

By Senator Harrell

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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; requiring the agency to
17 seek federal approval to amend the state's Medicaid
18 Model Waiver for home and community-based services to
19 include certain services; requiring the agency to
20 implement the approved waiver amendment subject to
21 certain conditions; authorizing the agency to adopt
22 rules; amending s. 409.974, F.S.; requiring the CMS
23 program to transfer operation of certain managed care
24 contracts from the department to the agency effective
25 on a specified date; requiring the CMS program to
26 conduct clinical eligibility screening for certain
27 children and youth with special health care needs;
28 requiring the program to provide ongoing consultation
29 to the agency for a specified purpose; requiring the

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30 agency to establish specific measures for evaluation
31 of services provided to children and youth with
32 special health care needs; requiring the agency to
33 contract with an independent evaluator to conduct the
34 evaluation of services provided; specifying
35 requirements for the evaluation; requiring the agency
36 to submit the results of the evaluation to the
37 Governor and the Legislature by a specified date;
38 amending s. 391.016, F.S.; revising the purposes and
39 functions of the CMS program; amending s. 391.021,
40 F.S.; revising definitions; amending s. 391.025, F.S.;
41 revising the scope of the CMS program; amending s.
42 391.026, F.S.; revising the powers and duties of the
43 department to conform to changes made by the act;
44 providing for the future repeal of s. 391.026(8)
45 through (11), F.S., relating to the department's
46 oversight and administration of the CMS program;
47 repealing s. 391.028, F.S., relating to administration
48 of the program; amending s. 391.029, F.S.; revising
49 program eligibility requirements; conforming
50 provisions to changes made by the act; amending s.
51 391.0315, F.S.; conforming provisions to changes made
52 by the act; providing for future repeal of specified
53 provisions; repealing ss. 391.035, 391.037, 391.045,
54 391.047, 391.055, and 391.071, F.S., relating to
55 provider qualifications; physicians and private sector
56 services; provider reimbursements; third-party
57 payments; service delivery systems under the program;
58 and quality of care requirements, respectively;

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59 amending s. 391.097, F.S.; conforming a provision to
60 changes made by the act; repealing part II of ch. 391,
61 F.S., consisting of ss. 391.221 and 391.223, F.S.,
62 relating to the Statewide Children's Medical Services
63 Network Advisory Council and technical advisory
64 panels, respectively; amending ss. 409.166, 409.811,
65 409.813, 409.8134, 409.814, 409.815, 409.8177,
66 409.818, 409.912, 409.9126, 409.9131, 409.920,
67 409.962, 409.968, and 409.972, F.S.; conforming
68 provisions to changes made by the act; providing
69 effective dates.

70

71 Be It Enacted by the Legislature of the State of Florida:

72

73 Section 1. Transfer of operation of the Children's Medical
74 Services Managed Care Plan.—

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

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

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88 Administration shall be substituted as a party in interest in
89 any such action.

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

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

98 (b) Provide ongoing consultation to the Agency for Health
99 Care Administration to ensure high-quality, family-centered,
100 coordinated health services within an effective system of care
101 for children and youth with special health care needs.

102 Section 2. Paragraph (d) of subsection (13) of section
103 409.906, Florida Statutes, is amended, and paragraph (e) is
104 added to that subsection, to read:

105 409.906 Optional Medicaid services.—Subject to specific
106 appropriations, the agency may make payments for services which
107 are optional to the state under Title XIX of the Social Security
108 Act and are furnished by Medicaid providers to recipients who
109 are determined to be eligible on the dates on which the services
110 were provided. Any optional service that is provided shall be
111 provided only when medically necessary and in accordance with
112 state and federal law. Optional services rendered by providers
113 in mobile units to Medicaid recipients may be restricted or
114 prohibited by the agency. Nothing in this section shall be
115 construed to prevent or limit the agency from adjusting fees,
116 reimbursement rates, lengths of stay, number of visits, or

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117 number of services, or making any other adjustments necessary to
118 comply with the availability of moneys and any limitations or
119 directions provided for in the General Appropriations Act or
120 chapter 216. If necessary to safeguard the state's systems of
121 providing services to elderly and disabled persons and subject
122 to the notice and review provisions of s. 216.177, the Governor
123 may direct the Agency for Health Care Administration to amend
124 the Medicaid state plan to delete the optional Medicaid service
125 known as "Intermediate Care Facilities for the Developmentally
126 Disabled." Optional services may include:

127 (13) HOME AND COMMUNITY-BASED SERVICES.—

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

134 (e) The agency shall seek federal approval to amend
135 Florida's Medicaid Model Waiver for home and community-based
136 services to include children who receive private duty nursing
137 services. The amended waiver must provide an array of tiered
138 services to more broadly serve medically fragile children who
139 receive private duty nursing services and must ensure that
140 institutional care is avoided so children can remain in the home
141 or community setting. Services provided under the waiver must be
142 provided by health plans participating in the Statewide Medicaid
143 Managed Care program. The agency shall implement the approved
144 waiver amendment subject to the availability of funds and any
145 limitations provided in the General Appropriations Act,

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146 including a limitation on the number of enrollees in the revised
147 waiver. The agency may adopt rules to implement this paragraph.

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

150 409.974 Eligible plans.—

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

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

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

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

163 3. Provide ongoing consultation to the agency to ensure
164 high-quality, family-centered, coordinated health services are
165 provided within an effective system of care for children and
166 youth with special health care needs.

167 (b) The agency shall establish specific measures of access,
168 quality, and costs of providing health care services to children
169 and youth with special health care needs. The agency shall
170 contract with an independent evaluator to conduct an evaluation
171 of services provided. The evaluation must include, but need not
172 be limited to, all of the following:

173 1. A performance comparison of plans contracted to provide
174 services to children and youth with special health care needs as

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175 well as plans contracted to serve a broader population of
176 Managed Medical Assistance enrollees. The performance comparison
177 must be based on the measures established by the agency and
178 differentiated based on the age and medical condition or
179 diagnosis of patients receiving services under each plan.

180 2. For each plan, an assessment of cost savings, patient
181 choice, access to services, coordination of care, person-
182 centered planning, health and quality-of-life outcomes, patient
183 and provider satisfaction, and provider networks and quality of
184 care.

185
186 The agency shall submit the results of the evaluation to the
187 Governor, the President of the Senate, and the Speaker of the
188 House of Representatives by January 15, 2028 ~~Participation by~~
189 ~~the Children's Medical Services Network shall be pursuant to a~~
190 ~~single, statewide contract with the agency that is not subject~~
191 ~~to the procurement requirements or regional plan number limits~~
192 ~~of this section. The Children's Medical Services Network must~~
193 ~~meet all other plan requirements for the managed medical~~
194 ~~assistance program.~~

195 Section 4. Subsection (1) of section 391.016, Florida
196 Statutes, is amended to read:

197 391.016 Purposes and functions.—The Children's Medical
198 Services program is established for the following purposes and
199 authorized to perform the following functions:

200 (1) Provide to children and youth with special health care
201 needs a family-centered, comprehensive, and coordinated
202 statewide managed system of care that links community-based
203 health care with multidisciplinary, regional, and tertiary

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204 pediatric specialty care. ~~The program shall coordinate and~~
205 ~~maintain a consistent medical home for participating children.~~

206 Section 5. Subsections (1), (2), and (4) of section
207 391.021, Florida Statutes, are reordered and amended to read:

208 391.021 Definitions.—When used in this act, the term:

209 (2)~~(1)~~ “Children’s Medical Services Managed Care Plan
210 network” or “plan network” means a statewide managed care
211 service system that includes health care providers, as defined
212 in this section.

213 (1)~~(2)~~ “Children and youth with special health care needs”
214 means those children and youth younger than 21 years of age who
215 have chronic and serious physical, developmental, behavioral, or
216 emotional conditions and who require health care and related
217 services of a type or amount beyond that which is generally
218 required by children and youth.

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

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

225 391.025 Applicability and scope.—

226 (1) The Children’s Medical Services program consists of the
227 following components:

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

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

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233 (c) The developmental evaluation and intervention program,
234 including the Early Steps Program established in ss. 391.301-
235 391.308.

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

238 (e) The Children's Multidisciplinary Assessment Team.

239 (f) The Medical Foster Care Program.

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

242 (h) The Safety Net Program.

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

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

247 Section 7. Section 391.026, Florida Statutes, is amended to
248 read:

249 391.026 Powers and duties of the department.—The department
250 shall have the following powers, duties, and responsibilities:

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

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

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

257 (4) To coordinate a comprehensive delivery system for
258 eligible individuals to take maximum advantage of all available
259 funds.

260 (5) To coordinate with programs relating to children's
261 medical services in cooperation with other public and private

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262 agencies.

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

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

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

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

274 ~~(10) To establish Children's Medical Services network
275 standards and credentialing requirements for health care
276 providers and health care services.~~

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

280 ~~(12) To monitor the provision of health services in the
281 program, including the utilization and quality of health
282 services.~~

283 (10)~~(13)~~ To administer the Children and Youth with Special
284 Health Care Needs program in accordance with Title V of the
285 Social Security Act.

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

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

290 (11)~~(16)~~ To receive and manage health care premiums,

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291 capitation payments, and funds from federal, state, local, and
292 private entities for the program. The department may contract
293 with a third-party administrator for processing claims,
294 monitoring medical expenses, and other related services
295 necessary to the efficient and cost-effective operation of the
296 Children's Medical Services Managed Care Plan through the end of
297 June 30, 2025 network. ~~The department is authorized to maintain~~
298 ~~a minimum reserve for the Children's Medical Services network in~~
299 ~~an amount that is the greater of:~~

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

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

305 ~~(12)-(17)~~ To provide or contract for peer review and other
306 quality-improvement activities.

307 ~~(13)-(18)~~ To adopt rules pursuant to ss. 120.536(1) and
308 120.54 to administer the Children's Medical Services Act.

309 ~~(14)-(19)~~ To serve as the lead agency in administering the
310 Early Steps Program pursuant to part C of the federal
311 Individuals with Disabilities Education Act and part III of this
312 chapter.

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

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

317 (b) Monitoring access and facilitating admissions of
318 eligible children and youth to the program and designated
319 medical foster care homes.

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320 (c) Coordination with the Department of Children and
321 Families and the Agency for Health Care Administration or their
322 designees.

323 Section 8. Effective July, 1, 2025, subsections (8) through
324 (11) of section 391.026, Florida Statutes, as amended by this
325 act, are repealed.

326 Section 9. Effective July 1, 2025, section 391.028, Florida
327 Statutes, is repealed.

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

330 391.029 Program eligibility.—

331 (2) The following individuals are eligible to receive
332 services through the program:

333 (a) Related to the regional perinatal intensive care
334 centers, a high-risk pregnant female who is enrolled in
335 Medicaid.

336 (b) Children and youth with serious special health care
337 needs from birth to 21 years of age who are enrolled in
338 Medicaid.

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

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

345 (a) Children and youth with serious special health care
346 needs from birth to 21 years of age who do not qualify for
347 Medicaid or Title XXI of the Social Security Act but who are
348 unable to access, due to lack of providers or lack of financial

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349 resources, specialized services that are medically necessary or
350 essential family support services. Families shall participate
351 financially in the cost of care based on a sliding fee scale
352 established by the department.

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

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

362 Section 11. Section 391.0315, Florida Statutes, is amended
363 to read:

364 391.0315 Benefits.—Benefits provided under the Children's
365 Medical Services Managed Care Plan ~~program for children with~~
366 ~~special health care needs~~ shall be equivalent to benefits
367 provided to children as specified in ss. 409.905 and 409.906.
368 The department may offer additional benefits through Children's
369 Medical Services programs for early intervention services,
370 respite services, genetic testing, genetic and nutritional
371 counseling, and parent support services, if such services are
372 determined to be medically necessary. This section is repealed
373 on January 1, 2026.

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

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

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

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

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

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

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

386 391.097 Research and evaluation.—

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

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

395 Section 19. Part II of chapter 391, Florida Statutes,
396 consisting of ss. 391.221 and 391.223, Florida Statutes, is
397 repealed, and part III of that chapter is redesignated as part
398 II.

399 Section 20. Effective July 1, 2025, paragraph (b) of
400 subsection (5) of section 409.166, Florida Statutes, is amended
401 to read:

402 409.166 Children within the child welfare system; adoption
403 assistance program.—

404 (5) ELIGIBILITY FOR SERVICES.—

405 (b) A child who is handicapped at the time of adoption is
406 ~~shall be~~ eligible for services through a plan under contract

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407 with the agency to serve children and youth with special health
408 care needs ~~the Children's Medical Services network established~~
409 ~~under part I of chapter 391~~ if the child was eligible for such
410 services before ~~prior to~~ the adoption.

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

413 409.811 Definitions relating to Florida Kidcare Act.—As
414 used in ss. 409.810-409.821, the term:

415 ~~(7) "Children's Medical Services Network" or "network"~~
416 ~~means a statewide managed care service system as defined in s.~~
417 ~~391.021(1).~~

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

420 409.813 Health benefits coverage; program components;
421 entitlement and nonentitlement.—

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

426 (a) Medicaid;

427 (b) Medikids as created in s. 409.8132;

428 (c) The Florida Healthy Kids Corporation as created in s.
429 624.91;

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

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

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

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

437 409.8134 Program expenditure ceiling; enrollment.—

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

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

449 409.814 Eligibility.—A child who has not reached 19 years
450 of age whose family income is equal to or below 300 percent of
451 the federal poverty level is eligible for the Florida Kidcare
452 program as provided in this section. If an enrolled individual
453 is determined to be ineligible for coverage, he or she must be
454 immediately disenrolled from the respective Florida Kidcare
455 program component.

456 (3) A Title XXI-funded child who is eligible for the
457 Florida Kidcare program who is a child with special health care
458 needs, as determined through a medical or behavioral screening
459 instrument, is eligible for health benefits coverage from and
460 shall be assigned to and may opt out of a plan under contract
461 with the agency to serve children with special health care needs
462 ~~the Children's Medical Services Network~~.

463 (10) In determining the eligibility of a child, an assets
464 test is not required. If eligibility for the Florida Kidcare

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465 program cannot be verified using reliable data sources in
466 accordance with federal requirements, each applicant shall
467 provide documentation during the application process and the
468 redetermination process, including, but not limited to, the
469 following:

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

474 Section 25. Effective July 1, 2025, paragraph (t) of
475 subsection (2) of section 409.815, Florida Statutes, is amended
476 to read:

477 409.815 Health benefits coverage; limitations.—

478 (2) BENCHMARK BENEFITS.—In order for health benefits
479 coverage to qualify for premium assistance payments for an
480 eligible child under ss. 409.810-409.821, the health benefits
481 coverage, except for coverage under Medicaid and Medikids, must
482 include the following minimum benefits, as medically necessary.

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

484 1. This section sets the minimum benefits that must be
485 included in any health benefits coverage, other than Medicaid or
486 Medikids coverage, offered under ss. 409.810-409.821. Health
487 benefits coverage may include additional benefits not included
488 under this subsection, but may not include benefits excluded
489 under paragraph (r).

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

492
493 Except for a plan under contract with the agency to serve

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494 children with special health care needs ~~the Children's Medical~~
495 ~~Services Network~~, the agency may not increase the premium
496 assistance payment for either additional benefits provided
497 beyond the minimum benefits described in this section or the
498 imposition of less restrictive service limitations.

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

502 409.8177 Program evaluation.—

503 (1) The agency, in consultation with the Department of
504 Health, the Department of Children and Families, and the Florida
505 Healthy Kids Corporation, shall contract for an evaluation of
506 the Florida Kidcare program and shall by January 1 of each year
507 submit to the Governor, the President of the Senate, and the
508 Speaker of the House of Representatives a report of the program.
509 In addition to the items specified under s. 2108 of Title XXI of
510 the Social Security Act, the report shall include an assessment
511 of crowd-out and access to health care, as well as the
512 following:

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

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

522 409.818 Administration.—In order to implement ss. 409.810-

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523 409.821, the following agencies shall have the following duties:

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

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

538 409.912 Cost-effective purchasing of health care.—The
539 agency shall purchase goods and services for Medicaid recipients
540 in the most cost-effective manner consistent with the delivery
541 of quality medical care. To ensure that medical services are
542 effectively utilized, the agency may, in any case, require a
543 confirmation or second physician's opinion of the correct
544 diagnosis for purposes of authorizing future services under the
545 Medicaid program. This section does not restrict access to
546 emergency services or poststabilization care services as defined
547 in 42 C.F.R. s. 438.114. Such confirmation or second opinion
548 shall be rendered in a manner approved by the agency. The agency
549 shall maximize the use of prepaid per capita and prepaid
550 aggregate fixed-sum basis services when appropriate and other
551 alternative service delivery and reimbursement methodologies,

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552 including competitive bidding pursuant to s. 287.057, designed
553 to facilitate the cost-effective purchase of a case-managed
554 continuum of care. The agency shall also require providers to
555 minimize the exposure of recipients to the need for acute
556 inpatient, custodial, and other institutional care and the
557 inappropriate or unnecessary use of high-cost services. The
558 agency shall contract with a vendor to monitor and evaluate the
559 clinical practice patterns of providers in order to identify
560 trends that are outside the normal practice patterns of a
561 provider's professional peers or the national guidelines of a
562 provider's professional association. The vendor must be able to
563 provide information and counseling to a provider whose practice
564 patterns are outside the norms, in consultation with the agency,
565 to improve patient care and reduce inappropriate utilization.
566 The agency may mandate prior authorization, drug therapy
567 management, or disease management participation for certain
568 populations of Medicaid beneficiaries, certain drug classes, or
569 particular drugs to prevent fraud, abuse, overuse, and possible
570 dangerous drug interactions. The Pharmaceutical and Therapeutics
571 Committee shall make recommendations to the agency on drugs for
572 which prior authorization is required. The agency shall inform
573 the Pharmaceutical and Therapeutics Committee of its decisions
574 regarding drugs subject to prior authorization. The agency is
575 authorized to limit the entities it contracts with or enrolls as
576 Medicaid providers by developing a provider network through
577 provider credentialing. The agency may competitively bid single-
578 source-provider contracts if procurement of goods or services
579 results in demonstrated cost savings to the state without
580 limiting access to care. The agency may limit its network based

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581 on the assessment of beneficiary access to care, provider
582 availability, provider quality standards, time and distance
583 standards for access to care, the cultural competence of the
584 provider network, demographic characteristics of Medicaid
585 beneficiaries, practice and provider-to-beneficiary standards,
586 appointment wait times, beneficiary use of services, provider
587 turnover, provider profiling, provider licensure history,
588 previous program integrity investigations and findings, peer
589 review, provider Medicaid policy and billing compliance records,
590 clinical and medical record audits, and other factors. Providers
591 are not entitled to enrollment in the Medicaid provider network.
592 The agency shall determine instances in which allowing Medicaid
593 beneficiaries to purchase durable medical equipment and other
594 goods is less expensive to the Medicaid program than long-term
595 rental of the equipment or goods. The agency may establish rules
596 to facilitate purchases in lieu of long-term rentals in order to
597 protect against fraud and abuse in the Medicaid program as
598 defined in s. 409.913. The agency may seek federal waivers
599 necessary to administer these policies.

600 (11) The agency shall implement a program of all-inclusive
601 care for children. The program of all-inclusive care for
602 children shall be established to provide in-home hospice-like
603 support services to children diagnosed with a life-threatening
604 illness ~~and enrolled in the Children's Medical Services network~~
605 to reduce hospitalizations as appropriate. The agency, in
606 consultation with the Department of Health, may implement the
607 program of all-inclusive care for children after obtaining
608 approval from the Centers for Medicare and Medicaid Services.

609 Section 29. Effective July 1, 2025, subsection (1) of

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610 section 409.9126, Florida Statutes, is amended to read:

611 409.9126 Children with special health care needs.—

612 (1) Except as provided in subsection (4), children eligible
613 for the Children's Medical Services program who receive Medicaid
614 benefits, and other Medicaid-eligible children with special
615 health care needs, are ~~shall be~~ exempt from ~~the provisions of s.~~
616 ~~409.9122 and shall be served through the Children's Medical~~
617 ~~Services network established in chapter 391.~~

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

621 409.9131 Special provisions relating to integrity of the
622 Medicaid program.—

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

625 (a) Use accepted and valid auditing, accounting,
626 analytical, statistical, or peer-review methods, or combinations
627 thereof. Appropriate statistical methods may include, but are
628 not limited to, sampling and extension to the population,
629 parametric and nonparametric statistics, tests of hypotheses,
630 other generally accepted statistical methods, review of medical
631 records, and a consideration of the physician's client case mix.
632 Before performing a review of the physician's Medicaid records,
633 however, the agency shall make every effort to consider the
634 physician's patient case mix, including, but not limited to,
635 patient age ~~and whether individual patients are clients of the~~
636 ~~Children's Medical Services Network established in chapter 391.~~
637 In meeting its burden of proof in any administrative or court
638 proceeding, the agency may introduce the results of such

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639 statistical methods and its other audit findings as evidence of
640 overpayment.

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

644 409.920 Medicaid provider fraud.—

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

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

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

659 409.962 Definitions.—As used in this part, except as
660 otherwise specifically provided, the term:

661 (7) "Eligible plan" means a health insurer authorized under
662 chapter 624, an exclusive provider organization authorized under
663 chapter 627, a health maintenance organization authorized under
664 chapter 641, or a provider service network authorized under s.
665 409.912(1) or an accountable care organization authorized under
666 federal law. For purposes of the managed medical assistance
667 program, the term also includes ~~the Children's Medical Services~~

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668 ~~Network authorized under chapter 391 and entities qualified~~
669 ~~under 42 C.F.R. part 422 as Medicare Advantage Preferred~~
670 ~~Provider Organizations, Medicare Advantage Provider-sponsored~~
671 ~~Organizations, Medicare Advantage Health Maintenance~~
672 ~~Organizations, Medicare Advantage Coordinated Care Plans, and~~
673 ~~Medicare Advantage Special Needs Plans, and the Program of All-~~
674 ~~inclusive Care for the Elderly.~~

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

677 409.968 Managed care plan payments.—

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

683 Section 34. Paragraph (g) of subsection (1) of section
684 409.972, Florida Statutes, is amended to read:

685 409.972 Mandatory and voluntary enrollment.—

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

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

692 Section 35. Except as otherwise expressly provided in this
693 act, this act shall take effect upon becoming a law.