's monthly distribution pursuant to s. 218.61 by the  
53 amount of the monthly installment. The payments and the amounts  
54 by which the distributions are reduced shall be transferred to  
55 the General Revenue Fund.

56 ~~(1) Each county shall participate in the following items of~~  
57 ~~care and service:~~

58 ~~(a) For both health maintenance members and fee-for-service~~

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59 ~~beneficiaries, payments for inpatient hospitalization in excess~~  
60 ~~of 10 days, but not in excess of 45 days, with the exception of~~  
61 ~~pregnant women and children whose income is in excess of the~~  
62 ~~federal poverty level and who do not participate in the Medicaid~~  
63 ~~medically needy program, and for adult lung transplant services.~~

64 ~~(b) For both health maintenance members and fee-for-service~~  
65 ~~beneficiaries, payments for nursing home or intermediate~~  
66 ~~facilities care in excess of \$170 per month, with the exception~~  
67 ~~of skilled nursing care for children under age 21.~~

68 ~~(2) A county's participation must be 35 percent of the~~  
69 ~~total cost, or the applicable discounted cost paid by the state~~  
70 ~~for Medicaid recipients enrolled in health maintenance~~  
71 ~~organizations or prepaid health plans, of providing the items~~  
72 ~~listed in subsection (1), except that the payments for items~~  
73 ~~listed in paragraph (1) (b) may not exceed \$55 per month per~~  
74 ~~person.~~

75 ~~(3) Each county shall set aside sufficient funds to pay for~~  
76 ~~items of care and service provided to the county's eligible~~  
77 ~~recipients for which county contributions are required,~~  
78 ~~regardless of where in the state the care or service is~~  
79 ~~rendered.~~

80 ~~(4) Each county shall contribute its pro rata share of the~~  
81 ~~total county participation based upon statements rendered by the~~  
82 ~~agency. The agency shall render such statements monthly based on~~  
83 ~~each county's eligible recipients. For purposes of this section,~~  
84 ~~each county's eligible recipients shall be determined by the~~  
85 ~~recipient's address information contained in the federally~~  
86 ~~approved Medicaid eligibility system within the Department of~~  
87 ~~Children and Family Services. A county may use the process~~

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88 ~~developed under subsection (10) to request a refund if it~~  
89 ~~determines that the statement rendered by the agency contains~~  
90 ~~errors.~~

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

102 ~~(6) Counties are exempt from contributing toward the cost~~  
103 ~~of new exemptions on inpatient ceilings for statutory teaching~~  
104 ~~hospitals, specialty hospitals, and community hospital education~~  
105 ~~program hospitals that came into effect July 1, 2000, and for~~  
106 ~~special Medicaid payments that came into effect on or after July~~  
107 ~~1, 2000.~~

108 (6) ~~(7)~~(a) By August 1, 2012, the agency shall certify to  
109 each county the amount of such county's billings from November  
110 1, 2001, through April 30, 2012, which remain unpaid. A county  
111 may contest the amount certified by filing a petition under the  
112 applicable provisions of chapter 120 on or before September 1,  
113 2012. This procedure is the exclusive method to challenge the  
114 amount certified. In order to successfully challenge the amount  
115 certified, a county must show, by a preponderance of the  
116 evidence, that a recipient was not an eligible recipient of that

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117 county or that the amount certified was otherwise in error.

118 (b) By September 15, 2012, the agency shall certify to the  
119 Department of Revenue:

120 1. For each county that files a petition on or before  
121 September 1, 2012, the amount certified under paragraph (a); and

122 2. For each county that does not file a petition on or  
123 before September 1, 2012, an amount equal to 85 percent of the  
124 amount certified under paragraph (a).

125 (c) The filing of a petition under paragraph (a) does ~~shall~~  
126 not stay or stop the Department of Revenue from reducing  
127 distributions in accordance with paragraph (b) and subsection  
128 (7) ~~(8)~~. If a county that files a petition under paragraph (a)  
129 is able to demonstrate that the amount certified should be  
130 reduced, the agency shall notify the Department of Revenue of  
131 the amount of the reduction. The Department of Revenue shall  
132 adjust all future monthly distribution reductions under  
133 subsection (7) ~~(8)~~ in a manner that results in the remaining  
134 total distribution reduction being applied in equal monthly  
135 amounts.

136 (7) ~~(8)~~(a) Beginning with the October 2012 distribution, the  
137 Department of Revenue shall reduce each county's distributions  
138 pursuant to s. 218.26 by one thirty-sixth of the amount  
139 certified by the agency under subsection (6) ~~(7)~~ for that  
140 county, minus any amount required under paragraph (b). Beginning  
141 with the October 2013 distribution, the Department of Revenue  
142 shall reduce each county's distributions pursuant to s. 218.26  
143 by one forty-eighth of two-thirds of the amount certified by the  
144 agency under subsection (6) ~~(7)~~ for that county, minus any  
145 amount required under paragraph (b). However, the amount of the

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146 reduction may not exceed 50 percent of each county's  
147 distribution. If, after 60 months, the reductions for any county  
148 do not equal the total amount initially certified by the agency,  
149 the Department of Revenue shall continue to reduce such county's  
150 distribution by up to 50 percent until the total amount  
151 certified is reached. The amounts by which the distributions are  
152 reduced shall be transferred to the General Revenue Fund.

153 (b) As an assurance to holders of bonds issued before the  
154 effective date of this act to which distributions made pursuant  
155 to s. 218.26 are pledged, or bonds issued to refund such bonds  
156 which mature no later than the bonds they refunded and which  
157 result in a reduction of debt service payable in each fiscal  
158 year, the amount available for distribution to a county shall  
159 remain as provided by law and continue to be subject to any lien  
160 or claim on behalf of the bondholders. The Department of Revenue  
161 must ensure, based on information provided by an affected  
162 county, that any reduction in amounts distributed pursuant to  
163 paragraph (a) does not reduce the amount of distribution to a  
164 county below the amount necessary for the timely payment of  
165 principal and interest when due on the bonds and the amount  
166 necessary to comply with any covenant under the bond resolution  
167 or other documents relating to the issuance of the bonds. If a  
168 reduction to a county's monthly distribution must be decreased  
169 in order to comply with this paragraph, the Department of  
170 Revenue must notify the agency of the amount of the decrease and  
171 the agency must send a bill for payment of such amount to the  
172 affected county.

173 ~~(9) (a) Beginning May 1, 2012, and each month thereafter,~~  
174 ~~the agency shall certify to the Department of Revenue by the 7th~~

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175 ~~day of each month the amount of the monthly statement rendered~~  
176 ~~to each county pursuant to subsection (4). Beginning with the~~  
177 ~~May 2012 distribution, the Department of Revenue shall reduce~~  
178 ~~each county's monthly distribution pursuant to s. 218.61 by the~~  
179 ~~amount certified by the agency minus any amount required under~~  
180 ~~paragraph (b). The amounts by which the distributions are~~  
181 ~~reduced shall be transferred to the General Revenue Fund.~~

182 ~~(b) As an assurance to holders of bonds issued before the~~  
183 ~~effective date of this act to which distributions made pursuant~~  
184 ~~to s. 218.61 are pledged, or bonds issued to refund such bonds~~  
185 ~~which mature no later than the bonds they refunded and which~~  
186 ~~result in a reduction of debt service payable in each fiscal~~  
187 ~~year, the amount available for distribution to a county shall~~  
188 ~~remain as provided by law and continue to be subject to any lien~~  
189 ~~or claim on behalf of the bondholders. The Department of Revenue~~  
190 ~~must ensure, based on information provided by an affected~~  
191 ~~county, that any reduction in amounts distributed pursuant to~~  
192 ~~paragraph (a) does not reduce the amount of distribution to a~~  
193 ~~county below the amount necessary for the timely payment of~~  
194 ~~principal and interest when due on the bonds and the amount~~  
195 ~~necessary to comply with any covenant under the bond resolution~~  
196 ~~or other documents relating to the issuance of the bonds. If a~~  
197 ~~reduction to a county's monthly distribution must be decreased~~  
198 ~~in order to comply with this paragraph, the Department of~~  
199 ~~Revenue must notify the agency of the amount of the decrease and~~  
200 ~~the agency must send a bill for payment of such amount to the~~  
201 ~~affected county.~~

202 ~~(10) The agency, in consultation with the Department of~~  
203 ~~Revenue and the Florida Association of Counties, shall develop a~~

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204 ~~process for refund requests which:~~

205 ~~(a) Allows counties to submit to the agency written~~  
206 ~~requests for refunds of any amounts by which the distributions~~  
207 ~~were reduced as provided in subsection (9) and which set forth~~  
208 ~~the reasons for the refund requests.~~

209 ~~(b) Requires the agency to make a determination as to~~  
210 ~~whether a refund request is appropriate and should be approved,~~  
211 ~~in which case the agency shall certify the amount of the refund~~  
212 ~~to the department.~~

213 ~~(c) Requires the department to issue the refund for the~~  
214 ~~certified amount to the county from the General Revenue Fund.~~  
215 ~~The Department of Revenue may issue the refund in the form of a~~  
216 ~~credit against reductions to be applied to subsequent monthly~~  
217 ~~distributions.~~

218 ~~(8)~~ (11) Beginning in the 2013-2014 fiscal year and each  
219 year thereafter through the 2020-2021 fiscal year, the Chief  
220 Financial Officer shall transfer from the General Revenue Fund  
221 to the Lawton Chiles Endowment Fund an amount equal to the  
222 amounts transferred to the General Revenue Fund in the previous  
223 fiscal year pursuant to subsections (4) and (7) ~~subsections (8)~~  
224 ~~and (9), reduced by the amount of refunds paid pursuant to~~  
225 ~~subsection (10),~~ which are in excess of the official estimate  
226 for medical hospital fees for such previous fiscal year adopted  
227 by the Revenue Estimating Conference on January 12, 2012, as  
228 reflected in the conference's workpapers. By July 20 of each  
229 year, the Office of Economic and Demographic Research shall  
230 certify the amount to be transferred to the Chief Financial  
231 Officer. Such transfers must be made before July 31 of each year  
232 until the total transfers for all years equal \$350 million. If



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233 ~~In the event that~~ such transfers do not total \$350 million by  
234 July 1, 2021, the Legislature shall provide for the transfer of  
235 amounts necessary to total \$350 million. The Office of Economic  
236 and Demographic Research shall publish the official estimates  
237 reflected in the conference's workpapers on its website.

238 (9) ~~(12)~~ The agency may adopt rules to administer this  
239 section.

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

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