

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  
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;  
 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 Children's Medical Services councils and  
 63 panels; amending ss. 409.166, 409.811, 409.813,  
 64 409.8134, 409.814, 409.815, 409.8177, 409.818,  
 65 409.912, 409.9126, 409.9131, 409.920, 409.962,  
 66 409.968, and 409.972, F.S.; conforming provisions to  
 67 changes made by the act; providing effective dates.

68  
 69 Be It Enacted by the Legislature of the State of Florida:

70  
 71 **Section 1.** Transfer of operation of the Children's Medical  
 72 Services Managed Care Plan.—

73 (1) Effective July 1, 2025, all statutory powers, duties,  
 74 functions, records, personnel, pending issues, existing  
 75 contracts, administrative authority, administrative rules, and

76 unexpended balances of appropriations, allocations, and other  
77 funds for the operation of the Department of Health's Children's  
78 Medical Services Managed Care Plan are transferred to the Agency  
79 for Health Care Administration.

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

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

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

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

100 **Section 2. Paragraph (d) of subsection (13) of section**

101 **409.906, Florida Statutes, is amended, and paragraph (e) is**  
 102 **added to that subsection, to read:**

103       409.906 Optional Medicaid services.—Subject to specific  
 104 appropriations, the agency may make payments for services which  
 105 are optional to the state under Title XIX of the Social Security  
 106 Act and are furnished by Medicaid providers to recipients who  
 107 are determined to be eligible on the dates on which the services  
 108 were provided. Any optional service that is provided shall be  
 109 provided only when medically necessary and in accordance with  
 110 state and federal law. Optional services rendered by providers  
 111 in mobile units to Medicaid recipients may be restricted or  
 112 prohibited by the agency. Nothing in this section shall be  
 113 construed to prevent or limit the agency from adjusting fees,  
 114 reimbursement rates, lengths of stay, number of visits, or  
 115 number of services, or making any other adjustments necessary to  
 116 comply with the availability of moneys and any limitations or  
 117 directions provided for in the General Appropriations Act or  
 118 chapter 216. If necessary to safeguard the state's systems of  
 119 providing services to elderly and disabled persons and subject  
 120 to the notice and review provisions of s. 216.177, the Governor  
 121 may direct the Agency for Health Care Administration to amend  
 122 the Medicaid state plan to delete the optional Medicaid service  
 123 known as "Intermediate Care Facilities for the Developmentally  
 124 Disabled." Optional services may include:

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

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

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

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

148 409.974 Eligible plans.—

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

150 (a) The Department of Health's Children's Medical Services

151 program shall do all of the following:

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

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

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

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

171 1. A performance comparison of plans contracted to provide  
172 services to children and youth with special health care needs as  
173 well as plans contracted to serve a broader population of  
174 Managed Medical Assistance enrollees. The performance comparison  
175 must be based on the measures established by the agency and

176 differentiated based on the age and medical condition or  
177 diagnosis of patients receiving services under each plan.

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

183  
184 The agency shall submit the results of the evaluation to the  
185 Governor, the President of the Senate, and the Speaker of the  
186 House of Representatives by January 15, 2028 ~~Participation by~~  
187 ~~the Children's Medical Services Network shall be pursuant to a~~  
188 ~~single, statewide contract with the agency that is not subject~~  
189 ~~to the procurement requirements or regional plan number limits~~  
190 ~~of this section. The Children's Medical Services Network must~~  
191 ~~meet all other plan requirements for the managed medical~~  
192 ~~assistance program.~~

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

195 391.016 Purposes and functions.—The Children's Medical  
196 Services program is established for the following purposes and  
197 authorized to perform the following functions:

198 (1) Provide to children and youth with special health care  
199 needs a family-centered, comprehensive, and coordinated  
200 statewide managed system of care that links community-based

201 health care with multidisciplinary, regional, and tertiary  
202 pediatric specialty care. ~~The program shall coordinate and~~  
203 ~~maintain a consistent medical home for participating children.~~

204 **Section 5. Subsections (1), (2), and (4) of section**  
205 **391.021, Florida Statutes, are amended to read:**

206 391.021 Definitions.—When used in this act, the term:

207 (2)~~(1)~~ "Children's Medical Services Managed Care Plan  
208 ~~network~~" or "plan network" means a statewide managed care  
209 service system that includes health care providers, as defined  
210 in this section.

211 (1)~~(2)~~ "Children and youth with special health care needs"  
212 means those children and youth younger than 21 years of age who  
213 have chronic and serious physical, developmental, behavioral, or  
214 emotional conditions and who require health care and related  
215 services of a type or amount beyond that which is generally  
216 required by children and youth.

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

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

223 391.025 Applicability and scope.—

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

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

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

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

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

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

237 (f) The Medical Foster Care Program.

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

240 (h) The Safety Net Program.

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

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

245 **Section 7. Section 391.026, Florida Statutes, is amended**  
246 **to read:**

247 391.026 Powers and duties of the department.—The  
248 department shall have the following powers, duties, and  
249 responsibilities:

250 (1) To provide or contract for the provision of health

251 services to eligible individuals.

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

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

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

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

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

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

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

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

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

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

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

282 (10)~~(13)~~ To administer the Children and Youth with Special  
 283 Health Care Needs program in accordance with Title V of the  
 284 Social Security Act.

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

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

289 (11)~~(16)~~ To receive and manage health care premiums,  
 290 capitation payments, and funds from federal, state, local, and  
 291 private entities for the program. The department may contract  
 292 with a third-party administrator for processing claims,  
 293 monitoring medical expenses, and other related services  
 294 necessary to the efficient and cost-effective operation of the  
 295 Children's Medical Services Managed Care Plan through the end of  
 296 June 30, 2025 ~~network. The department is authorized to maintain~~  
 297 ~~a minimum reserve for the Children's Medical Services network in~~  
 298 ~~an amount that is the greater of:~~

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

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

304 (12)~~(17)~~ To provide or contract for peer review and other  
305 quality-improvement activities.

306 (13)~~(18)~~ To adopt rules pursuant to ss. 120.536(1) and  
307 120.54 to administer the Children's Medical Services Act.

308 (14)~~(19)~~ To serve as the lead agency in administering the  
309 Early Steps Program pursuant to part C of the federal  
310 Individuals with Disabilities Education Act and part III of this  
311 chapter.

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

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

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

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

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

325 **Section 9.** Effective July 1, 2025, section 391.028,

326 Florida Statutes, is repealed.

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

329 391.029 Program eligibility.—

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

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

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

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

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

344 (a) Children and youth with serious special health care  
345 needs from birth to 21 years of age who do not qualify for  
346 Medicaid or Title XXI of the Social Security Act but who are  
347 unable to access, due to lack of providers or lack of financial  
348 resources, specialized services that are medically necessary or  
349 essential family support services. Families shall participate  
350 financially in the cost of care based on a sliding fee scale

351 established by the department.

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

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

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

363 391.0315 Benefits.—Benefits provided under the Children's  
364 Medical Services Managed Care Plan ~~program for children with~~  
365 ~~special health care needs~~ shall be equivalent to benefits  
366 provided to children as specified in ss. 409.905 and 409.906.  
367 The department may offer additional benefits through Children's  
368 Medical Services programs for early intervention services,  
369 respite services, genetic testing, genetic and nutritional  
370 counseling, and parent support services, if such services are  
371 determined to be medically necessary. This section is repealed  
372 on January 1, 2026.

373 **Section 12. Section 391.035, Florida Statutes, is**  
374 **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  
 378 repealed.

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

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

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

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

387 391.097 Research and evaluation.—

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

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

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

400 **Section 20. Effective July 1, 2025, paragraph (b) of**

401 **subsection (5) of section 409.166, Florida Statutes, is amended**  
 402 **to read:**

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

405 (5) ELIGIBILITY FOR SERVICES.—

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

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

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

416 ~~(7) "Children's Medical Services Network" or "network"~~  
 417 ~~means a statewide managed care service system as defined in s.~~  
 418 ~~391.021(1).~~

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

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

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

426 program:

427 (a) Medicaid;

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

429 (c) The Florida Healthy Kids Corporation as created in s.  
430 624.91;

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

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

436 **Section 23. Effective July 1, 2025, subsection (3) of**  
437 **section 409.8134, Florida Statutes, is amended to read:**

438 409.8134 Program expenditure ceiling; enrollment.—

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

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

450 409.814 Eligibility.—A child who has not reached 19 years

451 of age whose family income is equal to or below 300 percent of  
452 the federal poverty level is eligible for the Florida Kidcare  
453 program as provided in this section. If an enrolled individual  
454 is determined to be ineligible for coverage, he or she must be  
455 immediately disenrolled from the respective Florida Kidcare  
456 program component.

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

464 (10) In determining the eligibility of a child, an assets  
465 test is not required. If eligibility for the Florida Kidcare  
466 program cannot be verified using reliable data sources in  
467 accordance with federal requirements, each applicant shall  
468 provide documentation during the application process and the  
469 redetermination process, including, but not limited to, the  
470 following:

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

475 **Section 25. Effective July 1, 2025, paragraph (t) of**

476 **subsection (2) of section 409.815, Florida Statutes, is amended**  
477 **to read:**

478 409.815 Health benefits coverage; limitations.—

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

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

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

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

493  
494 Except for a plan under contract with the agency to serve  
495 children with special health care needs ~~the Children's Medical~~  
496 ~~Services Network~~, the agency may not increase the premium  
497 assistance payment for either additional benefits provided  
498 beyond the minimum benefits described in this section or the  
499 imposition of less restrictive service limitations.

500 **Section 26. Effective July 1, 2025, paragraph (i) of**

501 **subsection (1) of section 409.8177, Florida Statutes, is amended**  
 502 **to read:**

503 409.8177 Program evaluation.—

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

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

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

523 409.818 Administration.—In order to implement ss. 409.810-  
 524 409.821, the following agencies shall have the following duties:

525 (4) The Office of Insurance Regulation shall certify that

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

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

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

551 aggregate fixed-sum basis services when appropriate and other  
552 alternative service delivery and reimbursement methodologies,  
553 including competitive bidding pursuant to s. 287.057, designed  
554 to facilitate the cost-effective purchase of a case-managed  
555 continuum of care. The agency shall also require providers to  
556 minimize the exposure of recipients to the need for acute  
557 inpatient, custodial, and other institutional care and the  
558 inappropriate or unnecessary use of high-cost services. The  
559 agency shall contract with a vendor to monitor and evaluate the  
560 clinical practice patterns of providers in order to identify  
561 trends that are outside the normal practice patterns of a  
562 provider's professional peers or the national guidelines of a  
563 provider's professional association. The vendor must be able to  
564 provide information and counseling to a provider whose practice  
565 patterns are outside the norms, in consultation with the agency,  
566 to improve patient care and reduce inappropriate utilization.  
567 The agency may mandate prior authorization, drug therapy  
568 management, or disease management participation for certain  
569 populations of Medicaid beneficiaries, certain drug classes, or  
570 particular drugs to prevent fraud, abuse, overuse, and possible  
571 dangerous drug interactions. The Pharmaceutical and Therapeutics  
572 Committee shall make recommendations to the agency on drugs for  
573 which prior authorization is required. The agency shall inform  
574 the Pharmaceutical and Therapeutics Committee of its decisions  
575 regarding drugs subject to prior authorization. The agency is

576 authorized to limit the entities it contracts with or enrolls as  
577 Medicaid providers by developing a provider network through  
578 provider credentialing. The agency may competitively bid single-  
579 source-provider contracts if procurement of goods or services  
580 results in demonstrated cost savings to the state without  
581 limiting access to care. The agency may limit its network based  
582 on the assessment of beneficiary access to care, provider  
583 availability, provider quality standards, time and distance  
584 standards for access to care, the cultural competence of the  
585 provider network, demographic characteristics of Medicaid  
586 beneficiaries, practice and provider-to-beneficiary standards,  
587 appointment wait times, beneficiary use of services, provider  
588 turnover, provider profiling, provider licensure history,  
589 previous program integrity investigations and findings, peer  
590 review, provider Medicaid policy and billing compliance records,  
591 clinical and medical record audits, and other factors. Providers  
592 are not entitled to enrollment in the Medicaid provider network.  
593 The agency shall determine instances in which allowing Medicaid  
594 beneficiaries to purchase durable medical equipment and other  
595 goods is less expensive to the Medicaid program than long-term  
596 rental of the equipment or goods. The agency may establish rules  
597 to facilitate purchases in lieu of long-term rentals in order to  
598 protect against fraud and abuse in the Medicaid program as  
599 defined in s. 409.913. The agency may seek federal waivers  
600 necessary to administer these policies.

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

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

612 409.9126 Children with special health care needs.—

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

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

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

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

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

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

645 409.920 Medicaid provider fraud.—

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

647 (e) "Managed care plans" means a health insurer authorized  
 648 under chapter 624, an exclusive provider organization authorized  
 649 under chapter 627, a health maintenance organization authorized  
 650 under chapter 641, ~~the Children's Medical Services Network~~

651 ~~authorized under chapter 391,~~ a prepaid health plan authorized  
 652 under this chapter, a provider service network authorized under  
 653 this chapter, a minority physician network authorized under this  
 654 chapter, and an emergency department diversion program  
 655 authorized under this chapter or the General Appropriations Act,  
 656 providing health care services pursuant to a contract with the  
 657 Medicaid program.

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

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

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

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

678           409.968 Managed care plan payments.—

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

684           **Section 34. Paragraph (g) of subsection (1) of section**  
 685 **409.972, Florida Statutes, is amended to read:**

686           409.972 Mandatory and voluntary enrollment.—

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

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

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