

**By** the Committee on Health Policy; and Senators Garcia and Flores

588-02413-13

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1 A bill to be entitled

2 An act relating to prepaid dental plans; amending s.  
3 409.912, F.S.; postponing the scheduled repeal of a  
4 provision requiring the Agency for Health Care  
5 Administration to contract with dental plans for  
6 dental services on a prepaid or fixed-sum basis;  
7 authorizing the agency to provide a prepaid dental  
8 health program in Miami-Dade County on a permanent  
9 basis; requiring an annual report to the Governor and  
10 Legislature; providing an effective date.

11  
12 Be It Enacted by the Legislature of the State of Florida:

13  
14 Section 1. Subsection (41) of section 409.912, Florida  
15 Statutes, is amended to read:

16 409.912 Cost-effective purchasing of health care.—The  
17 agency shall purchase goods and services for Medicaid recipients  
18 in the most cost-effective manner consistent with the delivery  
19 of quality medical care. To ensure that medical services are  
20 effectively utilized, the agency may, in any case, require a  
21 confirmation or second physician's opinion of the correct  
22 diagnosis for purposes of authorizing future services under the  
23 Medicaid program. This section does not restrict access to  
24 emergency services or poststabilization care services as defined  
25 in 42 C.F.R. part 438.114. Such confirmation or second opinion  
26 shall be rendered in a manner approved by the agency. The agency  
27 shall maximize the use of prepaid per capita and prepaid  
28 aggregate fixed-sum basis services when appropriate and other  
29 alternative service delivery and reimbursement methodologies,

588-02413-13

2013896c1

30 including competitive bidding pursuant to s. 287.057, designed  
31 to facilitate the cost-effective purchase of a case-managed  
32 continuum of care. The agency shall also require providers to  
33 minimize the exposure of recipients to the need for acute  
34 inpatient, custodial, and other institutional care and the  
35 inappropriate or unnecessary use of high-cost services. The  
36 agency shall contract with a vendor to monitor and evaluate the  
37 clinical practice patterns of providers in order to identify  
38 trends that are outside the normal practice patterns of a  
39 provider's professional peers or the national guidelines of a  
40 provider's professional association. The vendor must be able to  
41 provide information and counseling to a provider whose practice  
42 patterns are outside the norms, in consultation with the agency,  
43 to improve patient care and reduce inappropriate utilization.  
44 The agency may mandate prior authorization, drug therapy  
45 management, or disease management participation for certain  
46 populations of Medicaid beneficiaries, certain drug classes, or  
47 particular drugs to prevent fraud, abuse, overuse, and possible  
48 dangerous drug interactions. The Pharmaceutical and Therapeutics  
49 Committee shall make recommendations to the agency on drugs for  
50 which prior authorization is required. The agency shall inform  
51 the Pharmaceutical and Therapeutics Committee of its decisions  
52 regarding drugs subject to prior authorization. The agency is  
53 authorized to limit the entities it contracts with or enrolls as  
54 Medicaid providers by developing a provider network through  
55 provider credentialing. The agency may competitively bid single-  
56 source-provider contracts if procurement of goods or services  
57 results in demonstrated cost savings to the state without  
58 limiting access to care. The agency may limit its network based

588-02413-13

2013896c1

59 on the assessment of beneficiary access to care, provider  
60 availability, provider quality standards, time and distance  
61 standards for access to care, the cultural competence of the  
62 provider network, demographic characteristics of Medicaid  
63 beneficiaries, practice and provider-to-beneficiary standards,  
64 appointment wait times, beneficiary use of services, provider  
65 turnover, provider profiling, provider licensure history,  
66 previous program integrity investigations and findings, peer  
67 review, provider Medicaid policy and billing compliance records,  
68 clinical and medical record audits, and other factors. Providers  
69 are not entitled to enrollment in the Medicaid provider network.  
70 The agency shall determine instances in which allowing Medicaid  
71 beneficiaries to purchase durable medical equipment and other  
72 goods is less expensive to the Medicaid program than long-term  
73 rental of the equipment or goods. The agency may establish rules  
74 to facilitate purchases in lieu of long-term rentals in order to  
75 protect against fraud and abuse in the Medicaid program as  
76 defined in s. 409.913. The agency may seek federal waivers  
77 necessary to administer these policies.

78 (41) (a) The agency shall contract on a prepaid or fixed-sum  
79 basis with appropriately licensed prepaid dental health plans to  
80 provide dental services. This paragraph expires October 1, 2017  
81 ~~2014~~.

82 (b) Notwithstanding paragraph (a) ~~and for the 2012-2013~~  
83 ~~fiscal year only~~, the agency may ~~is authorized to~~ provide a  
84 Medicaid prepaid dental health program in Miami-Dade County. The  
85 agency shall provide an annual report by January 15 to the  
86 Governor, the President of the Senate, and the Speaker of the  
87 House of Representatives which compares the combined reported

588-02413-13

2013896c1

88 annual benefits utilization and encounter data from all  
89 contractors, along with the agency's findings as to projected  
90 and budgeted annual program costs, the extent to which each  
91 contracting entity is complying with all contract terms and  
92 conditions, the effect that each entity's operation is having on  
93 access to care for Medicaid recipients in the contractor's  
94 service area, and the statistical trends associated with  
95 indicators of good oral health among all recipients served in  
96 comparison with the state's population as a whole. ~~For all other~~  
97 ~~counties, the agency may not limit dental services to prepaid~~  
98 ~~plans and must allow qualified dental providers to provide~~  
99 ~~dental services under Medicaid on a fee-for-service~~  
100 ~~reimbursement methodology. The agency may seek any necessary~~  
101 ~~revisions or amendments to the state plan or federal waivers in~~  
102 ~~order to implement this paragraph. The agency shall terminate~~  
103 ~~existing contracts as needed to implement this paragraph. This~~  
104 ~~paragraph expires July 1, 2013.~~

105 Section 2. This act shall take effect June 30, 2013.