CS/CS/SB 1484 — Medicaid

by Policy and Steering Committee on Ways and Means; Health and Human Services Appropriations; and Senator Peaden

This bill makes statutory changes to conform to the funding decisions included in the General Appropriations Act for Fiscal Year 2010-2011. Specifically, the bill:

- Directs the Agency for Health Care Administration (AHCA) to request an extension of the Medicaid Reform waiver obtained under section 1115 of the Social Security Act by no later than July 1, 2010, and to preserve the Low Income Pool provisions of the waiver. In addition, the bill requires the AHCA to report monthly to the Legislature and the Governor on the waiver extension negotiations with the federal Centers for Medicare and Medicaid Services.

- Directs the AHCA to convene a workgroup of stakeholders to develop methodologies to maintain the use of intergovernmental transfers and certified public expenditures in a Medicaid managed care environment and requires the AHCA to provide a report by January 1, 2011, on the developed methodologies.

- Creates the Medicaid and Public Assistance Fraud Strike Force (Strike Force) within the Department of Financial Services (DFS) to develop a statewide strategy and coordinate state and local efforts and resources to prevent, investigate and prosecute Medicaid and public assistance fraud.

- Requires the Strike Force to hold its organization meeting by no later than March 1, 2011, and requires the Strike Force to meet at least four times annually. The Strike Force will consist of 11 members with Chief Financial Officer (CFO) serving as chair, and the Attorney General serving as vice-chair.

- Directs the Strike Force to provide recommendations and advice to the CFO on initiatives that include, but are not limited to:
  - Conducting a census of current Medicaid and public assistance fraud efforts;
  - Developing a strategic plan targeting state and local resources to prevent, detect, and deter Medicaid and public assistance fraud;
  - Developing innovative technology and data sharing among affected entities;
  - Establishing a program that provides grants to state and local agencies to implement effective anti-fraud measures;
  - Providing grants, contingent upon appropriation, for multiagency Medicaid and public assistance fraud efforts;
  - Providing assistance to state attorneys for support services or for the hiring of assistant state attorneys to prosecute Medicaid and public assistance fraud; and
  - Providing assistance to judges for support services or for the hiring of senior judges so that Medicaid and public assistance fraud cases can be heard expeditiously.

- Requires the CFO to develop model interagency agreements to coordinate the investigation of Medicaid and public assistance fraud.

- Transfers the Public Assistance Fraud Division from the Florida Department of Law Enforcement to the DFS on January 1, 2011.

- Authorizes Medicaid related fraud units to be collocated, to the extent possible, and requires the Medicaid managed care fraud investigators within the Attorney General's Office to collocate with the Division of Insurance Fraud within the DFS.

- Requires the Auditor General and the Office of Program Policy Analysis and Government Accountability to review and evaluate the AHCA's Medicaid fraud and abuse systems and requires a report to the Legislature and Governor by December 1, 2011.

- Requires each Medicaid managed care plan to adopt an anti-fraud plan to address overpayment, abuse, and fraud in the provision of Medicaid services and to submit the plan for approval to the Office of Medicaid Program Integrity within the AHCA. The amendment establishes minimum standards for anti-fraud plans and requires each Medicaid managed care plan to establish a fraud investigative unit or contract with such an entity. In addition, the amendment provides penalties for Medicaid managed care plans that fail to comply with these provisions.

- Requires all Medicaid managed care plans to report any suspected instance of overpayment, fraud, or abuse to the Office of Medicaid Program Integrity within 15 days.

- Revises the requirements for the selection of a behavioral health care provider in Broward County to allow foster children who are in the custody of the Department of Children and Family Services to enroll in a managed care plan which provides both physical and mental health care services. Authorizes a participating specialty plan to receive an administrative fee for coordination of services based upon the receipt of the state share of the fee from intergovernmental transfers.

- Allows a provider service network to provide behavioral health services in addition to physical health services in areas of the state not under Medicaid reform.

- Provides additional time for converting from fee-for-service payments to capitated payments for approved provider service networks and Children's Medical Services Networks.

If approved by the Governor, these provisions take effect July 1, 2010, except as otherwise provided.
Vote: Senate 39-0; House 115-0