

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.)

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

BILL: SB 1080

INTRODUCER: Senator Baxley

SUBJECT: Medicaid Managed Care Specialty Plans

DATE: January 18, 2022

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Smith</u>	<u>Brown</u>	<u>HP</u>	<u>Pre-meeting</u>
2.	_____	_____	<u>AHS</u>	_____
3.	_____	_____	<u>AP</u>	_____

I. Summary:

SB 1080 authorizes a child welfare specialty managed care plan under contract with the Medicaid Managed Medical Assistance (MMA) program to serve a child in a permanent guardianship situation. Specifically, the child must have been in the care and custody of the Department of Children and Families (DCF), continue to be eligible for Medicaid, and his or her parent or guardian must receive guardianship assistance payments under the Guardianship Assistance Program.

If children become eligible and receive services through a child welfare specialty plan as authorized in the bill, the bill will have an indeterminate negative fiscal impact.

The bill provides an effective date of July 1, 2022.

II. Present Situation:

Florida Medicaid Program

The Medicaid program is a joint federal-state program that finances health coverage for individuals, including eligible low-income adults, children, pregnant women, elderly adults, and persons with disabilities.¹ The Centers for Medicare & Medicaid Services (CMS) within the U.S. Department of Health and Human Services (HHS) is responsible for administering the federal Medicaid program. Florida Medicaid is the health care safety net for low-income Floridians. Florida's program is administered by the Agency for Health Care Administration (AHCA) and financed through state and federal funds.²

¹ Medicaid.gov, *Medicaid*, available at <https://www.medicaid.gov/medicaid/index.html> (last visited Jan. 12, 2022).

² Section 20.42, F.S.

A Medicaid state plan is an agreement between a state and the federal government describing how the state administers its Medicaid programs. The state plan establishes groups of individuals covered under the Medicaid program, services that are provided, payment methodologies, and other administrative and organizational requirements.

In order to participate in Medicaid, federal law requires states to cover certain population groups (mandatory eligibility groups) and gives states the flexibility to cover other population groups (optional eligibility groups). States set individual eligibility criteria within federal minimum standards. The AHCA may seek an amendment to the state plan as necessary to comply with federal or state laws or to implement program changes. States send state plan amendments to the federal CMS for review and approval.³

Florida Medicaid enrollees generally receive benefits through one of two service-delivery systems: fee-for-service (FFS) or managed care. Under FFS, health care providers are paid by the state Medicaid program for each service provided to a Medicaid enrollee. Under managed care, the AHCA contracts with private managed care plans for the coordination and payment of services for Medicaid enrollees. The state pays the managed care plans a capitation payment, or fixed monthly payment, per recipient enrolled in the managed care plan.

In Florida, the majority of Medicaid recipients receive their services through a managed care plan contracted with the AHCA under the Statewide Medicaid Managed Care (SMMC) program. The SMMC program has two components, the Managed Medical Assistance (MMA) program and the Long-term Care Managed Care program. SMMC benefits are authorized by federal authority and are specifically required in ss. 409.973 and 409.98, F.S.

The AHCA contracts with managed care plans on a regional basis to provide services to eligible recipients. The MMA program, which covers most primary care, acute care, and behavioral health care services for managed care plan enrollees, was fully implemented in August 2014 and was re-procured for a period beginning December 2018 and ending in December 2023.

Specialty Plans⁴

An MMA managed care plan can participate in the MMA program as a standard plan or as a specialty plan. A specialty plan is a managed care plan that serves Medicaid recipients who meet specified criteria based on age, medical condition, or diagnosis.⁵ If a specialty plan is available to accommodate a specific condition or diagnosis of a Medicaid recipient, the AHCA must automatically enroll the recipient in that plan unless the recipient chooses a different plan.⁶ MMA specialty plans cover the same health care services as the standard MMA plans, and in addition, they must maintain a care coordination program tailored to the special needs of the plan's enrollees.

³ Medicaid.gov, *Medicaid State Plan Amendments*, available at <https://www.medicaid.gov/medicaid/medicaid-state-plan-amendments/index.html> (last visited Jan. 13, 2022).

⁴ Agency for Health Care Administration, *Medicaid Managed Medical Assistance Specialty Plans* available at https://ahca.myflorida.com/medicaid/statewide_mc/pdf/mma/Specialty_Plans_110316.pdf (last visited Jan. 13, 2022).

⁵ Section 409.962(18), F.S.

⁶ Section 409.977(1), F.S.

When a recipient is eligible for more than one MMA specialty plan, the AHCA uses a ranking to determine which MMA specialty plan to assign. The recipient is automatically assigned to the specialty plan listed highest on the ranking, unless the recipient chooses to enroll in another MMA specialty plan for which he or she is eligible or in a standard MMA plan offered in his or her region.

Currently, the following specialty plans are offered under the SMMC:⁷

- Children’s Medical Services Network Plan
- Clear Health Alliance HIV/AIDS Specialty Plan
- Molina Health Care Serious Mental Illness Specialty Plan (in Regions 4, 5, and 7)
- Sunshine Serious Mental Illness Specialty Plan
- Sunshine Health Child Welfare Specialty Plan

Under s. 409.977, F.S., specialty plans serving children in the care and custody of the DCF may serve such children as long as they remain in care, including those remaining in extended foster care pursuant to s. 39.6251, F.S., or are in subsidized adoption and continue to be eligible for Medicaid pursuant to s. 409.903, F.S.

Sunshine Health Child Welfare Specialty Plan⁸

The Sunshine Health Child Welfare Specialty Plan serves over 53,000 members and is available statewide to children who are under the age of 21, who have a child welfare case or post adoption case open for services as identified in the DCF Florida Safe Families Network (FSFN) database, and who have an FSFN eligibility indicator in the AHCA’s Florida Medicaid Managed Information System (FMMIS). A recipient will receive a letter informing them that they may enroll in the child welfare specialty plan.⁹

Like any MMA plan, the child welfare specialty plan must cover the minimum benefits outlined in s. 409.973, F.S., and the following benefits are available under the child welfare specialty plan:

- Medical Foster Care
- Statewide Inpatient Psychiatric Program (SIPP)
- Specialized therapeutic foster care and therapeutic group care
- Targeted case management
- Private duty nursing
- Individual and family therapy
- Behavioral Health Overlay Services
- Comprehensive behavioral health assessments
- Emergency transportation
- Non-medical/non-emergency transportation with up to three round trips per month

⁷ Agency for Health Care Administration, List of Plans as of Oct. 11, 2021 (on file with the Senate Committee on Health Policy).

⁸ Sunshine Health Child Welfare Specialty Plan updated Nov. 2021 (on file with the Senate Committee on Health Policy). See also Sunshine Health, Benefits Overview *available at* <https://www.sunshinehealth.com/members/child-welfare-plan/benefits-services.html> (last visited Jan. 14, 2022).

⁹ *Id.* at 4.

- Care grants of up to \$150 per child per calendar year for services and supplies for social or physical activities, such as gym memberships, swim lessons, sports equipment, art supplies or application fees for post high school
- Transition assistance up to \$500 in one-time assistance for young adults transitioning out of foster care at age 18 or extended foster care at age 21.
- Life skills development education for children ages 12 and up with developmental disabilities to help them keep, learn, or improve skills and functioning for daily living.
- Over-the-counter medication up to \$25 per household, per month
- Home-delivered meals for 10 days after being discharged from a facility
- Doula Services
- Newborn circumcision
- A 24-Hour Nurse Advice Line
- A 24-Hour Behavioral Health Line

Guardianship Assistance Program

Through the Guardianship Assistance Program (GAP), Florida offers guardianship assistance payments to relatives and fictive kin¹⁰ that commit to providing long-term care for children in Florida's Child Welfare System and meet eligibility criteria.¹¹ The GAP is governed by s. 39.6225, F.S., and is designed to provide additional services and supports to caregivers of children who were removed from their primary caregiver due to abuse or neglect.¹² The DCF must approve a GAP application if all of the following requirements have been met:

- The child's placement with the guardian has been approved by the court.
- The court has granted legal custody to the guardian.
- The guardian has been licensed to care for the child.
- The child was eligible for foster care room and board payments for at least six consecutive months while the child resided in the home of the guardian and the guardian was licensed as a foster parent.¹³

A child receiving assistance through the GAP is eligible for Medicaid coverage until the child attains 18 years of age, or until the child attains 21 years of age if he or she is:

- Completing secondary education or a program leading to an equivalent credential;
- Enrolled in an institution that provides postsecondary or vocational education;
- Participating in a program or activity designed to promote or eliminate barriers to employment;
- Employed for at least 80 hours per month; or
- Unable to participate full time in programs or activities listed in the four bullets above due to a physical, intellectual, emotional, or psychiatric condition that limits participation.¹⁴

¹⁰ "Fictive kin" means a person unrelated by birth, marriage, or adoption who has an emotionally significant relationship, which possesses the characteristics of a family relationship, to a child. Section 39.01(28), F.S.

¹¹ Florida Department of Children and Families Office of Child Welfare, Guardianship Assistance Program (GAP) available at <https://www.myflfamilies.com/service-programs/child-welfare/gap/> (last visited Jan. 12, 2022).

¹² *Id.*

¹³ Section 39.6225(2), F.S.

¹⁴ Section 39.6225(8) and (9), F.S.

III. Effect of Proposed Changes:

SB 1080 amends s. 409.977(5), F.S., to authorize a child welfare specialty managed care plan under contract with the MMA program to serve a child who has been in the care and custody of the DCF, who continues to be eligible for Medicaid, and whose parent or guardian receives guardianship assistance payments under the Guardianship Assistance Program.

The bill provides an effective date of July 1, 2022.

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

A child who will become eligible to receive services through a child welfare specialty plan under the bill is already eligible for Medicaid, either in another MMA specialty plan for which he or she is eligible or in a standard MMA plan offered in his or her region. The capitation rate for children in the child welfare specialty plan is higher than the rates for most children in other plans. If children become eligible and receive services through the child welfare specialty plan, the bill will have an indeterminate negative fiscal impact.

The precise fiscal impact of children becoming newly eligible for the specialty plans cannot be calculated without knowing the Medicaid region in which an eligible child resides and the capitation rate category in which the child is currently categorized. This is because Medicaid capitation rates vary by region and children could be in different rate cells based on age, gender, Medicaid eligibility category, and other characteristics.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 409.977 of the Florida Statutes.

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.