

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Committee on Health Policy

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BILL: SB 1086

INTRODUCER: Senator Flores and others

SUBJECT: Optional Medical Payments for Prenatal Care

DATE: March 21, 2014

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Lloyd	Stovall	HP	<b>Pre-meeting</b>
2.			AHS	
3.			AP	

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**I. Summary:**

SB 1086 revises section 409.903, Florida Statutes to increase the eligibility criteria for pregnant women and infants under age 1 from 185 percent of the federal poverty level (FPL) to 200 percent of the FPL. Infants under age 1 are currently covered up to 200 percent of the FPL under an optional Medicaid expansion with Title XXI (Children’s Health Insurance Program) funding; however, the bill converts this population to a mandatory coverage group.

**II. Present Situation:**

Medicaid is a joint federal and state funded program that provides health care for low income Floridians. The program is administered by the Agency for Health Care Administration (AHCA) and financed with federal and state funds. Over 3.3 million Floridians are currently enrolled in Medicaid and the program’s estimated expenditures for Fiscal Year 2012-2013 were approximately \$21 billion.<sup>1</sup> The statutory authority for the Medicaid program is contained in ch. 409, F.S.

Each state operates its own Medicaid program under a state plan that must be approved by the federal Centers for Medicare and Medicaid Services. The plan outlines current Medicaid eligibility standards, policies, and reimbursement methodologies. Certain services must be included by all states as must certain population groups within designated income limits.

Federal law and regulations require states to cover pregnant women and infants under 1 year of age who have an income level of not more than 185 percent of the FPL.<sup>2</sup> States may seek a higher income level through a state plan amendment or a waiver process. Florida implements the federal law at s. 409.903(5), F.S.

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<sup>1</sup> Agency for Health Care Administration, *Florida Medicaid*, <http://ahca.myflorida.com/Medicaid/index.shtml> (last visited Mar. 20, 2014).

<sup>2</sup> 42 U.S.C. 1396(a) and 42 CFR 435.116 and 435.118.

Once determined eligible for Medicaid, a pregnant woman remains eligible for Medicaid through the end of the calendar month in which the 60th day of the end of the pregnancy falls, regardless of any change in family income.<sup>3</sup> States have the option of providing pregnant women with the full Medicaid coverage or they may elect to limit coverage to certain pregnancy-related services.<sup>4</sup> Florida covers the pregnancy, pregnancy-related services and services for any other illness or medical condition during the eligibility period that may complicate the pregnancy.<sup>5</sup>

Women who apply for Medicaid through a qualified provider, such as hospitals or county health departments, are offered presumptive eligibility until a decision is made on a full Medicaid determination. The presumptive eligibility period begins with the date the eligibility determination is completed and extends for one additional month or until a full Medicaid determination is approved or denied.<sup>6</sup> During the presumptive eligibility period, Medicaid will only reimburse for outpatient prenatal care.<sup>7</sup>

Infants born to a pregnant woman on Medicaid are automatically deemed eligible for Medicaid until the child's first birthday and are eligible for all Medicaid services.<sup>8</sup> Infants under the age of one in families with an income between 185 and 200 percent of the FPL are currently covered as an optional Medicaid expansion group utilizing Title XXI funds.

### III. Effect of Proposed Changes:

**Section 1** modifies s. 409.903, F.S., to increase the maximum family income threshold for Medicaid eligibility for an infant under the age of 1 and a pregnant woman for the duration of her pregnancy and the federally defined postpartum period.

Increasing the maximum family income for the infant population under age one to 200 percent of the FPL will not expand current eligibility guidelines as this population is currently covered as an optional Medicaid expansion group funded by Title XXI. However, this change does convert the infants to a mandatory coverage group.

The bill also updates references to the Department of Children and Family Services to the Department of Children and Families.

**Section 2** provides an effective date of July 1, 2014.

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<sup>3</sup> Centers for Medicare and Medicaid Services, *Pregnant Women*, <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Population/Pregnant-Women/Pregnant-Women.html> (last visited Mar. 21, 2014).

<sup>4</sup> *Id.* Pregnancy related services are generally defined as care related to pregnancy, labor, and delivery and any complications that may occur during pregnancy, as well as perinatal care for 60 days postpartum.

<sup>5</sup> Florida Medicaid State Plan, p. 7, [http://www.fdhc.state.fl.us/Medicaid/stateplanpdf/section\\_3.pdf](http://www.fdhc.state.fl.us/Medicaid/stateplanpdf/section_3.pdf) (last visited Mar. 21, 2014).

<sup>6</sup> Department of Children and Families, *Family-Related Medicaid Programs Fact Sheets*, <http://www.dcf.state.fl.us/programs/access/docs/fammedfactsheet.pdf> (last visited Mar. 21, 2014).

<sup>7</sup> Agency for Health Care Administration, *2014 Agency Legislative Bill Analysis - SB 1086*, on file with the Senate Health Policy Committee (Feb. 21, 2014).

<sup>8</sup> Agency for Health Care Administration, *Florida Medicaid Provider General Handbook - Presumptively Eligible Newborns*, p.155, [http://portal.flmmis.com/FLPublic/Portals/0/StaticContent/Public/HANDBOOKS/GH\\_12\\_12-07-01\\_Provider\\_General\\_Handbook.pdf](http://portal.flmmis.com/FLPublic/Portals/0/StaticContent/Public/HANDBOOKS/GH_12_12-07-01_Provider_General_Handbook.pdf) (last visited Mar. 21, 2014).

**IV. Constitutional Issues:**

## A. Municipality/County Mandates Restrictions:

None.

## B. Public Records/Open Meetings Issues:

None.

## C. Trust Funds Restrictions:

None.

**V. Fiscal Impact Statement:**

## A. Tax/Fee Issues:

None.

## B. Private Sector Impact:

An increase in the eligibility guidelines for pregnant women and infants under age one may reduce the number of pregnant women that seek prenatal and other medical care from health care providers as self-pay individuals. Expanding eligibility to additional pregnant women may result in an increase in early prenatal services and better birth outcomes.

## C. Government Sector Impact:

The AHCA estimates that an additional 3,290 pregnant women for an annual caseload of 21,933 would enroll in Medicaid under the expansion to 200 percent of the FPL for 2014-2015. The fiscal impact for 2014-2015 is estimated at \$26,265,937, of which \$10,742,768 is the state portion. Caseload in the following year (2015-2016) is based on a 4.4 percent increase over the base year for a state impact of \$11,418,553.

The AHCA would also be required to submit a state plan amendment and modify existing administrative rules for the Medicaid program.

The DCF reported no fiscal impact.

**VI. Technical Deficiencies:**

The bill includes conflicting language beginning on line 62 through line 64 which references a maximum income level of 150 percent of the FPL for a pregnant woman or a child under age 1.

The bill's title incorrectly states it is an act relating to optional medical payments for prenatal care. The bill amends s. 409.903, F.S., relating to mandatory payments for medical care under Medicaid.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 409.903.

**IX. Additional Information:**

**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

**B. Amendments:**

None.

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This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

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