

1                               A bill to be entitled  
2       An act relating to the Children's Medical Services  
3       program; transferring operation of the Children's  
4       Medical Services Managed Care Plan from the Department  
5       of Health to the Agency for Health Care  
6       Administration, effective on a specified date;  
7       providing construction as to judicial and  
8       administrative actions pending as of a specified date  
9       and time; requiring the department's Children's  
10      Medical Services (CMS) program to collaborate with the  
11      agency in the care of children and youth with special  
12      health care needs; requiring the CMS program to  
13      conduct certain clinical eligibility screenings and  
14      provide ongoing consultation to the agency for a  
15      specified purpose; amending s. 409.906, F.S.;  
16      conforming a cross-reference; amending s. 409.974,  
17      F.S.; requiring the CMS program to transfer operation  
18      of certain managed care contracts from the department  
19      to the agency effective on a specified date; requiring  
20      the CMS program to conduct clinical eligibility  
21      screening for certain children and youth with special  
22      health care needs; requiring the program to provide  
23      ongoing consultation to the agency for a specified  
24      purpose; requiring the agency to establish specific  
25      measures for evaluation of services provided to

26 | children and youth with special health care needs;  
27 | requiring the agency to contract with an independent  
28 | evaluator to conduct the evaluation of services  
29 | provided; specifying requirements for the evaluation;  
30 | requiring the agency to submit the results of the  
31 | evaluation to the Governor and the Legislature by a  
32 | specified date; amending s. 391.016, F.S.; revising  
33 | the purposes and functions of the CMS program;  
34 | amending s. 391.021, F.S.; revising definitions;  
35 | amending s. 391.025, F.S.; revising the scope of the  
36 | CMS program; amending s. 391.026, F.S.; revising the  
37 | powers and duties of the department to conform to  
38 | changes made by the act; providing for the future  
39 | repeal of s. 391.026(8) through (11), F.S., relating  
40 | to the department's oversight and administration of  
41 | the CMS program; repealing s. 391.028, F.S., relating  
42 | to administration of the program; amending s. 391.029,  
43 | F.S.; revising program eligibility requirements;  
44 | conforming provisions to changes made by the act;  
45 | amending s. 391.0315, F.S.; conforming provisions to  
46 | changes made by the act; providing for future repeal  
47 | of specified provisions; repealing ss. 391.035,  
48 | 391.037, 391.045, 391.047, 391.055, and 391.071, F.S.,  
49 | relating to provider qualifications, physicians and  
50 | private sector services, provider reimbursements,

51 third-party payments, service delivery systems under  
52 the program, and quality of care requirements,  
53 respectively; amending s. 391.097, F.S.; conforming a  
54 provision to changes made by the act; repealing part  
55 II of ch. 391, F.S., consisting of ss. 391.221 and  
56 391.223, F.S., relating to Children's Medical Services  
57 councils and panels; amending ss. 409.166, 409.811,  
58 409.813, 409.8134, 409.814, 409.815, 409.8177,  
59 409.818, 409.912, 409.9126, 409.9131, 409.920,  
60 409.962, 409.968, and 409.972, F.S.; conforming  
61 provisions to changes made by the act; requiring the  
62 Agency for Health Care Administration to develop a  
63 comprehensive plan to redesign the Florida Medicaid  
64 Model Waiver for home and community-based services to  
65 include children who receive private duty nursing  
66 services; providing requirements for the redesign of  
67 waiver program; requiring the Agency for Health Care  
68 Administration to submit a report to the Governor, the  
69 President of the Senate, and the Speaker of the House  
70 of Representatives by a specified date; providing  
71 effective dates.

72  
73 Be It Enacted by the Legislature of the State of Florida:

74  
75 **Section 1.** Transfer of operation of the Children's Medical

76 Services Managed Care Plan.—

77 (1) Effective July 1, 2025, all statutory powers, duties,  
78 functions, records, personnel, pending issues, existing  
79 contracts, administrative authority, administrative rules, and  
80 unexpended balances of appropriations, allocations, and other  
81 funds for the operation of the Department of Health's Children's  
82 Medical Services Managed Care Plan are transferred to the Agency  
83 for Health Care Administration.

84 (2) The transfer of operations of the Children's Medical  
85 Services Managed Care Plan does not affect the validity of any  
86 judicial or administrative action pending as of 11:59 p.m. on  
87 the day before the effective date of the transfer to which the  
88 Department of Health's Children's Medical Services Managed Care  
89 Plan is at that time a party, and the Agency for Health Care  
90 Administration shall be substituted as a party in interest in  
91 any such action.

92 (3) The Department of Health's Children's Medical Services  
93 program shall collaborate with the Agency for Health Care  
94 Administration in the care of children and youth with special  
95 health care needs. The Department of Health's Children's Medical  
96 Services program shall do all of the following:

97 (a) Conduct clinical eligibility screening for children  
98 and youth with special health care needs who are eligible for or  
99 enrolled in Medicaid or the Children's Health Insurance Program.

100 (b) Provide ongoing consultation to the Agency for Health

101 Care Administration to ensure high-quality, family-centered,  
102 coordinated health services within an effective system of care  
103 for children and youth with special health care needs.

104 **Section 2. Paragraph (d) of subsection (13) of section**  
105 **409.906, Florida Statutes, is amended to read:**

106 409.906 Optional Medicaid services.—Subject to specific  
107 appropriations, the agency may make payments for services which  
108 are optional to the state under Title XIX of the Social Security  
109 Act and are furnished by Medicaid providers to recipients who  
110 are determined to be eligible on the dates on which the services  
111 were provided. Any optional service that is provided shall be  
112 provided only when medically necessary and in accordance with  
113 state and federal law. Optional services rendered by providers  
114 in mobile units to Medicaid recipients may be restricted or  
115 prohibited by the agency. Nothing in this section shall be  
116 construed to prevent or limit the agency from adjusting fees,  
117 reimbursement rates, lengths of stay, number of visits, or  
118 number of services, or making any other adjustments necessary to  
119 comply with the availability of moneys and any limitations or  
120 directions provided for in the General Appropriations Act or  
121 chapter 216. If necessary to safeguard the state's systems of  
122 providing services to elderly and disabled persons and subject  
123 to the notice and review provisions of s. 216.177, the Governor  
124 may direct the Agency for Health Care Administration to amend  
125 the Medicaid state plan to delete the optional Medicaid service

known as "Intermediate Care Facilities for the Developmentally Disabled." Optional services may include:

(13) HOME AND COMMUNITY-BASED SERVICES.—

(d) The agency shall seek federal approval to pay for flexible services for persons with severe mental illness or substance use disorders, including, but not limited to, temporary housing assistance. Payments may be made as enhanced capitation rates or incentive payments to managed care plans that meet the requirements of s. 409.968(3) ~~s. 409.968(4)~~.

**Section 3. Subsection (4) of section 409.974, Florida Statutes, is amended to read:**

409.974 Eligible plans.—

(4) CHILDREN'S MEDICAL SERVICES ~~NETWORK~~.—

(a) The Department of Health's Children's Medical Services program shall do all of the following:

1. Effective July 1, 2025, transfer to the agency the operation of managed care contracts procured by the department for Medicaid and Children's Health Insurance Program services provided to children and youth with special health care needs who are enrolled in the Children's Medical Services Managed Care Plan.

2. Conduct clinical eligibility screening for children and youth with special health care needs who are eligible for or are enrolled in Medicaid or the Children's Health Insurance Program.

3. Provide ongoing consultation to the agency to ensure

151 high-quality, family-centered, coordinated health services are  
152 provided within an effective system of care for children and  
153 youth with special health care needs.

154 (b) The agency shall establish specific measures of  
155 access, quality, and costs of providing health care services to  
156 children and youth with special health care needs. The agency  
157 shall contract with an independent evaluator to conduct an  
158 evaluation of services provided. The evaluation must include,  
159 but need not be limited to, all of the following:

160 1. A performance comparison of plans contracted to provide  
161 services to children and youth with special health care needs as  
162 well as plans contracted to serve a broader population of  
163 Managed Medical Assistance enrollees. The performance comparison  
164 must be based on the measures established by the agency and  
165 differentiated based on the age and medical condition or  
166 diagnosis of patients receiving services under each plan.

167 2. For each plan, an assessment of cost savings, patient  
168 choice, access to services, coordination of care, person-  
169 centered planning, health and quality-of-life outcomes, patient  
170 and provider satisfaction, and provider networks and quality of  
171 care.

172  
173 The agency shall submit the results of the evaluation to the  
174 Governor, the President of the Senate, and the Speaker of the  
175 House of Representatives by January 15, 2028 ~~Participation by~~

176 ~~the Children's Medical Services Network shall be pursuant to a~~  
177 ~~single, statewide contract with the agency that is not subject~~  
178 ~~to the procurement requirements or regional plan number limits~~  
179 ~~of this section. The Children's Medical Services Network must~~  
180 ~~meet all other plan requirements for the managed medical~~  
181 ~~assistance program.~~

182 **Section 4. Subsection (1) of section 391.016, Florida**  
183 **Statutes, is amended to read:**

184 391.016 Purposes and functions.—The Children's Medical  
185 Services program is established for the following purposes and  
186 authorized to perform the following functions:

187 (1) Provide to children and youth with special health care  
188 needs a family-centered, comprehensive, and coordinated  
189 statewide managed system of care that links community-based  
190 health care with multidisciplinary, regional, and tertiary  
191 pediatric specialty care. ~~The program shall coordinate and~~  
192 ~~maintain a consistent medical home for participating children.~~

193 **Section 5. Subsections (1), (2), and (4) of section**  
194 **391.021, Florida Statutes, are amended to read:**

195 391.021 Definitions.—When used in this act, the term:

196 (2) ~~(1)~~ "Children's Medical Services Managed Care Plan  
197 network" or "plan network" means a statewide managed care  
198 service system that includes health care providers, as defined  
199 in this section.

200 (1) ~~(2)~~ "Children and youth with special health care needs"



means those children and youth younger than 21 years of age who have chronic and serious physical, developmental, behavioral, or emotional conditions and who require health care and related services of a type or amount beyond that which is generally required by children and youth.

(4) "Eligible individual" means a child or youth with a special health care need or a female with a high-risk pregnancy, who meets the financial and medical eligibility standards established in s. 391.029.

**Section 6. Subsection (1) of section 391.025, Florida Statutes, is amended to read:**

391.025 Applicability and scope.—

(1) The Children's Medical Services program consists of the following components:

(a) The newborn screening program established in s. 383.14 and the newborn, infant, and toddler hearing screening program established in s. 383.145.

(b) The regional perinatal intensive care centers program established in ss. 383.15–383.19.

(c) The developmental evaluation and intervention program, including the Early Steps Program established in ss. 391.301–391.308.

(d) The Children's Medical Services Managed Care Plan through the end of June 30, 2025 ~~network~~.

(e) The Children's Multidisciplinary Assessment Team.

226        (f) The Medical Foster Care Program.

227        (g) The Title V Children and Youth with Special Health  
228 Care Needs program.

229        (h) The Safety Net Program.

230        (i) Child Protection Teams and sexual abuse treatment  
231 programs established under s. 39.303.

232        (j) The State Child Abuse Death Review Committee and local  
233 child abuse death review committees established in s. 383.402.

234        **Section 7. Section 391.026, Florida Statutes, is amended**  
235 **to read:**

236        391.026 Powers and duties of the department.—The  
237 department shall have the following powers, duties, and  
238 responsibilities:

239        (1) To provide or contract for the provision of health  
240 services to eligible individuals.

241        (2) To provide services to abused and neglected children  
242 through Child Protection Teams pursuant to s. 39.303.

243        (3) To determine the medical and financial eligibility of  
244 individuals seeking health services from the program.

245        (4) To coordinate a comprehensive delivery system for  
246 eligible individuals to take maximum advantage of all available  
247 funds.

248        (5) To coordinate with programs relating to children's  
249 medical services in cooperation with other public and private  
250 agencies.

251 (6) To initiate and coordinate applications to federal  
252 agencies and private organizations for funds, services, or  
253 commodities relating to children's medical programs.

254 (7) To sponsor or promote grants for projects, programs,  
255 education, or research in the field of children and youth with  
256 special health care needs, with an emphasis on early diagnosis  
257 and treatment.

258 (8) To oversee and operate the Children's Medical Services  
259 Managed Care Plan through the end of June 30, 2025 ~~network~~.

260 ~~(9) To establish reimbursement mechanisms for the~~  
261 ~~Children's Medical Services network.~~

262 ~~(10) To establish Children's Medical Services network~~  
263 ~~standards and credentialing requirements for health care~~  
264 ~~providers and health care services.~~

265 ~~(11) To serve as a provider and principal case manager for~~  
266 ~~children with special health care needs under Titles XIX and XXI~~  
267 ~~of the Social Security Act.~~

268 (9) ~~(12)~~ To monitor the provision of health services in the  
269 program, including the utilization and quality of health  
270 services.

271 (10) ~~(13)~~ To administer the Children and Youth with Special  
272 Health Care Needs program in accordance with Title V of the  
273 Social Security Act.

274 ~~(14) To establish and operate a grievance resolution~~  
275 ~~process for participants and health care providers.~~

~~(15) To maintain program integrity in the Children's Medical Services program.~~

(11)~~(16)~~ To receive and manage health care premiums, capitation payments, and funds from federal, state, local, and private entities for the program. The department may contract with a third-party administrator for processing claims, monitoring medical expenses, and other related services necessary to the efficient and cost-effective operation of the Children's Medical Services Managed Care Plan through the end of June 30, 2025 network. ~~The department is authorized to maintain a minimum reserve for the Children's Medical Services network in an amount that is the greater of:~~

~~(a) Ten percent of total projected expenditures for Title XIX-funded and Title XXI-funded children; or~~

~~(b) Two percent of total annualized payments from the Agency for Health Care Administration for Title XIX and Title XXI of the Social Security Act.~~

(12)~~(17)~~ To provide or contract for peer review and other quality-improvement activities.

(13)~~(18)~~ To adopt rules pursuant to ss. 120.536(1) and 120.54 to administer the Children's Medical Services Act.

(14)~~(19)~~ To serve as the lead agency in administering the Early Steps Program pursuant to part C of the federal Individuals with Disabilities Education Act and part III of this chapter.

301       (15) To administer the Medical Foster Care Program,  
302       including all of the following:

303       (a) Recruitment, training, assessment, and monitoring for  
304       the Medical Foster Care Program.

305       (b) Monitoring access and facilitating admissions of  
306       eligible children and youth to the program and designated  
307       medical foster care homes.

308       (c) Coordination with the Department of Children and  
309       Families and the Agency for Health Care Administration or their  
310       designees.

311       **Section 8.** Effective July, 1, 2025, subsections (8)  
312       through (11) of section 391.026, Florida Statutes, as amended by  
313       this act, are repealed.

314       **Section 9.** Effective July 1, 2025, section 391.028,  
315       Florida Statutes, is repealed.

316       **Section 10. Subsections (2) and (3) of section 391.029,**  
317       **Florida Statutes, are amended to read:**

318       391.029 Program eligibility.—

319       (2) The following individuals are eligible to receive  
320       services through the program:

321       (a) Related to the regional perinatal intensive care  
322       centers, a high-risk pregnant female who is enrolled in  
323       Medicaid.

324       (b) Children and youth with serious special health care  
325       needs from birth to 21 years of age who are enrolled in

326 Medicaid.

327 (c) Children and youth with serious special health care  
328 needs from birth to 19 years of age who are enrolled in a  
329 program under Title XXI of the Social Security Act.

330 (3) Subject to the availability of funds, the following  
331 individuals may receive services through the Children's Medical  
332 Services Safety Net program:

333 (a) Children and youth with serious special health care  
334 needs from birth to 21 years of age who do not qualify for  
335 Medicaid or Title XXI of the Social Security Act but who are  
336 unable to access, due to lack of providers or lack of financial  
337 resources, specialized services that are medically necessary or  
338 essential family support services. Families shall participate  
339 financially in the cost of care based on a sliding fee scale  
340 established by the department.

341 (b) Children and youth with special health care needs from  
342 birth to 21 years of age, as provided in Title V of the Social  
343 Security Act.

344 (c) An infant who receives an award of compensation under  
345 s. 766.31(1). ~~The Florida Birth-Related Neurological Injury~~  
346 ~~Compensation Association shall reimburse the Children's Medical~~  
347 ~~Services Network the state's share of funding, which must~~  
348 ~~thereafter be used to obtain matching federal funds under Title~~  
349 ~~XXI of the Social Security Act.~~

350 **Section 11. Section 391.0315, Florida Statutes, is amended**

to read:

391.0315 Benefits.—Benefits provided under the Children's Medical Services Managed Care Plan ~~program for children with special health care needs~~ shall be equivalent to benefits provided to children as specified in ss. 409.905 and 409.906. The department may offer additional benefits through Children's Medical Services programs for early intervention services, respite services, genetic testing, genetic and nutritional counseling, and parent support services, if such services are determined to be medically necessary. This section is repealed on January 1, 2026.

**Section 12.** Section 391.035, Florida Statutes, is repealed.

**Section 13.** Effective January 1, 2026, section 391.037, Florida Statutes, is repealed.

**Section 14.** Section 391.045, Florida Statutes, is repealed.

**Section 15.** Effective January 1, 2026, section 391.047, Florida Statutes, is repealed.

**Section 16.** Effective January 1, 2026, section 391.055, Florida Statutes, is repealed.

**Section 17.** Effective January 1, 2026, section 391.071, Florida Statutes, is repealed.

**Section 18.** **Section 391.097, Florida Statutes, is amended to read:**

376 391.097 Research and evaluation.—

377 ~~(1)~~ The department may initiate, fund, and conduct  
378 research and evaluation projects to improve the delivery of  
379 children's medical services. The department may cooperate with  
380 public and private agencies engaged in work of a similar nature.

381 ~~(2) The Children's Medical Services network shall be~~  
382 ~~included in any evaluation conducted in accordance with the~~  
383 ~~provisions of Title XXI of the Social Security Act as enacted by~~  
384 ~~the Legislature.~~

385 **Section 19.** Part II of chapter 391, Florida Statutes,  
386 consisting of ss. 391.221 and 391.223, Florida Statutes, is  
387 repealed, and part III of that chapter is redesignated as part  
388 II.

389 **Section 20. Effective July 1, 2025, paragraph (b) of**  
390 **subsection (5) of section 409.166, Florida Statutes, is amended**  
391 **to read:**

392 409.166 Children within the child welfare system; adoption  
393 assistance program.—

394 (5) ELIGIBILITY FOR SERVICES.—

395 (b) A child who is handicapped at the time of adoption is  
396 shall be eligible for services through a plan under contract  
397 with the agency to serve children and youth with special health  
398 care needs ~~the Children's Medical Services network established~~  
399 ~~under part I of chapter 391~~ if the child was eligible for such  
400 services before ~~prior to~~ the adoption.



**Section 21. Effective July 1, 2025, subsection (7) of section 409.811, Florida Statutes, is amended to read:**

409.811 Definitions relating to Florida Kidcare Act.—As used in ss. 409.810-409.821, the term:

~~(7) "Children's Medical Services Network" or "network" means a statewide managed care service system as defined in s. 391.021(1).—~~

**Section 22. Effective July 1, 2025, subsection (1) of section 409.813, Florida Statutes, is amended to read:**

409.813 Health benefits coverage; program components; entitlement and nonentitlement.—

(1) The Florida Kidcare program includes health benefits coverage provided to children through the following program components, which shall be marketed as the Florida Kidcare program:

(a) Medicaid;

(b) Medikids as created in s. 409.8132;

(c) The Florida Healthy Kids Corporation as created in s. 624.91;

(d) Employer-sponsored group health insurance plans approved under ss. 409.810-409.821; and

(e) Plans under contract with the agency to serve children and youth with special health care needs ~~The Children's Medical Services network established in chapter 391.~~

**Section 23. Effective July 1, 2025, subsection (3) of**

**section 409.8134, Florida Statutes, is amended to read:**

409.8134 Program expenditure ceiling; enrollment.—

(3) Upon determination by the Social Services Estimating Conference that there are insufficient funds to finance the current enrollment in the Florida Kidcare program within current appropriations, the program shall initiate disenrollment procedures to remove enrollees, except those children enrolled in a plan under contract with the agency to serve children with special health care needs ~~the Children's Medical Services Network~~, on a last-in, first-out basis until the expenditure and appropriation levels are balanced.

**Section 24. Subsection (3) and paragraph (c) of subsection (10) of section 409.814, Florida Statutes, are amended to read:**

409.814 Eligibility.—A child who has not reached 19 years of age whose family income is equal to or below 300 percent of the federal poverty level is eligible for the Florida Kidcare program as provided in this section. If an enrolled individual is determined to be ineligible for coverage, he or she must be immediately disenrolled from the respective Florida Kidcare program component.

(3) A Title XXI-funded child who is eligible for the Florida Kidcare program who is a child with special health care needs, as determined through a medical or behavioral screening instrument, is eligible for health benefits coverage from and shall be assigned to and may opt out of a plan under contract

451 with the agency to serve children with special health care needs  
452 ~~the Children's Medical Services Network.~~

453 (10) In determining the eligibility of a child, an assets  
454 test is not required. If eligibility for the Florida Kidcare  
455 program cannot be verified using reliable data sources in  
456 accordance with federal requirements, each applicant shall  
457 provide documentation during the application process and the  
458 redetermination process, including, but not limited to, the  
459 following:

460 (c) To enroll in a plan under contract with the agency to  
461 service children with special health care needs ~~the Children's~~  
462 ~~Medical Services Network~~, a completed application, including a  
463 Children's Medical Services clinical screening.

464 **Section 25. Effective July 1, 2025, paragraph (t) of**  
465 **subsection (2) of section 409.815, Florida Statutes, is amended**  
466 **to read:**

467 409.815 Health benefits coverage; limitations.—

468 (2) BENCHMARK BENEFITS.—In order for health benefits  
469 coverage to qualify for premium assistance payments for an  
470 eligible child under ss. 409.810-409.821, the health benefits  
471 coverage, except for coverage under Medicaid and Medikids, must  
472 include the following minimum benefits, as medically necessary.

473 (t) *Enhancements to minimum requirements.*—

474 1. This section sets the minimum benefits that must be  
475 included in any health benefits coverage, other than Medicaid or

Medikids coverage, offered under ss. 409.810-409.821. Health benefits coverage may include additional benefits not included under this subsection, but may not include benefits excluded under paragraph (r).

2. Health benefits coverage may extend any limitations beyond the minimum benefits described in this section.

Except for a plan under contract with the agency to serve children with special health care needs ~~the Children's Medical Services Network~~, the agency may not increase the premium assistance payment for either additional benefits provided beyond the minimum benefits described in this section or the imposition of less restrictive service limitations.

**Section 26. Effective July 1, 2025, paragraph (i) of subsection (1) of section 409.8177, Florida Statutes, is amended to read:**

409.8177 Program evaluation.—

(1) The agency, in consultation with the Department of Health, the Department of Children and Families, and the Florida Healthy Kids Corporation, shall contract for an evaluation of the Florida Kidcare program and shall by January 1 of each year submit to the Governor, the President of the Senate, and the Speaker of the House of Representatives a report of the program. In addition to the items specified under s. 2108 of Title XXI of the Social Security Act, the report shall include an assessment

of crowd-out and access to health care, as well as the following:

(i) An assessment of the effectiveness of the Florida Kidcare program, including Medicaid, the Florida Healthy Kids program, Medikids, and the plans under contract with the agency to serve children with special health care needs ~~Children's Medical Services network~~, and other public and private programs in the state in increasing the availability of affordable quality health insurance and health care for children.

**Section 27. Effective July 1, 2025, subsection (4) of section 409.818, Florida Statutes, is amended to read:**

409.818 Administration.—In order to implement ss. 409.810-409.821, the following agencies shall have the following duties:

(4) The Office of Insurance Regulation shall certify that health benefits coverage plans that seek to provide services under the Florida Kidcare program, except those offered through the Florida Healthy Kids Corporation ~~or the Children's Medical Services Network~~, meet, exceed, or are actuarially equivalent to the benchmark benefit plan and that health insurance plans will be offered at an approved rate. In determining actuarial equivalence of benefits coverage, the Office of Insurance Regulation and health insurance plans must comply with the requirements of s. 2103 of Title XXI of the Social Security Act. The department shall adopt rules necessary for certifying health benefits coverage plans.

**Section 28. Effective July 1, 2025, subsection (11) of section 409.912, Florida Statutes, is amended to read:**

409.912 Cost-effective purchasing of health care.—The agency shall purchase goods and services for Medicaid recipients in the most cost-effective manner consistent with the delivery of quality medical care. To ensure that medical services are effectively utilized, the agency may, in any case, require a confirmation or second physician's opinion of the correct diagnosis for purposes of authorizing future services under the Medicaid program. This section does not restrict access to emergency services or poststabilization care services as defined in 42 C.F.R. s. 438.114. Such confirmation or second opinion shall be rendered in a manner approved by the agency. The agency shall maximize the use of prepaid per capita and prepaid aggregate fixed-sum basis services when appropriate and other alternative service delivery and reimbursement methodologies, including competitive bidding pursuant to s. 287.057, designed to facilitate the cost-effective purchase of a case-managed continuum of care. The agency shall also require providers to minimize the exposure of recipients to the need for acute inpatient, custodial, and other institutional care and the inappropriate or unnecessary use of high-cost services. The agency shall contract with a vendor to monitor and evaluate the clinical practice patterns of providers in order to identify trends that are outside the normal practice patterns of a

551 provider's professional peers or the national guidelines of a  
552 provider's professional association. The vendor must be able to  
553 provide information and counseling to a provider whose practice  
554 patterns are outside the norms, in consultation with the agency,  
555 to improve patient care and reduce inappropriate utilization.  
556 The agency may mandate prior authorization, drug therapy  
557 management, or disease management participation for certain  
558 populations of Medicaid beneficiaries, certain drug classes, or  
559 particular drugs to prevent fraud, abuse, overuse, and possible  
560 dangerous drug interactions. The Pharmaceutical and Therapeutics  
561 Committee shall make recommendations to the agency on drugs for  
562 which prior authorization is required. The agency shall inform  
563 the Pharmaceutical and Therapeutics Committee of its decisions  
564 regarding drugs subject to prior authorization. The agency is  
565 authorized to limit the entities it contracts with or enrolls as  
566 Medicaid providers by developing a provider network through  
567 provider credentialing. The agency may competitively bid single-  
568 source-provider contracts if procurement of goods or services  
569 results in demonstrated cost savings to the state without  
570 limiting access to care. The agency may limit its network based  
571 on the assessment of beneficiary access to care, provider  
572 availability, provider quality standards, time and distance  
573 standards for access to care, the cultural competence of the  
574 provider network, demographic characteristics of Medicaid  
575 beneficiaries, practice and provider-to-beneficiary standards,

576 appointment wait times, beneficiary use of services, provider  
577 turnover, provider profiling, provider licensure history,  
578 previous program integrity investigations and findings, peer  
579 review, provider Medicaid policy and billing compliance records,  
580 clinical and medical record audits, and other factors. Providers  
581 are not entitled to enrollment in the Medicaid provider network.  
582 The agency shall determine instances in which allowing Medicaid  
583 beneficiaries to purchase durable medical equipment and other  
584 goods is less expensive to the Medicaid program than long-term  
585 rental of the equipment or goods. The agency may establish rules  
586 to facilitate purchases in lieu of long-term rentals in order to  
587 protect against fraud and abuse in the Medicaid program as  
588 defined in s. 409.913. The agency may seek federal waivers  
589 necessary to administer these policies.

590 (11) The agency shall implement a program of all-inclusive  
591 care for children. The program of all-inclusive care for  
592 children shall be established to provide in-home hospice-like  
593 support services to children diagnosed with a life-threatening  
594 illness ~~and enrolled in the Children's Medical Services network~~  
595 to reduce hospitalizations as appropriate. The agency, in  
596 consultation with the Department of Health, may implement the  
597 program of all-inclusive care for children after obtaining  
598 approval from the Centers for Medicare and Medicaid Services.

599 **Section 29. Effective July 1, 2025, subsection (1) of**  
600 **section 409.9126, Florida Statutes, is amended to read:**



409.9126 Children with special health care needs.—

(1) Except as provided in subsection (4), children eligible for the Children's Medical Services program who receive Medicaid benefits, and other Medicaid-eligible children with special health care needs, are ~~shall be~~ exempt from ~~the provisions of s. 409.9122 and shall be served through the Children's Medical Services network established in chapter 391.~~

**Section 30. Effective July 1, 2025, paragraph (a) of subsection (5) of section 409.9131, Florida Statutes, is amended to read:**

409.9131 Special provisions relating to integrity of the Medicaid program.—

(5) DETERMINATIONS OF OVERPAYMENT.—In making a determination of overpayment to a physician, the agency must:

(a) Use accepted and valid auditing, accounting, analytical, statistical, or peer-review methods, or combinations thereof. Appropriate statistical methods may include, but are not limited to, sampling and extension to the population, parametric and nonparametric statistics, tests of hypotheses, other generally accepted statistical methods, review of medical records, and a consideration of the physician's client case mix. Before performing a review of the physician's Medicaid records, however, the agency shall make every effort to consider the physician's patient case mix, including, but not limited to, patient age ~~and whether individual patients are clients of the~~

~~Children's Medical Services Network established in chapter 391.~~

In meeting its burden of proof in any administrative or court proceeding, the agency may introduce the results of such statistical methods and its other audit findings as evidence of overpayment.

**Section 31. Effective July 1, 2025, paragraph (e) of subsection (1) of section 409.920, Florida Statutes, is amended to read:**

409.920 Medicaid provider fraud.—

(1) For the purposes of this section, the term:

(e) "Managed care plans" means a health insurer authorized under chapter 624, an exclusive provider organization authorized under chapter 627, a health maintenance organization authorized under chapter 641, ~~the Children's Medical Services Network authorized under chapter 391,~~ a prepaid health plan authorized under this chapter, a provider service network authorized under this chapter, a minority physician network authorized under this chapter, and an emergency department diversion program authorized under this chapter or the General Appropriations Act, providing health care services pursuant to a contract with the Medicaid program.

**Section 32. Effective July 1, 2025, subsection (7) of section 409.962, Florida Statutes, is amended to read:**

409.962 Definitions.—As used in this part, except as otherwise specifically provided, the term:

(7) "Eligible plan" means a health insurer authorized under chapter 624, an exclusive provider organization authorized under chapter 627, a health maintenance organization authorized under chapter 641, or a provider service network authorized under s. 409.912(1) or an accountable care organization authorized under federal law. For purposes of the managed medical assistance program, the term also includes ~~the Children's Medical Services Network authorized under chapter 391~~ and entities qualified under 42 C.F.R. part 422 as Medicare Advantage Preferred Provider Organizations, Medicare Advantage Provider-sponsored Organizations, Medicare Advantage Health Maintenance Organizations, Medicare Advantage Coordinated Care Plans, and Medicare Advantage Special Needs Plans, and the Program of All-inclusive Care for the Elderly.

**Section 33. Subsection (3) of section 409.968, Florida Statutes, is amended to read:**

409.968 Managed care plan payments.—

~~(3) Reimbursement for prescribed pediatric extended care services provided to children enrolled in a managed care plan under s. 409.972(1)(g) shall be paid to the prescribed pediatric extended care services provider by the agency on a fee-for-service basis.~~

**Section 34. Paragraph (g) of subsection (1) of section 409.972, Florida Statutes, is amended to read:**

409.972 Mandatory and voluntary enrollment.—

(1) The following Medicaid-eligible persons are exempt from mandatory managed care enrollment required by s. 409.965, and may voluntarily choose to participate in the managed medical assistance program:

~~(g) Children receiving services in a prescribed pediatric extended care center.~~

**Section 35.** The Agency for Health Care Administration shall develop a comprehensive plan to redesign the Florida Medicaid Model Waiver for home and community-based services to include children who receive private duty nursing services. The plan must propose an array of tiered services with the goal of ensuring that institutional care is avoided so children can remain in the home or other community setting. The agency must work with stakeholders in developing the plan, including, but not limited to, families of children who are in the model waiver or receiving private duty nursing, advocates for children, providers of services to children receiving private duty nursing, and Statewide Medicaid Managed Care plans. The agency is authorized to contract with necessary experts to assist in developing the plan. The agency must submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives by September 30, 2025, addressing, at a minimum, all of the following:

(1) The purpose, rationale, and expected benefits of the redesigned waiver plan.

701       (2) The proposed eligibility criteria for clients and  
702       service benefit packages to be offered through the redesigned  
703       waiver plan. Managed care plans participating in the Statewide  
704       Medicaid Managed Care program must provide services under the  
705       redesigned waiver plan.

706       (3) A proposed implementation plan and timeline,  
707       including, but not limited to, recommendations for the number of  
708       clients served by the redesigned waiver plan at initial  
709       implementation, changes over time, and any per-client benefit  
710       caps.

711       (4) The fiscal impact for the implementation year and  
712       projections for the next 5 years determined on an actuarially  
713       sound basis.

714       (5) An analysis of the availability of services and  
715       service providers that would be offered under the redesigned  
716       waiver plan and recommendations to increase availability of such  
717       services, as applicable.

718       (6) A list of all stakeholders, public and private, who  
719       were consulted or contacted the development of the plan.

720       **Section 36.** Except as otherwise expressly provided in this  
721       act, this act shall take effect upon becoming a law.