



367544

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
01/29/2020	.	
	.	
	.	
	.	

---

The Committee on Health Policy (Bean) recommended the following:

1           **Senate Substitute for Amendment (942012) (with title**  
2 **amendment)**

3  
4           Delete lines 1235 - 1285

5 and insert:

6           Section 34. Effective upon becoming a law, paragraph (a) of  
7 subsection (5) of section 409.905, Florida Statutes, is amended  
8 to read:

9           409.905 Mandatory Medicaid services.—The agency may make  
10 payments for the following services, which are required of the  
11 state by Title XIX of the Social Security Act, furnished by



367544

12 Medicaid providers to recipients who are determined to be  
13 eligible on the dates on which the services were provided. Any  
14 service under this section shall be provided only when medically  
15 necessary and in accordance with state and federal law.

16 Mandatory services rendered by providers in mobile units to  
17 Medicaid recipients may be restricted by the agency. Nothing in  
18 this section shall be construed to prevent or limit the agency  
19 from adjusting fees, reimbursement rates, lengths of stay,  
20 number of visits, number of services, or any other adjustments  
21 necessary to comply with the availability of moneys and any  
22 limitations or directions provided for in the General  
23 Appropriations Act or chapter 216.

24 (5) HOSPITAL INPATIENT SERVICES.—The agency shall pay for  
25 all covered services provided for the medical care and treatment  
26 of a recipient who is admitted as an inpatient by a licensed  
27 physician or dentist to a hospital licensed under part I of  
28 chapter 395. However, the agency shall limit the payment for  
29 inpatient hospital services for a Medicaid recipient 21 years of  
30 age or older to 45 days or the number of days necessary to  
31 comply with the General Appropriations Act.

32 (a)1. The agency may implement reimbursement and  
33 utilization management reforms in order to comply with any  
34 limitations or directions in the General Appropriations Act,  
35 which may include, but are not limited to: prior authorization  
36 for inpatient psychiatric days; prior authorization for  
37 nonemergency hospital inpatient admissions for individuals 21  
38 years of age and older; authorization of emergency and urgent-  
39 care admissions within 24 hours after admission; enhanced  
40 utilization and concurrent review programs for highly utilized



367544

41 services; reduction or elimination of covered days of service;  
42 adjusting reimbursement ceilings for variable costs; adjusting  
43 reimbursement ceilings for fixed and property costs; and  
44 implementing target rates of increase.

45 2. The agency may limit prior authorization for hospital  
46 inpatient services to selected diagnosis-related groups, based  
47 on an analysis of the cost and potential for unnecessary  
48 hospitalizations represented by certain diagnoses. Admissions  
49 for normal delivery and newborns are exempt from requirements  
50 for prior authorization.

51 3. In implementing the provisions of this section related  
52 to prior authorization, the agency shall ensure that the process  
53 for authorization is accessible 24 hours per day, 7 days per  
54 week and authorization is automatically granted when not denied  
55 within 4 hours after the request. Authorization procedures must  
56 include steps for review of denials.

57 4. Upon implementing the prior authorization program for  
58 hospital inpatient services, the agency shall discontinue its  
59 hospital retrospective review program. However, this  
60 subparagraph may not be construed to prevent the agency from  
61 conducting retrospective reviews under s. 409.913.

62 Section 35. It is the intent of the Legislature that  
63 section 409.905(5)(a), Florida Statutes, as amended by this act,  
64 confirm and clarify existing law.

65 Section 36. Subsection (1) of section 409.967, Florida  
66 Statutes, is amended to read:

67 409.967 Managed care plan accountability.—

68 (1) Beginning with the contract procurement process  
69 initiated during the 2023 calendar year, the agency shall



367544

70 establish a 6-year ~~5-year~~ contract with each managed care plan  
71 selected through the procurement process described in s.  
72 409.966. A plan contract may not be renewed; however, the agency  
73 may extend the term of a plan contract to cover any delays  
74 during the transition to a new plan. The agency shall extend  
75 until December 31, 2024, the term of existing plan contracts  
76 awarded pursuant to the invitation to negotiate published in  
77 July 2017.

78  
79 ===== T I T L E A M E N D M E N T =====

80 And the title is amended as follows:

81 Delete lines 82 - 84

82 and insert:

83 amending s. 409.905, F.S.; providing construction for  
84 a provision that requires the agency to discontinue  
85 its hospital retrospective review program under  
86 certain circumstances; providing legislative intent;  
87 amending s. 409.967, F.S.; revising the length of  
88 managed care plan contracts procured by the agency  
89 beginning during a specified timeframe; requiring the  
90 agency to extend the term of certain existing managed  
91 care plan contracts until a specified date; amending